Euro Ressources Reports Earnings For The Six Months Ended June 30, 2014

13.08.2014 | Globenewswire Europe

PARIS, Aug. 13, 2014 (GLOBE NEWSWIRE) -- EURO Ressources S.A. (EURO or the Company) (Paris:EUR) today announced its unaudited statutory interim financial results prepared in accordance with French Generally Accepted Accounting Principles (GAAP) and its unaudited interim financial results prepared in accordance with International Financial Reporting Standards (IFRS) for the six months ended June 30, 2014. These unaudited interim financial results were approved by the Board of Directors on August 12, 2014. All financial amounts are expressed in Euros (€ or euros) unless otherwise specified.

Under French GAAP, EURO reported a net profit of €6.6 million (€0.106 per share) for the six months ended June 30, 2014, compared to €9.6 million (€0.153 per share) for the six months ended June 30, 2013.

Under IFRS, EURO reported a net profit of €6.2 million (€0.099 per share) for the first six months of 2014, compared to €9.6 million (€0.153 per share) for the six months ended June 30, 2013.

Highlights for the second quarter of 2014

Under French GAAP and IFRS, EURO recorded revenues from ordinary activities of €5.0 million for the second quarter of 2014, a decrease of 31% compared to €7.2 million for the second quarter of 2013. During the first six months of 2014, EURO recorded revenues from ordinary activities of €11.0 million, a decrease of 35% compared to €16.8 million for the same period in 2013.

On June 30, 2014, EURO paid a dividend of €11.9 million (€0.19 per share).

"Despite a significant drop in the gold price and lower production at Rosebel, EURO is in a strong financial position" stated Benjamin Little, Directeur-Général.

Comments on financial results under French GAAP for the six months ended June 30, 2014 from the French "Rapport de Gestion" (equivalent of Management's Discussion and Analysis)

Under French GAAP, EURO recorded revenues of €11.0 million for the six months ended June 30, 2014, a decrease of 35% compared to revenues of €16.8 million during the six months ended June 30, 2013. Revenues are mainly attributable to the Rosebel royalty of €10.8 million (six months ended June 30, 2013: €16.6 million). The decrease in revenues is due to the lower average gold price during the six months ended June 30, 2014 of US$1,291 per ounce of gold compared to US$1,523 per ounce of gold during the same period in 2013 for €2.9 million, the decrease in gold production with 155,267 ounces of gold produced in the six months ended June 30, 2014 as compared to 179,991 ounces of gold produced during the same period in 2013 for €2.2 million, and the strengthened Euro currency for €0.7 million.

Operating expenses (excluding amortization expense) for the six months ended June 30, 2014 were €0.6 million, which is lower than €0.77 million during the same period in 2013. The decrease is essentially due to lower value added tax (Cotisation sur la Valeur Ajoutée des Entreprises (C.V.A.E.)) explained by lower revenues.

The decrease in amortization expense to €0.24 million during the first half of 2014 compared to €0.28 million during the six months ended June 30, 2013 is substantially due to the decrease in gold production at the Rosebel mine.

EURO recorded an income tax expense of €4.0 million including €0.4 million of tax on dividend distributions for the six months ended June 30, 2014 compared to €6.1 million including €0.7 million of tax on dividend distributions during the six months ended June 30, 2013. The decrease in 2014 is mainly due to lower revenues and lower dividend distributions.

Liquidity and Capital resources

Cash and cash equivalents at June 30, 2014 totaled €0.7 million as compared to €8.0 million at December

31, 2013. The decrease is mainly due to the payment of dividends on June 30, 2014 (€0.19 per share totaling €11.9 million) and tax payments, partially offset by revenues of royalties cashed during the period. All of the cash and cash equivalents are unrestricted. EURO expects to have sufficient cash flow to fund its ongoing operational needs.

Select IFRS financial results taken from EURO's IFRS Management's Discussion and Analysis

Second quarter ended June 30, 2014 compared to second quarter ended June 30, 2013

EURO recorded a net profit of €2.6 million (€0.041 per share) for the second quarter of 2014 compared to €3.7 million (€0.060 per share) for the second quarter of 2013.

EURO recorded revenues of €5.0 million for the second quarter of 2014, a decrease of 31% compared to revenues of €7.2 million during the second quarter of 2013. Revenues are mainly attributable to the Rosebel royalty of €4.9 million (second quarter of 2013: €7.1 million). The decrease in revenues is due to the decrease in gold production with 70,954 ounces of gold produced in the second quarter of 2014 as compared to 85,871 ounces of gold produced during the second quarter of 2013 for €1.2 million, the lower average gold price during the second quarter of 2014 of US$1,288 per ounce of gold compared to US$1,415 per ounce of gold during the same period in 2013 for €0.7 million, and the strengthened Euro currency for €0.3 million.

Operating expenses for the second quarter of 2014 were €0.27 million, which is slightly lower than €0.29 million during the same period in 2013.

The decrease in amortization expense to €0.11 million (second quarter of 2013: €0.14 million) is due to the decrease in gold production at the Rosebel mine.

EURO recorded an income tax expense of €2.1 million including €0.4 million of tax on dividend distributions for the second quarter of 2014 compared to €3.0 million including €0.7 million of tax on dividend distributions during the second quarter of 2013. The decrease in 2014 is mainly due to lower revenues and to lower dividend distributions.

Six months ended June 30, 2014 compared to six months ended June 30, 2013

EURO recorded a net profit of €6.2 million (€0.099 per share) for the six months ended June 30, 2014 compared to €9.6 million (€0.153 per share) for the six months ended June 30, 2013.

Revenues under IFRS are equivalent to revenues under French GAAP as reported above.

Operating expenses for the six months ended June 30, 2014 were €0.46 million, which is slightly lower than €0.51 million during the first half of 2013.

The decrease in amortization expense to €0.24 million (six months ended June 30, 2013: €0.29 million) is substantially due to the decrease in gold production at the Rosebel mine.

EURO recorded an income tax expense of €4.1 million including €0.4 million of tax on dividend distributions for the six months ended June 30, 2014 compared to €6.3 million including €0.7 million of tax on dividend distributions during the six months ended June 30, 2013. The decrease in 2014 is mainly due to lower revenues and to lower dividend distributions.

About EURO

EURO is a French company whose principal asset is the Rosebel royalty on gold production at the Rosebel mine operated by IAMGOLD Corporation (IAMGOLD). EURO has approximately 62.5 million shares outstanding. IAMGOLD France S.A.S., an indirect wholly owned subsidiary of IAMGOLD, owns today approximately 86% of all outstanding shares.

Statements Regarding Forward-Looking Information: Some statements in this news release are forward-looking statements. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties. There can be no assurance that future developments affecting the Company will be those anticipated by management.

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Additional information relating to EURO Ressources S.A. is available on SEDAR at www.sedar.com. Further requests for information should be addressed to:

EURO RESSOURCES REPORTS EARNINGS FOR THE SIX MONTHS ENDED JUNE 30, 20:
http://hugin.info/143433/R/1848758/645208.pdf

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