

OUR FINANCIAL PROFILE

The following financial information is based on SMF's most recently filed Form 10-Q for the quarter ended September 30, 2011. Unless otherwise noted, all stock information is as of September 30, 2011.

- Market Capitalization of \$20.89 million based on 8,527,078 million shares of issued and outstanding common stock, based on the official NASDAQ closing price of \$2.45.
- Total issued common shares are 8,527,078.
- Total common shares authorized are 50,000,000.
- 52 Week High/Low closing prices of \$2.59/\$1.20.
- Average Daily Trading Volume of 63,122 shares based on the 90 day period ended September 30, 2011.

Audited Fiscal Years ended June 2011 and 2010

In thousands (except for debt/equity ratio data)

	Fiscal 2011	Fiscal 2010	Variance	Variance (%)
Shareholders' equity	\$ 8,001	\$ 7,056	\$ 945	13%
Total debt	\$ 11,804	\$ 11,779	\$ 25	0%
Debt/equity ratio	1.5	1.7	(0.2)	(12%)
Net income	\$ 1,263	\$ 465	\$ 798	172%
EBITDA ¹	\$ 4,455	\$ 4,010	\$ 445	11%

Unaudited First Quarter for fiscal years 2012 and 2011 ended September 30, 2011 and 2010

In thousands (except for debt/equity ratio data)

	First Quarter Fiscal 2012	First Quarter Fiscal 2011	Variance	Variance (%)
Shareholders' equity	\$ 8,732	\$ 7,152	\$ 1,580	22%
Total debt	\$ 11,070	\$ 10,375	\$ 695	7%
Debt/equity ratio	1.3	1.5	(0.2)	(13%)
Net income	\$ 820	\$ 114	\$ 706	619%
EBITDA ¹	\$ 1,554	\$ 953	\$ 601	63%

FISCAL YEAR 2011 HIGHLIGHTS:

- Net income of \$1.3 million or \$0.15 per common share in fiscal 2011, an approximately \$800,000 improvement over prior year and a continuation of the \$2.8 million improvement in fiscal 2010 over fiscal 2009.
- EBITDA was \$4.5 million or \$0.52 per common share in fiscal 2011, as compared to \$4.0 million in fiscal 2010, an increase of \$445,000 or 11%. The improvement in EBITDA is primarily due to higher gross profit of \$1.5 million.
- Increased sales volumes by 2% or 1.1 million gallons over the prior year in spite of facing the worst domestic and global economy since the Great Depression.

¹ EBITDA are non-GAAP measures within the meaning of SEC Regulation G. See "Non-GAAP Measures and Definitions below."

- Added net new business, including the expansion of business into three new markets.
- Total equity increased by \$945,000 while total debt remained relatively flat increasing only slightly by \$25,000. . These changes have contributed to a lower debt to equity ratio of 1.5 compared to 1.7 a year ago.
- During the fiscal year ended June 30, 2011, we purchased 247,236 shares of our common shares for an aggregate purchase price of \$385,310.

FIRST QUARTER FISCAL 2012 HIGHLIGHTS (Three months ended September 30, 2011):

- Net income of \$820,000 or \$0.10 per common share in the first quarter of fiscal year 2012, compared to a net income of \$114,000 or \$0.01 per common share in the same period of the prior year, an increase of \$706,000 or \$0.09 per common share.
- Volumes increased to 19.8 million gallons during the first quarter this fiscal year from 17.9 million during the first quarter of fiscal 2011.
- Balance sheet continues to strengthen, as evidenced by a debt to equity ratio of 1.3 this quarter ended September 30, 2011 compared to 1.5 a year ago and at June 30, 2011.
- The term loan has been reduced by \$1.0 million since a year ago.
- On September 30, 2011, the Company announced the intent to declare a second quarterly cash dividend of \$0.015 per share. The cash dividend will be paid on December 2, 2011 to stockholders of record on November 14, 2011.

Definitions, non-GAAP Measurements and Reconciliations: EBITDA is defined as earnings before interest, taxes, depreciation, and amortization, a non-GAAP financial measure within the meaning of Regulation G promulgated by the Securities and Exchange Commission. We believe that EBITDA provides useful information to investors because it excludes transactions not related to the core cash operating business activities, allowing meaningful analysis of the performance of our core cash operations. The stock-based compensation amortization expense is considered an amortization item to be excluded in the EBITDA calculation.

Reconciliation of Net income to EBITDA (non-GAAP Measure) for the audited fiscal years ended June 30, 2011 and 2010:

All amounts in thousands of dollars

	Years Ended June 30,	
	2011	2010
Net income	\$ 1,263	\$ 465
Add back:		
Interest expense	921	978
Income tax expense	226	32
Depreciation and amortization expense within:		
Cost of sales	812	890
Selling, general and administrative expenses	1,143	1,268
Stock-based compensation amortization expense	90	190
Write-off of unamortized acquisition costs	-	187
EBITDA	<u>\$ 4,455</u>	<u>\$ 4,010</u>

Reconciliation of Net income to EBITDA (non-GAAP Measure) for the unaudited three-months periods ended September 30, 2011 and 2010:

	For the Three Months ended September 30,	
	2011	2010
Net income	\$ 820	\$ 114
Add back:		
Interest expense	249	223
Income tax expense	22	11
Depreciation and amortization expense within:		
Cost of sales	190	266
Selling, general and administrative expenses	256	318
Stock-based compensation amortization expense	17	21
EBITDA	<u>\$ 1,554</u>	<u>\$ 953</u>