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## **Press release for the financial results of ELGEKA Group for the year 2015**

Thessaloniki, March 31<sup>st</sup>, 2016

The Group proceeded to a number of important decisions during year 2015 with aim to cope with the special circumstances that were created in its main business areas. The elections, the imposition of bank capital controls, the restrictions imposed on import of products and new fiscal measures created an environment characterized mainly by very high credit risk, lack of liquidity for businesses and consumers, increased risk at the country level and, ultimately, increased uncertainty in every aspect of domestic economic activity.

To address the specific circumstances, ELGEKA Group took significant decisions of which the most important are the drastic revision of its credit policy, the interruption and / or reduction of cooperation with major clients who are classified as high risk, the review from scratch of both operating and non-operating costs and the renegotiation and revision of the price lists of the Group's suppliers.

In addition, the Group proceeded with reorganizing actions of its structure in order to create synergies between its subsidiaries in both sales level and cost level (acquisition of subsidiary "VIOTROS S.A." by the subsidiary "ARISTA S.A.") as well it decided to disengage from activities that on the one hand are not part of its core business and on the other hand do not present some stability in profitability (transfer of the participation in the subsidiary "DIAKINISIS PORT (CY) LTD", which in turn participates in the companies "DIAKINISIS PORT AND CO S.A." and "P.C.D.C. S.A.").

Besides coping with unfavorable conditions in the domestic economy, ELGEKA Group has conducted a series of development activities of its operations in business areas and markets that present the appropriate conditions, with the most characterizing example the continually growing influence, through its subsidiary "VIOTROS S.A.", to the niche market of non-dairy products. Through the specific activity, Group has a presence in almost all over the world, contributing significantly both in profitability and in liquidity level (sales increased by 12%, EBITDA increased by 72% compared to 2014). It also has a strong focus on the market of private label products, in order to earn the maximum benefits from a rapidly growing market.

As a consequence of the above, consolidated turnover for 2015 amounted to 196,3 million euro compared to 245,9 million euro of 2014, presenting a decrease of 20,2%. However, the aforementioned actions, and the development of a more profitable product portfolio, resulted in the improvement of the gross profit margin to 16,4% against 14,5% of 2014. The consolidated earnings before interest,

taxes, depreciation and amortization (EBITDA) of continuing operations showed a small reduction to 5,9 million euro compared to 7,4 million euro in the corresponding year, while Pre-tax loss from continuing operations amounted to 8,6 million euro in 2015 compared to 8,4 million euro in 2014 and Loss after tax and non-controlling interest amounted to 6,6 million euro against 6,2 million euro in the comparable year.

During year 2016, the main points of ELGEKA Group's strategy will include further emphasis on creating a product portfolio directed to the market through distribution channels with higher profit margins, optimization of the effectiveness of the total of its functions, the disengagement from activities that either not produce the expected results or are not included in the main core of its activities, the active exploitation of sub-exploited assets (e.g. real estate, holdings) and the strengthening of export activity in order to reduce exposure to the Greek Economy. Finally, the development ongoing in the retail sector in the first months of 2016 (partnerships, acquisitions and mergers between major companies in the sector, banking sector support for new ventures) indicate a tendency of normalization of the exceptional circumstances created in 2015 and the gradual restoring of the industry to normality.

The Summary Financial Data and Information for the year 01.01.2015 - 31.12.2015, as well as the Annual Financial Statements of the same year, are available today Thursday, March 31, 2016, in the Company's website ([www.elgeka.gr](http://www.elgeka.gr)), as well as in Hellenic Exchanges Group's website ([www.helex.gr](http://www.helex.gr)).