

THRACE GROUP

PRESS RELEASE

Friday, 20 March 2014

GROUP FINANCIAL RESULTS FOR THE YEAR 2014

ATHEX: PLAT
Reuters: THRr.AT
Bloomberg: PLAT GA

The purpose of the present release is to present the Group's financial results for the year 2014 and to highlight the basic factors that contributed to such.

The Group's financial results for the year 2014 posted a significant improvement as compared to the previous year 2013. The major factors contributing to the above positive development were the increased demand for the products of the Technical Fabrics Unit as well as of the Packaging Unit, although to a lesser degree. The product mix improvement and the increase in sales volume, which resulted into a more effective control of the fixed expenses, contributed to the improvement of the Gross Profit margin for both business units.

Specifically, the basic financial figures of the Group in year 2014 as compared to the year 2013, settled as follows:

Consolidated Turnover	€ 278.2 mil. versus € 251.2 mil. in 2013	(+10.7%)
Cons. Gross Profit	€ 51.3 mil. versus € 44.0 mil. in 2013	(+16.6%)
Cons. EBIT	€ 14.7 mil. versus € 8.8 mil. in 2013	(+66.0%)
Cons. EBITDA	€ 23.5 mil. versus € 17.7 mil. in 2013	(+32.7%)
Cons. EBT	€ 10.1 mil. versus € 6.0 mil. in 2013	(+68.0%)
Cons. EATAM	€ 6.5 εκ mil. versus € 2.5 mil. in 2013	(+161.5%)
Basic Earnings per share (in €)	0.144 versus 0.055 in 2013	(+161.8%)

Note: The accounts of the year 2013 have been restated due to the change in the consolidation method of the joint ventures (IFRS 10, 11 and 12) **Thrace Greiner Packaging SRL, Thrace Sarantis A.B.E.E and Lumite INC.** The Group holds an interest of 50% in each of the above subsidiaries.

During the year 2014, the Group financed investments of € 13 million of which € 8.8 million approximately concerned investments implemented in Greece. On 31.12.2014, the Net Bank Debt of the Group amounted to € 32.7 million and the ratio "Net Bank Debt / Equity" settled at 0.3.

During the first quarter of 2015, the Group's financial performance is characterized by an increase in Turnover and Operating Profit as compared to the year 2014. Despite the favorable developments in the first quarter, the uncertainty and instability prevailing in both the domestic and the international environment makes difficult any projection with regard to the Group's financial performance and results for the entire year.

At the Annual General Shareholders' Meeting on 15th April 2015, the Board of Directors will propose the distribution of total gross dividend of € 1 million.

For further clarifications or information regarding the present release you may refer to Ms Ioanna Karathanasi, Head of Investor Relations, tel: + 30 210-9875081.

ANALYSIS OF BASIC CONSOLIDATED RESULTS & BALANCE SHEET ACCOUNTS FOR 2014 (in thous. euro)

Turnover **€278,182 (+10.7%)**

On the Group level, sales volume increased by 9%. With regard to the separate business units, the sales volume increased by 12% annually in the technical fabrics unit and by 3.9% annually in the packaging unit.

Gross Profit **€51,313 (+16.6%)**

Gross profit margin settled at 18.4% during the year 2014 as compared to 17.5% in the year 2013. The margin increased by 1.7 percentage points in the technical fabrics unit and by 0.9 percentage points in the packaging unit on annual basis in year 2014.

Other Operating Income **€2,505 (-12.8%)**

Other Operating Income mainly concerns income from subsidies on personnel cost.

Distribution Expenses **€22,728 (+5.8%)**

Distribution expenses as a percentage of turnover amounted to 8.2% versus 8.5% the previous year.

Administrative Expenses **€16,209 (+13.0%)**

Administrative Expenses amounted to 5.8% as a percentage of Turnover compared to 5.7% during the year 2013.

Other Operating Expenses **€1,847 (-13.4%)**

Other operating expenses relate mainly to taxes and duties not incorporated into the operating cost, personnel indemnities and bank commissions from operating activities.

Other Income / (Losses) **€1,624 compared to losses of € 107 last year**

Other Income mainly concerns profit generated from the sale of assets by an amount of € 459 thous. and credit foreign exchange differences by an amount of € 1,165 thous.

EBITDA **€23,518 (+32.7%)**

The EBITDA margin settled at 8.5% from 7.1% in 2013.

Financial Expenses **€5,736 (+16.8%)**

The increase is mainly due to the increase of financial expenses linked to pension plans.

Income from Companies

consolidated with the Equity Method **1,166 (-1.9%)**

The subsidiaries Thrace Greiner Packaging SRL, Thrace Sarantis S.A. and Lumite Inc., which are 50% owned by the Group, are now consolidated with the Equity Method due to changes in the IFRS 10, 11 and 12.

EBT **€10,088 (+68.0%)**

The EBT Margin amounted to 3.6% compared to 2.4% in the previous year.

EATAM **€6,502 (+161.5%)**

The EATAM margin settled at 2.3% compared to 1.0% in the previous year.

Earnings per Share **€0.144 (+161.8%)**

2014 Consolidated Results			
(amounts in thousand euro)	2014	2013	% Change
Turnover	278,182	251,216	10.7%
Gross Profit	51,313	44,014	16.6%
Gross Profit Margin	18.4%	17.5%	
Other Operating Income	2,505	2,872	-12.8%
As % of Turnover	0.9%	1.1%	
Distribution Expenses	22,728	21,472	5.8%
As % of Turnover	8.2%	8.5%	
Administrative Expenses	16,209	14,344	13.0%
As % of Turnover	5.8%	5.7%	
Other Operating Expenses	1,847	2,133	-13.4%
As % of Turnover	0.7%	0.8%	
Other Income / (Losses)	1,624	-107	
EBIT	14,658	8,830	66.0%
EBIT Margin	5.3%	3.5%	
EBITDA	23,518	17,722	32.7%
EBITDA Margin	8.5%	7.1%	
Financial Income / (Expenses)	-5,736	-4,913	16.8%
Profit from Sale of Subsidiary	0	898	-100.0%
Income/(Expenses) from Companies consolidated with the Equity Method	1,166	1,188	-1.9%
EBT	10,088	6,003	68.0%
EBT Margin	3.6%	2.4%	
Income Tax	2,337	2,123	10.1%
Tax from Reserves of Law 4172 article 72	1,094	1,300	-15.8%
Total EAT	6,657	2,580	158.0%
EAT Margin	2.4%	1.0%	
Minority Interest	155	94	
Total EATAM	6,502	2,486	161.5%
EATAM Margin	2.3%	1.0%	
Earnings per Share (in euro)	0.144	0.055	161.8%

	RESULTS PER BUSINESS UNIT*							
	Technical Fabrics			Packaging		Agricultural Unit		
(amounts in thousand €)	2014	2013	% Change	2014	2013	% Change	2014	2013
Turnover	175,394	155,167	13.6%	109,661	106,249	3.2%	579	0
Gross Profit	28,548	22,023	29.6%	22,147	21,050	5.1%	-182	0
Gross Profit Margin	16.3%	14.2%	20.7%	19.6%				
Total EBITDA	13,046	8,421	54.8%	10,342	9,454	11.5%	-70	-159
EBITDA Margin	7.2%	5.4%	9.6%	8.9%				

* The Agricultural Unit concerns the activity of "Thrace Greenhouses SA".
* Any differences appearing as compared to the published results are due to eliminations between business units.

Inventories **€48,861 (-8.5%)**

Trade Receivables **€53,042 (+10.4%)**

Suppliers **€29,385 (-9.3%)**

Net Bank Debt **€32,779 (+4.3%)**

Net Bank Debt / Equity: **0.3**

Provisions for Employee Benefits **€ 15,785 (+146.3%)**

The increase is due to the significant increase of the total liability of the Don & Low LTD pension plan on 31.12.2014.

The total liability of the Don & Low LTD pension plan on 31.12.2014 is analyzed as follows:

(amounts in € thous.)	31.12.2014	31.12.2013
Present Value of Liabilities	(142,593)	(119,774)
Present Value of Assets	128,712	114,922
Actuarial Deficit	(13,881)	(4,852)

CONSOLIDATED BALANCE SHEET			
(amounts in thousand euro)	31.12.2014	31.12.2013	% Change
Tangible Fixed Assets	74,667	68,754	8.6%
Investment Property	110	110	0.0%
Intangible Assets	10,778	10,732	0.4%
Interests in Related Companies	8,585	7,305	17.5%
Other Long-term Receivables	5,227	419	1147.5%
Deferred Tax Assets	1,189	81	1367.9%
Total Fixed Assets	100,556	87,401	15.1%
Inventories	48,861	53,399	-8.5%
Income Tax Prepaid	548	429	27.7%
Trade Receivables	53,042	48,059	10.4%
Debtors and other Accounts	11,036	15,677	-29.6%
Cash & Cash Equivalents	32,879	41,622	-21.0%
Total Current Assets	146,366	159,186	-8.1%
TOTAL ASSETS	246,922	246,587	0.1%
Shareholders' Equity	110,843	112,243	-1.2%
Minority Interest	1,610	1,463	10.0%
TOTAL EQUITY	112,453	113,706	-1.1%
Long-term Liabilities			
Long-term Loans	9,468	10,551	-10.3%
Provisions for Employee Benefits	15,785	6,408	146.3%
Other Long-term Liabilities	6,286	7,885	-20.3%
Total Long-term Liabilities	31,539	24,844	26.9%
Short-term Liabilities			
Short-term Bank Debt	56,190	62,510	-10.1%
Suppliers	29,385	32,381	-9.3%
Other Short-term Liabilities	17,355	13,146	32.0%
Total Short-term Liabilities	102,930	108,037	-4.7%
TOTAL LIABILITIES	134,469	132,881	1.2%
TOTAL EQUITY & LIABILITIES	246,922	246,587	0.1%