

Press Release



FULL YEAR (FY) 2014 CONSOLIDATED FINANCIAL RESULTS

Turnover increased by 40% Gross Profit by 23%. Impairment charges led to net loss

CENTRIC Holdings S.A. announces the consolidated financial results for the full year that ended on December 31st, 2014 based on the International Financial Reporting Standards (IFRS).

- ✓ **Turnover: € 1,040.3m vs € 745.7m in 2013 (+39,50%)**
- ✓ **Gross Profit: € 14.3m vs € 11.6m in 2013 (+22.95%)**
- ✓ **EBITDA: € 3.2m vs € 4.1m in 2013 (-22.29%)**
- ✓ **EBT: € 0.4m vs € 4.0m in 2013 (-88.96%)**
- ✓ **EATAM: € -1.7m vs € 2.5m in 2013**
- ✓ **Own Equity as at 31.12.204: € 45.6m (-3.42 % vs 31.12.2013)**

Turnover:

Group turnover in 2014 exceeded the billion euros and amounted to **€ 1,040.3m** vs € 745.7 m in the FY 2013 marking an **increase of 39.50%**. The Football World Cup that took place in summer 2014 in Brazil has contributed to the increase.

Profitability:

Group Gross Profit increased by 22.95% in 2014 and stood at **€ 14.3m** vs € 11.6m in 2013. The increase of the gross profit comes as a result of the increase of the turnover. The ease of the gross profit margin (1.37% in 2014 vs 1.55% in 2013) is attributed mainly to the increase of the payout ratio to the customers, as well as the increase of the customer services charges and the payment and settlement costs.

In order to promote the services of the group, and with the aim to enhance its market share the group has made substantial advertising expenses making use of the additional communication channel of television. The benefit of the brand building is not exhausted in the current financial year and it constitutes a strong element for further development in the coming years. The considerable increase of the advertising expenses led to the containment of the operational profit at lower levels in comparison to 2013. In specific the **EBITDA** for the period **stood at € 3.2m** vs €4.1m in 2013 recording a **decrease of 22,29%**. We note that profitability of 2014 was negatively impacted by extraordinary non-recurring charges of approximately € 500 thousand.

The results of the financial and investing activity have negatively impacted the results of the group recording a loss of around € 2,3m. The loss is due to the impairment charges related to the decrease of value on a company in which the group has minority participation and which acquired in 2010.

Because of the loss of the financial and investing activity EATAM has formed negative recording a **net loss of € 1,7m** vs a profit of € 2,5m in FY 2013.

Capital Structure:

Shareholder's equity as at December 31, 2014 amounted to **€ 45.6m**. The Company and the Group are presented with a solid capital structure comprised by enhanced level of equity and limited liabilities, of which the debt refers to the amount of the leasing payments related to the acquisition of the premises of the company and which totals to € 1.4m. The increased level of Equity in connection to minimal level of liabilities and reduced working capital needs provide adequate protection to the group with respect to the risk associated to the current adverse economic environment. The **Debt to Equity ratio** (total liabilities/shareholder's equity) is formed at 31.12.2014 at **0.12**.

Licensing process

Sporting Odds Ltd, a member of the Gaming VC Group, licensed in UK by the UK Gambling Commission and among the strategic partners of Centric group has voluntarily submitted in the tax regime of the transition period provisioned by the article 50 of the Law 4002/2011 and it is legally operating in Greece. In Cyprus is operating according to the law 106/2012

Rodolfo Odoni, CEO of Centric has commented:

"2014 was a year full of challenges. We have responded to them effectively enlarging the volume of our activity and customers' base. The net loss for the year comes as a result of extraordinary charges which not affect the cash flow of the group neither its prospects. In spite of the difficult business landscape we keep on planning out next steps so to ensure the further development of the group.

FY 2014 FIGURES:

FY 2014 Consolidated financial results			
<i>Amounts in 000 €</i>	FY 2014	FY 2013	Δ% 2014 vs. 2013
Sales	1,040,294	745,741	39.50%
Gross Profit	14,257	11,596	22.95%
<i>(%)</i>	1.37%	1.55%	
EBITDA	3,167	4,075	-22.29%
<i>(%)</i>	0.30%	0.55%	
EBIT	2,756	3,725	-26.02%
<i>(%)</i>	0.26%	0.50%	
EBT	445	4,032	-88.96%
<i>(%)</i>	0.04%	0.54%	
EATAM	-1,670	2,451	N.A.
<i>(%)</i>	-0.16%	0.33%	