

Press Release



FULL YEAR (FY) 2015 CONSOLIDATED FINANCIAL RESULTS

Turnover decreased by 17%. High promotional expenses and impairment charges led to net loss

CENTRIC Holdings S.A. announces the consolidated financial results for the full year that ended on December 31st, 2015 based on the International Financial Reporting Standards (IFRS).

- ✓ **Turnover: € 858.9m vs € 1,040.3m in 2014 (-17.43%)**
- ✓ **Gross Profit: € 10.5m vs € 14.3m in 2014 (-26.48%)**
- ✓ **EBITDA: € -0.8m vs € 3.2m in 2014**
- ✓ **EBT: € -2.8m vs € 0.4m in 2014**
- ✓ **EATAM: € -4.1m vs € -1.7m in 2014**
- ✓ **Own Equity as at 31.12.2015: € 42.3m (-8,24% vs 31.12.2014)**

Turnover:

Group turnover in 2015 stood at **€ 858.9m** vs € 1,040.3m in the FY 2014 marking a **decrease of 17,43%**. The absence of major sport events, (in contrast to The Football World Cup in 2014), in combination to the negative impact of the capital controls imposed in June and the very dire economic conditions justify the decrease of the turnover.

Profitability:

Group Gross Profit in 2015 decreased by 26.48% and stood at **€ 10.5m** vs € 14.3m in 2014. The decrease of the gross profit comes mostly as a result of the decrease of the turnover. The ease of the gross profit margin (**1.22% in 2015 vs 1.37% in 2014**) is attributed mainly to the increase of the payout ratio to the customers.

In spite of the challenging economic landscape and the short term ease of turnover, Centric for another year kept steadily promoting its brands in order to increase brand awareness and to enhance its customer base. The ultimate aim has always been to establish solid foundations for development in the medium term. In this framework the group has signed significant sponsorship contracts of substantial visibility and reach. The promotional activities had a result an **increase of the relevant expenses of 38.80%** with respect to the promotional expenses in 2014. On the contrary admin expenses were significantly reduced and hence rendered the overall operational expenses at a marginally lower level than 2014. Still, the decline of Gross Profit and the fact that the operational expenses remained unaltered, led the **EBITDA** for the period to **stand negative at € 0.8m** in contrast to a profit of **€ 3.2m** in 2014.

The results of the financial and investing activity have negatively impacted the results of the group recording a loss of around € 1.6m. The loss is due to the impairment charges related to the decrease of value on companies in which the group has minority participation and which are active in the shipping industry. The loss of the financial and investing activity and minority rights that exceed 700K led EATAM to a **net loss of € 4.1m** vs a **loss of € 1.7m** in FY 2014.

Capital Structure:

Shareholder's equity as at December 31, 2015 amounted to **€ 42.3m**. Despite the decline of the equity levels at 31.12.2015, the Company and the Group are still 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 € 1.3m. 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 31.12.2015 at **0.16**.

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:

"2015 was no doubt a very difficult year. But even in these challenging times we keep on being focused on improving the prospects of the group, creating an environment of operational efficiency and growth. We are constantly trying to evolve our activities and to look for new opportunities so as expand the portfolio of our participations. "

FY 2015 FIGURES:

FY 2015 Consolidated financial results			
<i>Amounts in 000 €</i>	FY 2015	FY 2014	Δ% 2015 vs. 2014
Sales	858,958	1,040,294	-17.43%
Gross Profit	10,482	14,257	-26.48%
(%)	1.22%	1.37%	
EBITDA	-822	3,167	N/A
(%)	-0.10%	0.30%	
EBIT	-1,218	2,756	N/A
(%)	-0.14%	0.26%	
EBT	-2,759	445	N/A
(%)	-0,32%	0.04%	
EATAM	-4,086	-1,670	-144.76%
(%)	-0.48%	-0.16%	