

Press Release**FIRST QUARTER (Q1) 2012 CONSOLIDATED FINANCIAL RESULTS**

## **Reduction of opex and significant profitability boost despite the ongoing recession.**

CENTRIC S.A. announces the consolidated financial results for the first quarter that ended on March 31<sup>st</sup>, 2012 based on the International Financial Reporting Standards (IFRS).

- ✓ **Turnover: € 130.75m vs € 160.16m in 1Q 2011 (-14,0%).**
- ✓ **Gross Profit: € 2.68m vs € 3.84m in 1Q of 2011 (-30,2%).**
- ✓ **EBITDA: € 1.53m vs € 1.88m in 1Q of 2011 (-18,7%).**
- ✓ **EAT: € 1.16m vs 1.04 in Q1 2011 (+12,9%).**
- ✓ **EATAM: € 1.04m vs € 0.77m in 1Q of 2011 (+36,3%).**
- ✓ **Own Equity as at 31.3.2012: € 43.34m (+2.5% vs 31.12.2011).**

**Turnover:**

**Group turnover** in the first quarter of 2012 (Q1 2012) amounted to **€ 137.75m** vs € 160.16m in the first quarter of 2011 (Q1 2011) marking a decrease of 14,0%. The decrease is attributed mainly to the adverse impact of the prolonged recession in both the Greek market as well as in the other SEE markets where the group has activity. The drop in turnover is considered reasonable, given the general economic conditions and is around the average of the market.

**Profitability:**

**Group Gross Profit** amounted to **€ 2.68m** vs € 3.84m in Q1 2011 marking a **30.2% decrease**. The drop of the gross profit is attributed to the drop of turnover as well as to an increase of punters' payout ratio, in particular in the product category of the soft games.

In spite of the considerable reduction of gross profit the substantial ease of operational expenses had as a result that the **Consolidated EBITDA** of the group stands at **€ 1.53m** vs. € 1.88m in Q1 2011 marking a decrease of 18,7%. In particular operational expenses for the first three months of 2012 were reduced by 45,5% and stood at € 1.50m (1,1% vs. turnover) down from € 2.76m the corresponding period in 2011 (1,7% vs. turnover). The reduction in opex reflects the strategic move of the management towards cost reduction and optimization of operational resources.

The elimination of the almost the whole of debt liabilities, had a beneficial effect and led the Group to profitability reporting **consolidated EATAM** in 1Q 2012 amounted to **€ 1.04m** vs. € 0.77m in 1Q 2011.

**Capital Structure:**

**Shareholder's equity** as at March 31, 2012 **marked a marginal increase by 2.5%** in relation to December 2011 and amounted to **€ 43.34m**. The Company and the Group are presented with a solid

capital structure comprised by enhanced level of equity and limited liabilities. This is a result of a deliberate effort with a view to deleverage the capital structure and ensure adequate liquidity. The **Debt to equity ratio** (total liabilities/shareholder's equity) is formed at 31.3.2012 at **0.20**.

### **Licensing process**

Sporting Odds Ltd, a subsidiary of Sportingbet Plc. Which is a strategic partner of Centric group has voluntary submitted in the tax regime of the transition period provisioned by the article 50 of the Law 4002/2011. Sporting Odds is the only of the significant market players that has participated in tax regime and is looking forward to the completion of the licensing process.

### **Perspectives – Goals:**

The current financial environment has undoubtedly affected the whole economy and consequently the activity of the online gaming where the Centric group is active. The management of the company expresses its satisfaction for the soundly profitable results of the first quarter in spite of the adverse economic and business climate. Centric has always been oriented to the further development of its business, aiming at the enhancement of the product offering and geographic diversification.

### **Q1 figures:**

<b>Q1 2012 Consolidated financial results</b>			
<i>Amounts in 000 €</i>	<b>Q1 2012 results</b>	<b>Q 12011 results</b>	<b>Δ% 2012 vs. 2011</b>
<b>Sales</b>	<b>137,748</b>	<b>160,159</b>	-14.0
<b>Gross Profit</b>	<b>2,681</b>	<b>3,841</b>	-30.2
(%)	1.9%	2.4%	
<b>EBITDA</b>	<b>1,530</b>	<b>1,882</b>	-18.7
(%)	1.1%	1.2%	
<b>EBIT</b>	<b>1,448</b>	<b>1,799</b>	-19.5
(%)	1.1%	1.1%	
<b>EBT</b>	<b>1,165</b>	<b>1,039</b>	12.1
(%)	0.8%	0.6%	
<b>EATAM</b>	<b>1,044</b>	<b>766</b>	36.3
(%)	1.2%	0.5%	

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