

Press Release



NINE MONTHS (9M) 2012 CONSOLIDATED FINANCIAL RESULTS

Significant profitability boost (+853,5%) despite the ongoing recession.

CENTRIC S.A. announces the consolidated financial results for the nine months ended on September 30th, 2012 based on the International Financial Reporting Standards (IFRS).

- ✓ **Turnover: € 364.4m vs € 422.4m in 9M 2011 (-13,73%).**
- ✓ **Gross Profit: € 6.9m vs € 9.4m in 9M 2011 (-26,48%).**
- ✓ **EBITDA: € 3.8m vs € 2.9m in 9M 2011 (+29,82%).**
- ✓ **EBT: € 3.7m vs 2.0m in 9M 2011 (+86,06%).**
- ✓ **EATAM: € 2.6m vs € 0.3m in 9M of 2011 (+853,46%)**
- ✓ **Own Equity as at 30.9.2012: € 44.9m (+6,25% vs 31.12.2011).**

Turnover:

Group turnover in the nine months ended September 30 2012 amounted to € 364.4m vs € 422.4m in the nine months ended September 30 2011 marking a decrease of 13,73%. The decrease is attributed mainly to the adverse impact of the prolonged recession in the markets where the group has activity. The drop in turnover is considered reasonable, given the general economic conditions.

Profitability:

Group Gross Profit in 9M 2012 amounted to **€ 6.9m** vs € 9.4m the corresponding period in 2011 marking a **26,48% decrease**. The drop of the gross profit is attributed mainly 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.

The reduction of gross profit was confronted with a significant easing of the operational expenses. The decreased Opex not only managed to offset the fall of gross margin but it has led to a substantial profitability boost. **In specific**, during the period the total of administrative and advertising expenses stood **at € 4.1m down from € 7.5m** the corresponding period in 2011, a change entailing a reduction of € 3.4m in operational costs. (-44,86%) The decrease in OPEX led **Consolidated EBITDA** for the period to **increase by 29,82%**, and to amount at € 3.8m vs € 2.9m for the 9M of 2011. The reduction in opex reflects the strategic move of the management towards cost reduction and optimization of operational resources.

The elimination of debt liabilities led to the improvement of the result of the financials of the group and improved further the profitability. Earnings before taxes formed at € 3.7m vs. € 2.0m in 9M 2011. (+86,06%). Correspondingly, the 9m 2012 consolidated EATAM stood at a profit of € 2.6m. vs € 0.3m in the corresponding period in 2011.

Capital Structure:

Shareholder's equity as at September 30, 2012 **marked an increase** of 6,25% in relation to December 2011 and amounted to **€ 44.9m**. 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 is immaterial. 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 30.9.2012 at **0.14**.

Licensing process

Sporting Odds Ltd, a subsidiary of Sportingbet Plc which is a strategic partner 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.

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. Centric, being a modern enterprise is monitoring closely the developments and adjusts its strategies on a constantly evolving business landscape.

Rodolfo Odoni, CEO of Centric has commented:

"We are very satisfied with another quarter of solid profitability despite the adverse economic environment. We keep on trying at reinforcing the portfolio of our participations and we are always oriented towards the further development of the current services of the group through product offering and geographic diversification.

9M figures:

Q1 2012 Consolidated financial results			
<i>Amounts in 000 €</i>	9M 2011 results	M9 2012 results	Δ% 2012 vs. 2011
Sales	422,376	364,375	-13.7%
Gross Profit	9,378	6,895	-26.5%
(%)	2.2%	1.9%	
EBITDA	2,912	3,780	29.8%
(%)	0.7%	1.0%	
EBIT	2,660	3,556	33,7%
(%)	0.6%	1.0%	
EBT	2.003	3.726	86.1%
(%)	0.5%	1.0%	
EATAM	272	2,592	853.5%
(%)	0.1%	0.7%	