



## HELLENIC FABRICS S.A.

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### **PRESS RELEASE**

The Group's results continued to be influenced by the persisting international financial crisis that affects the markets in which Hellenic Fabrics is active, resulting in drop of sales turnover and prices of products sold.

The Group's turnover was reduced by -26.4 % to the amount of €45.33 mln compared to €61.61 mln in the relative last year period, mainly attributed to the reduction of denim sales.

The parent company's turnover amounted to €34.13 mln as compared to €49.65 mln of the same nine months period of 2008, reduced by -31.3% and is attributed mainly to the decrease of sales in denim.

The gross profit margin of the Group amounted to € 2.4 mln (5.29%), in comparison to € 6.4 mln (10.3%) in the relevant last year period, mainly affected by the denim sector of the parent company.

The gross profit margin of the parent company amounted to €1.06 mln which is 3.1% of its turnover, showing a reduction against the relevant last year period, where the gross profit margin amounted to €5.28 mln a percentage of 10.6% of the period's turnover.

The reduction of the Group's gross profit margin by €-4.0 mln resulted to a proportional reduction to the Group's EBITDA, from €1.34 mln on the nine months period of 2008 to €-2.08 mln on the relevant period of 2009. This amount includes one-off expenses for Group's restructure that amounted for the period 01.01-30.09.2009 to €1,22 mln.

The parent's EBITDA amounted to €-3.08 mln from €0.24 mln in the relative last year period.



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The parent company's financial results before taxes from the continued activities amounted to €-6.37 mln from €-3.34 mln of the relevant last year period, affected by the aforementioned reasons.

The Group's financial results before taxes from the continued activities amounted to €-7.53 mln from €-4.99 mln of the relevant last year period, while the consolidated net results after taxes and minority rights for the continued and discontinued activities, amounted to €-8.94 mln against €-5.75 mln of the relevant nine months period of 2008.

The Group's companies took additional measures due to the continued negative global financial conditions, by setting as main priorities the control of working capital, financing and operational cost. For these reasons, a common syndicated bond loan was signed on 06.11.2009, mortgage secured, amounting to €53.0 mln, jointly organized and administrated by four banks, for the refinancing of outstanding loans.

The results of the Group's restructure are already visible as far as the bank loans are concerned, that amounted on 30.09.2009 to €60.42 mln, in comparison to €65.73 mln on 30.09.2008.

The increase in new orders at the end of nine months period of 2009, compared to the same period of 2008, creates a moderate optimism for the improvement of the Group's sales turnover in the last trimester of the year.