

**Thessaloniki**

DA 13, O.T. 31, B'FASI, P.O. Box 1076  
570 22 Industrial Area of Sindos, Greece  
T. + 30 2310 779 700  
F. + 30 2310 752 335

**Athens**

60, Ag. Ioannou Theologou st.  
136 77 Acharnes, Greece  
T. + 30 210 241 5100  
F. + 30 210 240 5859

E. [info@elgeka.gr](mailto:info@elgeka.gr)

[www.elgeka.gr](http://www.elgeka.gr)

**Press release for the financial results of ELGEKA Group for the first  
semester of 2016**

**Thessaloniki, September 28<sup>th</sup>, 2016**

During the first half of 2016, ELGEKA Group achieved to improve its operating profitability as a consequence of both the improved product mix and the resulting increase in gross margin and also the continued reduction of operating expenses, through reorganizing its functions and redefining of its cost base.

In addition, ELGEKA Group proceeded during the same time period in selling activities that burden its Results with losses, while their future prospects had been negative. From these transactions accrued profit totaling 770 thousand euro, while improved equally Group's Equity.

This development of its financials figures enabled ELGEKA Group to make even greater provisions in order to further "shield" the size of its assets. As a consequence, the Group's Results incorporate impairment of goodwill recognized on the acquisition of the subsidiary "ARISTA S.A." amounting to 1.900 thousand euro, discounting the receivable from one of the most important Group's clients in present values of which resulted a loss of 1.216 thousand euro, as well as increased provisions for doubtful debtors by 380 thousand euro.

As a consequence of the above, consolidated turnover from continuing operations for the first half of 2016 amounted to 90,5 million euro compared to 98,4 million euro of the comparable period of 2015, presenting a decrease of 8,1%. This change is mainly due to the discontinuation of the cooperation with the above mentioned Group's customer from mid-2015, because of the high credit risk presented, as well as due to the overall restructuring of the Group's product portfolio in order to focus on selling products and services with higher profit margins.

As an evidence of the above, the gross margin amounted to 20,1% against 16,6% in the first semester of 2015, while the EBITDA margin increased to 4,8% from 4,2%, resulting in earnings before interest, tax, depreciation and amortization (EBITDA) from continuing operations to stand at 4,4 million euro over 4,1 million euro in the comparable period. However, the increased provisions that made has as a result the Loss before tax from continuing operations amounted to 6,0 million euro over 2,6 million euro in the first semester of 2015, while Loss after tax and non-controlling interest amounted to 4,2 million over 2,0 million euro in the comparable period.

The second half of 2016 is expected to put further pressures on financial figures of domestic enterprises due to the special conditions prevailing in the Greek economy. Nevertheless, the actions being realized by ELGEKA Group and the decisions taken in recent years ensure that the improvement of its operational figures will continue, actively addressing any difficulties will arise in the near future.

The Summary Financial Data and Information for the period 01.01.2016 - 30.06.2016, as well as the Interim Financial Statements of the same period, are available today Wednesday, September 28, 2016, in the Company's website ([www.elgeka.gr](http://www.elgeka.gr)), as well as in Hellenic Exchanges Group's website ([www.helex.gr](http://www.helex.gr)).