

23 November 2016

## **PRESS RELEASE**

### **9M 2016 Results**

**Improvement in consolidated EBITDA from business operations<sup>1</sup>:  
€138.7m vs. €136.8m in 9M 2015**

- EBITDA from business operations<sup>1</sup> reached €138.7m vs €136.8m in 9M 2015. Group consolidated EBITDA (including holding companies and non-recurring items) amounted to €113.7m vs. €125.7m in 9M 2015. 9M 2016 results include €14.5m charge related to the extraordinary impairment of receivables from MARINOPOULOS group, in the context of the retail group's ongoing restructuring.
- Continued efforts to improve efficiencies as well as rationalise costs have resulted to the expansion of the EBITDA margin from business operations<sup>1</sup> to 16.3% vs. 15.6% in 9M 2015. In the face of the worsening liquidity conditions, due to the imposition of bank capital controls since the summer of 2015, the enhancement of the Group's EBITDA margin demonstrates the successful efforts to improve operating performance.
- Consolidated 9M 2016 revenues amounted to €848.4m, registering 3% decline vs. 9M 2015. The reduction reflects the challenging market conditions in the majority of the business sectors where our subsidiaries operate (particularly the adverse impact from the halt of operations of MARINOPOULOS as well as the declining household consumption), amid the prolonged economic recession in Greece.

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<sup>1</sup> Consolidated EBITDA from business operations is defined as Group EBITDA excluding holding companies and non-recurring items (excludes €14.5m extraordinary impairment of receivables from MARINOPOULOS group).

Summary of key financials		
GROUP (consolidated in €m)	9M 2015	9M 2016
Sales	876.8	<b>848.4</b>
EBITDA business operations <sup>(1)</sup>	136.8	<b>138.7</b>
% margin	15.6%	<b>16.3%</b>
EBITDA consolidated <sup>(2)</sup>	125.7	<b>113.7<sup>(3)</sup></b>
% margin	14.3%	<b>13.4%</b>
<p>(1) EBITDA from business operations = Group consolidated EBITDA excluding holding companies and non-recurring items (excluding €14.5m extraordinary impairment of receivables from MARINOPOULOS group)</p> <p>(2) Group consolidated Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)</p> <p>(3) Including €14.5m extraordinary impairment of receivables from MARINOPOULOS group</p>		

Marfin Investment Group (MIG) consolidated 9M 2016 sales amounted to €848.4m, registering 3% decline vs. 9M 2015. This decline reflects the protracted challenging trading conditions in the majority of the business sectors where our subsidiaries operate, due to the bank capital controls, which came into effect as of 26.06.2015, and the resulting worsening liquidity conditions in the market, as well as the additional tax and social security reforms which have adversely impacted household consumption in 9M 2016 (particularly the consumption decline in the dairy market reached 10% vs. 9M 2015).

Consolidated EBITDA from business operations<sup>2</sup> in 9M 2016 reached €138.7m, vs. €136.8m in 9M 2015. Ongoing efforts to improve efficiencies and rationalise costs have resulted to the widening of the consolidated EBITDA margin from business operations<sup>2</sup> to 16.3% vs. 15.6% in 9M 2015.

Group consolidated EBITDA (including holding companies and non-recurring items) amounted to €113.7m compared to €125.7m in 9M 2015, burdened by €14.5m charge (€13.7m for VIVARTIA and €0.9m for SINGULARLOGIC) related to the extraordinary impairment of receivables from MARINOPOULOS group, in the context of the ongoing restructuring of the ailing supermarket chain.

MIG's core portfolio companies confirm their improved operating performance, despite the aforesaid unprecedented, adverse trading conditions.

- **Attica Group:** consolidated revenues in 9M 2016 amounted to €216.0m (3% reduction vs. 9M 2015) and consolidated EBITDA reached €62.3m (vs. €72.9m in 9M 2015). The key factors to the 9M 2016 performance related to the impact of the refugee flows in the islands of the North Aegean and the Dodecanese, as well as the heightened competition in domestic passenger shipping. Management assesses plans for further

<sup>2</sup> Consolidated EBITDA from business operations is defined as Group EBITDA excluding holding companies and non-recurring items (excludes €14.5m extraordinary impairment of receivables from MARINOPOULOS group).

revenue growth, including alternative fleet deployment combination as well as development of new routes. In this context, management's immediate plan is to strengthen the newly established company Africa Morocco Links (AML) so as to expand its activity in new routes between Morocco and Continental Europe.

- **Vivartia:** excluding €13.7m charge related to the extraordinary impairment of receivables from MARINOPOULOS group, recurring EBITDA increased 16% vs. 9M 2015 to €48.7m. The increase reflects efficiency improvements and ongoing efforts to rationalise costs, as evident in the recurring EBITDA margin expansion by approximately 2 percentage points vs. 9M 2015 to 11.1%. Including the aforesaid extraordinary impairment charge, reported EBITDA amounted to €35.1m vs €42.0m in 9M 2015. Despite the adverse impact to the retail market from the halt of operations of MARINOPOULOS as well as the declining household consumption, Vivartia subsidiaries retained their market leading position across their key businesses, notably in the fresh milk market (33.2% share in 9M 2016) and in the frozen vegetables market (62.8% share in 9M 2016). Vivartia is the leader in the total Greek milk market (27.8% share in 9M 2016) as well as in the foodservice sector with 480 POS in Greece.
- **Hygeia Group:** the key feature of 9M 2016 performance is the marked EBITDA improvement (47% increase vs. 9M 2015 to €21.6m). Revenue growth (1% vs. 9M 2015) accompanied by efficiency improvements contributed to the EBITDA enhancement and the EBITDA margin expansion by approximately 4 percentage points to 12.9%. Note that reported Sales and EBITDA include charges related to the legal obligation to implement the automatic claw back and rebate mechanisms in the healthcare sector, which came into effect as of 01.01.2013 and are scheduled to be in force until 31.12.2018.
- **SingularLogic:** excluding €0.9m charge related to the extraordinary impairment of receivables from MARINOPOULOS group, EBITDA reached €3.6m, registering 19% decline vs. 9M 2015. Note that results in 2015 had been supported by the projects related to the Parliamentary Elections in January 2015, the Referendum in July 2015 and the Parliamentary Elections in September 2015. Excluding these elections-related projects, recurring revenues registered a marginal decline of 2% vs. 9M 2015. The recurring EBITDA margin remains on an upward trend, thanks to ongoing revenue mix improvements towards proprietary IT solutions as well as cost containment.

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**About MIG:** Marfin Investment Group Holdings S.A. is an international investment holding company based in Greece and in Southeast Europe (SEE). The Company believes it is uniquely positioned to take advantage of an expanding array of investment opportunities in this region; opportunities in which traditional investment vehicles lacking MIG's regional focus, scale, expertise, and/or its investment flexibility and financial resources, may find difficult to identify and exploit.

MIG in its current structure has been listed on the Athens Stock Exchange since July 2007. Its portfolio includes leading companies in sectors across the SEE region, grouped into Food & Dairy, Transportation & Shipping, Healthcare, IT, Real Estate and Tourism & Leisure. Included amongst its portfolio and subsidiary companies is Attica Group, a leading passenger ferry operator in the Eastern Mediterranean; Vivartia, a leader in the dairy, frozen foods & vegetables and quick service restaurants business in Greece; Hygeia Group, a prominent integrated private hospitals and clinics group, with the leading general hospital facilities and maternity clinics in Greece; SingularLogic, the leading comprehensive IT services provider in Greece; Sunce (Bluesun) a leading hospitality and leisure group in Croatia; Hilton Cyprus, the only 5-star hotel in the capital city of Nicosia and Robne Kuce Beograd (RKB), owner of the largest commercial real-estate portfolio in Serbia.