

PRESS RELEASE

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FINANCIAL RESULTS OF FIRST HALF 2019

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The purpose of the current release is to present the Group's financial results for the first half of 2019 and to highlight the basic factors that contributed to such.

The basic characteristics of the period are summarized as follows:

- Increase of consolidated turnover by 3.6% and marginal increase in the volume of consolidated sales by 0.4% which is attributed to the Packaging Sector.
- Lower demand in the business segment of geosynthetics in the US market and in the market of carpet backing materials due to a broader downtrend in the market and also due to increased competition from low production cost countries.
- The above drop is partially offset from the higher sales volume of the Greek subsidiaries mainly in the Packaging unit and in the Technical Fabrics unit.
- Drop in the Gross Profit by 2.3% and contraction of the profit margin which is due to the Technical Fabrics unit and specifically to the following factors:
 - The uncertainty over BREXIT has resulted into lower demand for a series of products of the Group's subsidiary in Scotland leading to further contraction of sale prices. The significantly stronger competition from low production cost countries (Turkey, Saudi Arabia) in the market of carpet backing materials has resulted into lower sales and declining profit margins. Finally, due to the prevailing market conditions in Great Britain, the transfer of raw material price increases, due to the EUR/GBP exchange rate, to the final sale prices has been extremely difficult.
 - The lower demand of geosynthetics in the US market continued to be the case in the first half of the current year and was combined with pressures in the sale prices amid very intense competition.
 - The stronger sales in conjunction with the production cost containment in the Group's Greek subsidiaries in the Packaging unit led to an improvement of profit margins which partially offset the lower margins in the Technical Fabrics.
- Positive impact from the foreign exchange differences on the Group results, even though to a smaller extent as compared to the first half of 2018.

Specifically, the major financial figures of the Group during the first half of the current year as compared to the first half of 2018 settled as follows:

<i>(amounts in EUR million)</i>	1st half 2019	1st half 2018	% Change
Consolidated Turnover	171.13	165.21	+3.6%
Consolidated Gross Profit	33.6	34.45	-2.3%
Consolidated EBIT*	8.54	9.56	-10.7%
Consolidated *	16.29	16.28	+0.1%
Consolidated EBT	6.59	7.57	-12.9%
Consolidated EATAM	4.20	5.33	-21.2%
Basic Earnings per Share (in Euro)	0.0961	0.1219	-21.2%

The total **Equity** on 30.06.2019 amounted to € 142.6 million compared to € 141.6 million on 31.12.2018 and the **Net Bank Debt** amounted to € 91.0 million compared to € 78.3 million on 31.12.2018. The ratio **Net Bank Debt / Total Equity** settled at 0,64x compared to 0.55x on 31.12.2018.

Prospects for the 2nd Half of 2019

The Group's Management taking into account the market conditions prevailing in the current year as well as the seasonality of the product sales in the two business segments of the Group, estimates that both Turnover and Operating Profit in the 2nd half 2019 will be slightly improved compared to the corresponding figures of the 2nd half 2018

Moreover, due to the Group's significant geographic dispersion in terms of business activities, any major international event such as the disruption of the trading relations between countries and specifically the scenario of Great Britain's final and definitive withdrawal from the European Union generate conditions of uncertainty in the market. Despite the above, the Group's Management estimates that through a strong capital structure and risk diversification, is in a position to minimize any negative effect on the Group's business activity and therefore continue on an uninterrupted basis the operations and fulfillment of its strategic objectives.

*** Note**

Alternative Performance Measures (APM): During the description of the developments and the performance of the Group, ratios such as the EBIT and the EBITDA are utilized.

EBIT (The indicator of earnings before the financial and investment activities as well as the taxes): The EBIT serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses, before the financial and investment activities. The EBIT margin (%) is calculated by dividing the EBIT by the turnover.

EBITDA (The indicator of operating earnings before the financial and investment activities as well as the depreciation, amortization, impairment and taxes): The EBITDA serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses before the depreciation of fixed assets, the amortization of grants and the impairments, as well as before the financial and investment activities. The EBITDA margin (%) is calculated by dividing the EBITDA by the turnover.

ANALYSIS OF MAJOR FINANCIAL RESULTS OF THE FIRST HALF 2019 (in € thousand)

Turnover	€171,125	(+3.6%)
Increase of Turnover in the Unit of Technical Fabrics by 2.2% and in the Packaging Unit by 1.9% (prior to elimination of intra-group transactions).		
Gross Profit	€33,649	(-2.3%)
Gross profit margin settled at 19.7% compared to 20.9% in the first half 2018.		
Other Operating Income	€1,046	(+33.4%)
The increase was mainly due to the higher revenues from electric energy management programs.		
Distribution Expenses	€16,068	(+2.8%)
As % of Turnover, Distribution Expenses stood at 9.4% compared to 9.5% in the same period of 2018.		
Administrative Expenses	€8,782	(+2.0%)
Administrative Expenses settled at 5.1% of Turnover compared to 5.2% in the first half of 2018.		
The Research & Development Expenses settled at € 806 thousand posting a decrease by 19.8%. They mainly concerned: Study and specification of requirements concerning the new materials and products, purchase and use of equipment for production of new product samples and expenses concerning the demonstration of new products to potential clients.		
Other Operating Expenses	€623	(-11.1%)
They mainly concern Taxes and Duties, Personnel Indemnities, Bank Expenses and Expenses for the purchase of maquettes.		
Other Profit	€125	(-55.0%)
The Other Profit settled at € 125 thousand on 30.06.2019 and concerned mainly foreign exchange differences.		
EBITDA	€16,292	(+0.1%)
EBITDA Margin settled at 9.5% versus 9.9% in first half of 2018.		
Financial Result	-€2,393	(-1.1%)
The reduction in the Financial Result by 1.1% was mainly due to the lower interest expenses following the drop in interest rates.		
EBT	€6,591	(-12.9%)
EBT Margin settled at 3.9% versus 4.6% in the first half of 2018.		
EATAM	€4,201	(-21.2%)
EATAM Margin settled at 2.5% versus 3.2% in the first half of 2018.		
Earnings per Share	€0.096	(-21.2%)
Inventories	€66,440	(-0.7%)
Trade Receivables	€70,907	(+32.3%)
Increase of Trade Receivables due to seasonality.		
Suppliers	€47,271	(+17.7%)
Increase of Suppliers due to seasonality		
Net Bank Debt	€91,081	(+16.2%)
Due to the adoption of IFRS 16, the bank debt has been burdened by an amount of 1,335 thousand Euro which concerns liabilities in relation to right-of-use assets (buildings and vehicles).		
Provisions for Employee Benefits	€16,794	(+8.6%)
The above increase is due to the increase of the actuarial deficit of Don & Low LTD, which derived from the increase in the present value of the liability.		

Statement of Income – 1 st Half 2019			
(amounts in thousand euro)	H1 2019	H1 2018	% Ch.
Turnover	171,125	165,214	3.6%
Gross Profit	33,649	34,448	-2.3%
Gross Profit Margin	19.7%	20.9%	
Other Operating Income	1,046	784	33.4%
As % of Turnover	0.6%	0.5%	
Distribution Expenses	16,068	15,637	2.8%
As % of Turnover	9.4%	9.5%	
Administrative Expenses	8,782	8,606	2.0%
As % of Turnover	5.1%	5.2%	
Research & Development Expenses	806	1,005	-19.8%
As % of Turnover	0.5%	0.6%	
Other Operating Expenses	623	701	-11.1%
As % of Turnover	0.4%	0.4%	
Other Earnings / (Losses)	125	279	-55%
EBIT*	8,541	9,562	-10.7%
EBIT Margin	5.0%	5.8%	
EBITDA*	16,292	16,275	0.1%
EBITDA Margin	9.5%	9.9%	
Financial Income / (Expenses)	-2,393	-2,420	-1.1%
Earnings / (Losses) from Companies consolidated with the Equity Method	443	427	3.7%
Earnings / (Losses) from Participation	0	0	-
EBT	6,591	7,569	-12.9%
EBT Margin	3.9%	4.6%	
Income Tax	2,238	2,105	6.3%
Total EAT	4,353	5,464	-20.3%
EAT Margin	2.5%	3.3%	
Minority Interest	152	131	
Total EATAM	4,201	5,333	-21.2%
EATAM Margin	2.5%	3.2%	
Earnings per Share (in Euro)	0.0961	0.1219	-21.2%

Results per Business Unit – 1 st Half 2019										
Sector	Technical Fabrics			Packaging			Other		Eliminations	
	1st Half 2019	1st Half 2018	% Ch.	1st Half 2019	1st Half 2018	% Ch.	1st Half 2019	1st Half 2018	1st Half 2019	1st Half 2018
Turnover	127,863	125,087	2.2%	48,227	47,326	1.9%	2,619	2,522	-7,584	-9,721
Gross Profit	23,225	24,332	-4.5%	10,218	9,712	5.2%	274	227	-68	177
Gross Profit Margin	18.2%	19.5%		21.2%	20.5%		10.5%	9.0%	-	-
Total EBITDA	9,783	10,045	-2.6%	6,839	6,451	6.0%	-299	-144	-31	-77
EBITDA Margin	7.7%	8.0%		14.2%	13.6%		-	-	-	-

Basic Balance Sheet Accounts as of 30.06.2019			
(amounts in thousand euro)	30.06.2019	31.12.2018	% Change
Tangible Fixed Assets	116,828	135,963	-14.1%
Right-of-use Assets	24,817	0	-
Investment Property	113	113	0.0%
Intangible Assets	11,490	11,567	-0.7%
Interests in Joint Ventures	13,761	13,355	3.0%
Other Long-term Receivables	5,042	5,087	-0.9%
Deferred Tax Assets	1,097	935	17.3%
Total Fixed Assets	173,148	167,020	3.7%
Inventories	66,440	66,896	-0.7%
Income Tax Prepaid	1,080	2,058	-47.5%
Trade Receivables	70,907	53,603	32.3%
Other Receivables	6,825	7,824	-12.8%
Cash & Cash Equivalents	16,090	22,824	-29.5%
Total Current Assets	161,342	153,205	5.3%
TOTAL ASSETS	334,490	320,225	4.5%
Shareholders' Equity	139,805	138,935	0.6%
Minority Interest	2,827	2,680	5.5%
TOTAL EQUITY	142,632	141,615	0.7%
Long-term Loans	21,272	29,136	-27.0%
Liabilities from Leases	10,701	-	-
Provisions for Employee Benefits	16,794	15,468	8.6%
Other Long-term Liabilities	2,802	2,946	-4.9%
Total Long-term Liabilities	51,569	47,550	8.5%
Short-term Bank Debt	69,149	72,050	-4.0%
Liabilities from Leases	6,049	-	-
Suppliers	47,271	40,163	17.7%
Other Short-term Liabilities	17,820	18,847	-5.4%
Total Short-term Liabilities	140,289	131,060	7.0%
TOTAL LIABILITIES	191,858	178,610	7.4%
TOTAL EQUITY & LIABILITIES	334,490	320,225	4.5%