

Press Release



Q3 2015 CONSOLIDATED FINANCIAL RESULTS

Q3 2015 figures significantly impacted by economic environment

CENTRIC S.A. announces the consolidated financial results for the nine month period that ended on September 30th, 2015 based on the International Financial Reporting Standards (IFRS).

- ✓ **Turnover: € 629.44m vs € 760.18m in 9M of 2014 (-17.2%).**
- ✓ **Gross Profit: € 8.00m vs € 11.07m in 9M of 2014 (-27.7%).**
- ✓ **EBITDA: € 585K vs € 3.81m in 9M of 2014 (-84.6%).**
- ✓ **EBT: € 372K vs € 4.13m in 9M of 2014 (-91.0%).**
- ✓ **EATAM: -€ 749K vs € 2.14m in 9M of 2014**
- ✓ **Own Equity as at 30.9.2015: € 44.72m (-1.9% vs. 31.12.2014)**

Turnover:

Group turnover in the nine months ended September 30 of 2015 amounted to **€ 629.44m vs. € 760.18m** in the nine months ended on September 2014 **marking a decrease of 17.2%**. The decrease of the volume of the activity reflects the highly adverse current economic environment as well as the absence of a significant sports event in the period. (Football World Cup in summer of 2014)

Profitability:

Group Gross Profit in 9M of 2015 amounted to **€ 8.00m** vs € 11.07m the corresponding period in 2014 marking a **27.7% decrease**. The reduction of the gross profit is partially attributed to the decrease of the turnover. Additionally, increased payout to the customers led to the decrease of gross profit margin which stood at 1.3% vs 1.5% in the corresponding period of 2014.

Operational expenses marginally **decreased by 2.5%**. Administration expenses were substantially **reduced by 29.5%** a development that reflects the effort of the management to increase operational efficiency of the group. At the same time though, advertising and promotional expenses stand **increased by 18.7%** due to the continuous efforts to build brand awareness and recognition with the aim to support longer term growth. OPEX at the levels of 2014 in conjunction to the significant lower gross profit levels led to a great decrease of EBITDA which for the 9M 2015 stood at € 585K **marking a decrease of 84.6%**.

The results of the financial activity formed slightly positive improving the results of the group. **EBT** stood at **€ 372K vs € 4.13m** in the first nine months of 2014 marking a significant decrease of 91.0%. EATAM was **negative for an amount of € 749K vs a profit of € 2.14m** for Q3 2014.

Capital Structure:

Shareholder's equity as at June 30, 2015 **decreased marginally** in relation to 31 December 2014 and amounted to **€ 44.72m**. The Company and the Group are presented with a solid capital structure

comprised by enhanced level of equity and limited liabilities (€ 4.22m), of which the debt is limited to the amount of the leasing used to buy the premises of the company (€ 1.31m). The **Debt to Equity ratio** (total liabilities/shareholder's equity) is formed at 30.9.2015 at **0.11**.

Developments in the online gaming market

Sporting Odds Ltd, a member of the Gaming VC Group, licensed in UK by the UK Gambling Commission and among the strategic partners 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. In Cyprus is operating according to the law 106/2012

Rodolfo Odoni, CEO of Centric has commented:

"2015 has been a quite difficult year full of challenges. Within this adverse environment we keep on trying to create a solid framework of medium term growth investing heavily in our brand recognition."

9M 2015 figures:

Q3 2015 Consolidated financial results			
<i>Amounts in 000 €</i>	9M 2015 results	9M 2014 results	Δ% 2015 vs. 2014
Sales	629.442	760.180	-17,20%
Gross Profit	8.000	11.068	-27,72%
(%)	1,27%	1,46%	
EBITDA	585	3.812	-84,65%
(%)	0,09%	0,50%	
EBIT	299	3.512	-91,48%
(%)	0,05%	0,46%	
EBT	372	4.131	-91,00%
(%)	0,06%	0,54%	
EATAM	-749	2.141	N/A
(%)	-0,12%	0,28%	