

Press Release

Wednesday, 31 August 2011

Although the main financial figures of both the parent company and the Group for the first half of 2011 were attained under particularly adverse circumstances, they are reduced in terms of sales but obviously improved in terms of operating profitability compared to the previous fiscal year.

In detail, at Group level, the turnover stood at € 58.0 million from € 62.4 million during the first half of 2010. Taking into account the company's sales on behalf of third parties (agency) during the first half of 2011, the turnover stood at € 74.9 million from € 83.7 million during the first half of last year. Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by 81.8% and stood at € 1.4 million compared to € 0.8 million during the first half of the previous year. Pre-tax results were improved in comparison with last year and stood at losses of € 3.8 million in relation to losses of € 4.2 million during the first half of 2010. This was supported by the slight improvement in the gross profit margin by approximately 2% and also by the considerable decrease in the operating expenses by 13%.

At company level, the turnover of SIDMA stood at € 34.3 million from € 38.2 million during the first half of 2010. Taking into account the company's sales on behalf of third parties (agency), sales stood at € 51.1 million from € 59.5 million during the first half of 2010. Earnings before interest, taxes, depreciation and amortization (EBITDA) were also considerably improved compared to last-year earnings and amounted to € 765,000 in relation to € 336,000 in the first half of 2010, namely they registered a 128% increase while pre-tax results were equal to losses of € 2.6 million compared to losses of € 2.4 million in the previous year. At company level, the operating expenses were reduced by 11% in relation to those of the previous year while the gross profit margin rose by 19%.

International activity

As regards the subsidiaries in the Balkans, the turnover of SIDMA ROMANIA rose by 8% while that of SIDMA BULGARIA remained at last-year levels. In addition, the contribution of international sales to the Group's total turnover rose from 25% in the first half of 2010 to 34% in the first half of 2011, namely by 36%.

During the last two years, the Group has been making considerable efforts to expand its activities to international markets either through the parent company's exports or through its foreign subsidiaries. In this context, SIDMA ROMANIA rented industrial premises to start running as of the next quarter a distribution centre of its products in Timisoara, which is an important industrial centre in Romania.

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Liquidity and Borrowing

On 30 June 2011, SIDMA had cash on hand equal to € 18.3 million while the company's net bank loans stood at € 60 million. The company entered into refinancing agreements with the cooperating banks with respect to its long-term loans that will mature during 2011, and also to the transfer of their repayment to September 2013 and September 2016 as regards a bond loan equal to € 10.5 million and another bond loan equal to € 49 million respectively. Loan refinancing will take place before the end of September 2011.

Transfer of Aspropyrgos facilities

The Aspropyrgos facilities were fully transferred at Inofyta and the operation of the warehouse in Inofyta was brought to an end so as to attain economies of scale and proceed to the commercial operation of the Aspropyrgos facilities.

Photovoltaic systems

The company has undertaken to carry out a photovoltaic system project of 3.5 MW total power in all the facilities of the company and its subsidiary Panelco. The connection terms to the Public Power Corporation have already been approved and the first 1-MW generation license has been granted by the Hellenic Transmission System Operator S.A. (DESMIE). The company aims at starting operating the first system of approximately 1 MW total power in Oreokastro in early 2012. In addition, during the current period, the company collected a subsidy equal to € 243,000 with respect to the completion of an investment in 200 KW photovoltaic systems that started two years ago in the company's own facilities in Aspropyrgos and Oreokastro according to Law No. 3299/2004 on development.