



Koropi, 31/03/2015

**INFORM P. LYKOS S.A. (symbol ASE: LYK)**  
**Financial Results for the year 2014**

The consolidated financial statements of Inform Lykos are published today March 31st 2015, according to the International Financial Reporting Standards (I.F.R.S.) and include the companies: INFORM P. LYKOS S.A., LYKOS PAPERLESS SOLUTIONS S.A., ALBANIAN DIGITAL PRINTING SOLUTIONS Sh.p.k., SAGIME GmbH (Austria), as well as the consolidated financial statements of TERRANE LTD (INFORM LYKOS SA - Romania). The aforementioned financial statements will be included in the consolidated financial statements of the parent company LYKOS AG with its headquarters in Austria.

During the year 2014, and especially at 15th December 2014, took place the sale of all shares of company AUSTRIA CARD GmbH (cards division) held by SAGIME GmbH to the company LYKOS AG, after approval of the extraordinary meeting of the shareholders of INFORM P. LYKOS S.A.

The sale of the card division has affected the financial data, as the card division is presented as a discontinued operation and also the comparative income statement has been restated to reflect the discontinued operation separately from continuing operations. Detailed information is presented in note 6 of the annual financial report.

Specifically, in 2014, the sales increased significantly in Romania and Albania, while remained stable in Greece. This continued uncertainty in the Greek economy and economic stagnation in Europe significantly affects the activity of the printing division. Although, Banking and Telecommunications outsource the printing activities to companies of the printing industry, it is remarkable the pressure on selling prices which results in lower profitability.

The key financial figures of the Group and the Parent company from **continuing operations** are the follows:

- Consolidated sales reached € 59,1 mil. compared to € 55,8 mil. in 2013, representing an increase of 5,9% in comparison with 2013,
- Earnings before interest, taxes, depreciation and amortization (EBITDA) of the Group decreased by € 0,3 mil. or 11,3% and reached € 2,6mil. compared to € 2,9 mil. in 2013,

- Consolidated earnings before interest and taxes (EBIT), amounted to losses of € 456 thousands compared to gains € 125 thousands in 2013 decreased by € 582 thousands,
- Earnings before taxes (EBT) of the Group, amounted to losses of € 1,560 thousands from losses of € 983 thousands in 2013, decreased by € 578 thousands or 58,8%,
- Consolidated earnings after taxes (EAT), amounted to losses of € 1,618 thousands from losses of € 1,685 thousand in 2013, improved by € 67 thousands or 4%,

The net profit after tax from the **discontinued operation** reached € 3,6 mil. compared to € 3,8 mil. in 2013, decreased by € 0,2 million or 5%,

- Finally, net profit after taxes and minorities (EATAM), including the profit from discontinued operation decreased by € 115 thousand and reached € 1,937 thousands from € 2,053 thousands in 2013.

Specifically, regarding the business by geographical segment, excluding the intercompany sales:

In Greece, the sales of the parent company INFORM P. LYKOS S.A. for the year 2014, in absolute terms, remained at the same level compared to 2013, reaching € 31,1 mil., from € 31,6 mil. in 2013. The sales growth of 20% compared to 2013 in the banking sector, coming from the new projects in printing, statement enveloping and mailing, which were undertaken by the company, is not obvious, due to weak activity and delays of the projects in the public sector. Earnings before interest, taxes, depreciation and amortization (EBITDA) of 2014, declined by € 895 thousands or 50,6% to € 875 thousands from € 1,769 thousands in 2013, affected by extraordinary expenses for the disposal of the card division, as well as the termination of employee benefits. In the parent company appears net profit € 27,3 mil. from the disposal of the **discontinued operation** of the cards division. Consequently, the net profit attributable to the owners of the parent company reached € 25,4 mil. from losses € 932 thousands in 2013.

In Romania, the sales of the subsidiary INFORM LYKOS S.A. increased by 15.5% compared to 2013 and reached € 27,1 mil., from € 23,5 mil. in 2013, mainly due to the acquisition of significant new projects in statement printing, enveloping and mailing services in telecommunication sector in the Romanian market. As a result of the sales growth, in combination with further savings in operating expenses, earnings before interest, taxes, depreciation and amortization (EBITDA) of 2014 increased by 18,1% compared to 2013 and reached € 1,510 thousands from € 1,278 thousands in 2013, increased by € 231 thousands.

In Albania, the sales of the subsidiary ALBANIAN DIGITAL PRINTING SOLUTIONS Sh.p.k, increased by 15% compared to 2013 and reached € 784 thousands from € 682 thousands in 2013, mainly due to the acquisition of new projects in statement printing, enveloping and

mailing services in telecommunication sector in the Albanian market. Earnings before interest, taxes, depreciation and amortization (EBITDA) of 2014 reached € 111 thousands from € 108 thousands in 2013.

In 2014, the investments of the Group, excluding acquisitions, amounted to € 3,1 mil. from € 1,7 mil. in 2013, mainly € 1,9 mil. in modern machinery, € 0,8 mil. in software developments and € 0,4 mil. in buildings and other equipment.

The bank debt of the Group, amounted to € 31,1 mil. in 2014 from € 32 mil. in 2013, decreased by € 0,9 mil. The bank debt for 2014 is comprised of € 20 mil. bond loan, € 3,8 mil. long-term and € 7,3 mil. short-term bank loans. It is noted, that the bond loan of € 20 mil. was fully repaid at 15<sup>th</sup> February 2015.

After the disposal of the cards division, the Group aims to strengthen its position into the highly competitive international market of the printing industry. Through its new structure, having fully repaid the existing bond loan of € 20 mil., will be in the position to cope with the ever increasing financial needs for new investments, whereby:

- will achieve increased synergies and scale economies,
- will strengthen its strategic advantages in advanced technology,
- will be in the position to offer higher value-added products at competitive prices,
- will increase its market share and improve its profitability.

Finally, at an aggregated level, the printing division continues to explore potential opportunities for strategic partnerships, with the aim of further strengthening its position in the region of Central and Eastern Europe.

#### About Inform Lykos ([www.lykos.gr](http://www.lykos.gr))

Inform Lykos was founded in 1897, has been listed on the Athens Stock Exchange since 1994 and today is an international Group with leading presence in the Central and Eastern Europe in the area of Information Management and Digital Security. Inform is leader in the area of printing management, production of secured documents, production of prepaid cards and business process outsourcing, offering services of printing and posting statements, electronic presentation of statements and printing management for Banks, Telecommunication companies, Public sector and Industrial/Trade companies. The Group is active in personalization of Smart Cards for Banks, Telecommunications, Public Organizations and Retail chains holding international certificates by Visa, MasterCard, American Express and Diners. The Group currently occupies about 460 employees.

