

INFORM P. LYKOS S.A.

Significant increase in operating profitability New projects in Greece and abroad

- * **Significant increase in EBITDA (+83.7%) in 2016**
- * **New projects in Greece and Romania in the Public sector and Telco sector**
- * **Completion of € 4.7 million investments for ultra-modern digital printing equipment and software.**

Koropi, 10/4/2017 – The consolidated financial statements of Inform P. Lykos S.A. are published today, in accordance with the International Financial Reporting Standards (I.F.R.S.).

Significant increase in operating profitability in 2016 was recorded by INFORM Group, thanks to the efficiency improvement programs launched at the last years to the Group companies, as well as to the new investments of € 47 million for ultra-modern digital printing equipment and software.

Specifically, the Group's sales decreased by 3.7% in 2016 and amounted to € 62.5 million compared to € 64.9 million in the last year. The decrease of € 2.4 million is mainly related to the lower demand for payment cards in the Greek market after the increased demand for cards due to the capital controls in June 2015. The decrease was partially offset by higher sales due to new projects in Greece and Romania in the Public Sector and Telecommunications.

Despite the lower sales, earnings before interest, taxes, depreciation and amortization (EBITDA) of the Group increased by 83.7% and reached € 4.5 million compared to € 2.5 million in 2015. The results of the Group have improved as a) operating expenses were reduced by € 1.8 million or 9.8% from € 18.8 million in 2015 to € 17 million in 2016, due to the improvement in internal efficiency and b) the results of 2015 were burdened by non-recurring expenses of € 1.7 million related to reduced cost because of the restructuring measures for improving the efficiency and adjusting capacity to the current market conditions.

Specifically regarding the business by geographical segment, in Greece the parent company INFORM P. LYKOS S.A. recorded revenues of € 30.8 million compared to € 34.9 million in last year, declining by 11.7%. The decrease of € 4 million is mainly related to the lower demand for payment cards in the Greek market after the increased demand for cards due to the capital controls in June 2015. The earnings before interest, taxes, depreciation and amortization (EBITDA) of 2016, reached € 2.6 million compared to € 0.8 million in 2015, increased by € 1.8 million or 219.2%, as the results of 2015 were burdened by non-recurring expenses of € 1.7 million.

In Romania, the subsidiary INFORM LYKOS S.A. recorded revenues of € 35 million compared to € 33.1 million in last year, representing an increase of 5.6%. The increase is mainly related to the new projects in statement printing, enveloping and mailing in telecom companies. The earnings before interest, taxes, depreciation and amortization (EBITDA) of 2016 reached € 1.7 million compared to € 1.5 million in 2015, increased by 15.9%.

In Albania, the subsidiary ALBANIAN DIGITAL PRINTING SOLUTIONS Sh.pk, recorded revenues of € 652 thousand from € 752 thousand in 2015, representing a decrease of 13.2%, while the earnings before interest, taxes, depreciation and amortization (EBITDA) of 2016 increased by € 46 thousand or 32.4%, and reached €188 thousand from € 142 thousand in 2015.

As a result, the key financial profitability figures of INFORM Group are presented improved, as follows:

- The earnings before interest, taxes, depreciation and amortization (EBITDA) of the Group, increased by € 2 million or 83.7% and reached € 4.5 million compared to € 2.5 million in 2015,
- The earnings before interest and taxes (EBIT) of the Group, improved by € 1.8 million and reached € 0.7 million compared to losses € -1.1 million in 2015,
- The earnings before taxes (EBT) of the Group, reached to losses € -0.5 million compared to losses € -24.3 million in 2015, representing a decrease in losses of € 1.7 million or 76.7%,
- The consolidated earnings after taxes (EAT) of the Group, reached to losses € -0.8 million compared to losses € -1.6 million in 2015, representing a decrease in losses of € 0.8 million or 48.6%.

The consolidated operating cash flow generated in 2016, reached € 0.6 million compared to € 2.9 million in 2015. The decrease is mainly related to the finance lease liability for the new digital printing equipment.

The net bank debt of the Group amounted to € 16.6 million in 2016 from € 10.8 million in 2015, increased by € 5.8 million, due to a) € 3.5 million investments in two digital printing equipment through finance lease and b) € 1.4 million distribution of dividend.

The Group having extensive experience and know-how in integrated solutions-services has developed long term customer relationships, offering the high level of products and services at competitive prices, so as to be considered a strategic supplier of banking institutions, telecommunications and other organizations either in the private sector or in the public sector.

With the completion of the € 4.7 million investments in ultra-modern digital printing equipment and software, is in the position to offer the possibility of direct, personalized and interactive information in the most efficient and economical way, presenting innovative solutions for effective communication with products like Dynamic Statements, Cloud Printing, e-Invoicing.

It is noted that the consolidated financial statements of Inform P. Lykos S.A. 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 are included in the consolidated financial statements of the parent company AUSTRIACARD AG (former LYKOS AG) with its headquarters in Austria.

About INFORM

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, with production facilities in Greece, Romania and Albania. The Group is activated internationally and is leader in the area of printing management, production of secured documents, 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, and occupies about 420 employees.

It is a member of the Group AUSTRIACARD AG (former LYKOS AG) headquartered in Austria, which is an international group active in the business areas of “Digital Security” under the brand AUSTRIACARD and “Information Management” under the brand INFORM, having two additional production facilities for producing smart cards, identities, etc. in Austria and Romania, highest data security, certified by international organizations such as Visa, MasterCard, Diners etc. It has five personalization centers for smart cards in Greece, Austria, Poland, Romania and Turkey, also the highest data security and certified by international organizations. In 2016, the Group recorded revenues of € 122 million and EBITDA € 11.5 million, occupying in total about 860 employees.

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