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Press release

KRI-KRI Milk Industry has released its annual financial statements for the fiscal year 2015.

Turnover of products amounted €66,744k against €62,950k of 2014 (an increase of +6%). It should be mentioned that the turnover figure for the comparative period, as presented on the statement of comprehensive income (€77,150k), also includes a figure of €14,200k relating to sales of raw materials to outsourcing partners.

Basic profitability measures were as follows:

- Ebitda amounted €7,311k against €6,192k of 2014 (+18.1% year on year),
- Profit before tax amounted €4,295k against €4,657k of 2014 (-7.8% year on year),
- Net profit after tax amounted €3,843k against €3,571k of 2014 (+7.6% year on year).

It should be noted that, in 2015, there was a charge of €1,700k for bad debt provision, in response to the economic difficulties that many major Greek retailers face. Also, it should be mentioned that comparative period's income statement includes a non-recurring amount of €976k resulting from the settlement of insurance claim.

In the yogurt sector, KRIKRI achieved a +13.8% increase in sales and high rise on operating profitability. An intensive advertising campaign of yogurt KRI-KRI communicates our competitive advantage of producing yogurt only using fresh raw milk (within 24 hours from milking the cows) coming from local farms. This helped increasing significantly our market share in Greece. KRIKRI brand has a 12.4% volume share of the domestic yogurt market, holding the 3rd position.

In addition, yogurt exports present high growth of +44% year on year. Markets in Europe are of great interest and KRIKRI emphasizes on strengthening its presence there, through new trade agreements and expansion of products range.

In the ice cream sector, the difficult domestic macro environment and especially the imposition of restrictions to capital movements had adversely affected the market. In addition, the transfer of ice-creams from the reduced VAT charge of 13% to normal VAT charge of 23% led to a rise in retail prices, thus reducing demand further. KRIKRI ice-cream sales fell by 7.5%. Defending our position, we focus on strengthening our presence at touristic areas and, also, on developing new products in fast growing categories (such as frozen yogurt).

For the fiscal year 2015, the Board of Directors decided to propose to the Annual General Meeting the distribution of gross dividend of €0.06 per share (2014: €0.06 per share). This distribution is subject to approval by the Annual General Meeting.