

19 Nov 2013 - Press Release - Comments on Financial Results for the period January to September 2013

PAPOUTSANIS SA (formerly Plias SA) published on the 19th of November, 2013 the interim financial statements for the period January to September 2013.

In the first nine months of 2013 company sales increased by 14% versus the corresponding 2012 period, resulting to profit after taxes of 159 thousand euros.

On a consolidated basis, turnover in the first nine months of 2013 amounted to 12,6 million Euros vs. 11,0 million same period last year. Branded products contribute 22% of the total sales, hotel amenities 23%, and the remaining 55% involves third party manufacturing and private label. Exports accounted for approximately 39% of total sales.

In the first nine months of 2013 gross profit was 3,1 million Euros versus 1,8 million in the corresponding 2012 period. Gross profit margin was 24,8% versus 16,4% in the corresponding 2012 period. Overall improvement in gross profit margin is due to increased turnover, continuing efforts to reduce overall production costs, improved productivity and product mix optimization.

Company's operating expenses (administrative, selling and R&D) increased from 2,0 million Euros, the first nine months of 2012, to 2,7 million Euros, primarily due to increased marketing expenses but also the higher sales.

Pre-tax profit amounted to 0,22 million Euros versus 0,05 million losses in the first nine months of 2012. Company's 2013 after tax profit was 0,16 million Euros versus a loss of 0,25 million in the corresponding 2012 period.

Earnings before interest, taxes, depreciation and amortization (EBIDTA) amounted to 1,6 million Euros versus 1,1 million in the first nine months of 2012 period, increased by 48%.

Due to a change in the way we invoice our customer "ELGEKA", responsible for distributing PAPOUTSANIS' branded products to the various retail chains in Greece, 'Sales', 'Gross Profit' and 'Selling Expenses' have been restated in the quarter and year to date financial statements for the current and the previous year. The above change has no effect on the Net Profits, Financial Position and Cash Flow results.

Based on the information available to us, and despite the continuing recession in Greece but also the financial difficulties of many economies abroad, we believe that during the rest of 2013 PAPOUTSANIS will continue to increase sales and improve its financial results.