

PRESS RELEASE

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FINANCIAL RESULTS OF FIRST HALF 2018

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The purpose of the current release is to present the Group's financial results for the first half of 2018 and to highlight the basic factors that contributed to such.

The Group posted a positive financial performance in the first half of the year 2018 as compared to the same period of 2017.

The basic characteristics of the period are summarized as follows:

- Increase in the consolidated sales volume by 2.3% and increase in the consolidated turnover by 2.6%. The higher turnover level was mainly due to the Packaging Unit as the Technical Fabrics Unit posted only a marginal increase compared to the year 2017. The additional volumes generated from the investments implemented in the Technical Fabrics sector during the period 2015-2016 (concerning mainly the Greek subsidiaries of the Group) have been allocated almost to their entirety, whereas the investments which are being implemented during the period 2017-2018 will be completed within the first quarter of 2019 and the higher utilization of these investments will occur within the year 2019.
- Sustaining the Gross Profits at the levels of year 2017 (however with a contraction of the Gross Profit margin) due to the following reasons:
 - The raw material prices during the first half of the year continued their upward trend. Despite the fact that the Group's subsidiaries proceeded with respective increases in the sale prices, the time delay and the inability to transfer the entire cost increase into the final prices in certain cases, affected negatively the Gross Profit margin.
 - The Greek subsidiaries of the Technical Fabrics Unit which invested in higher production levels and new product offering during the period 2015-2016 set the target of higher production capacity during 2017 following the new investments, whereas during 2018 they set the target of improved Gross Profit margin. That objective had been already fulfilled during the first half of year 2018 when a significant improvement was realized compared to 2017. In contrast, the subsidiaries of the Group in Scotland and America experienced pressures on their Gross Profit margin and as result no improvement took place in the above cases. More specifically:
 - The Group's subsidiary in Scotland has been affected by BREXIT since the EUR/GBP exchange rate has led to a significant incremental increase of the raw material prices, which was not feasible to be transferred in the final sale price. Also, the uncertainty prevailing in the market due to the BREXIT has resulted into the lower demand for certain products. The Management of the Company has directed its efforts in markets outside Great Britain in order to take advantage of the improved competitive position given the trend in the exchange rate.
 - The market of the geosynthetics in US in the first half of the year was characterized by a significant reduction in demand and also by a pressure on the sale prices due to lower demand. However, this trend appears to be reversed in the third quarter of the year. Moreover, the Company has encountered a situation of increased costs as during the year a new investment is under progress which will in turn result into higher production capacity and lower production cost.
 - Increase in the sales volume and Turnover along with contraction of the Gross Profit margin in the Packaging sector due to the particular conditions prevailing in the Bulgarian market, as well as due to the inability to transfer the higher raw material cost into the final sale price.
- Containment of Administrative and Distribution Expenses at the levels of year 2017, since the positive foreign exchange differences that mainly resulted from the appreciation of the dollar versus the Euro had a positive effect on the results of the Group.

Specifically, the basic financial figures of the Group during the first half of the year as compared to the same period of 2017 settled as following:

<i>(amounts in Euro million)</i>	1st Half 2018	1st Half 2017	Change %
Consolidated Turnover	165.2	161.1	+2.6%
Consolidated Gross Profit	34.4	34.5	-0.04%
Consolidated EBIT*	9.6	8.7	+9.6%
Consolidated EBITDA*	16.3	15.4	+6.0%
Consolidated EBT	7.6	6.5	+16.2%
Consolidated EATAM	5.3	4.6	+16.4%
Basic Earnings per Share (in Euro)	0.1219	0.1047	+16.4%

The total **Equity** on 30.06.2018 amounted to € 145.0 million compared to € 137.5 million on 31.12.2017 and the **Net Bank Debt** amounted to € 72.5 million compared to € 57.8 million on 31.12.2017. The ratio **Net Bank Debt / Total Equity** settled at 0,50x compared to 0.42x on 31.12.2017.

Prospects about the 2nd Half of the Year 2018

The third quarter of the current fiscal year follows the same trend with the first half of the year in terms of both Turnover and Earnings and also as compared to the same period of 2017. This trend is estimated to continue during the fourth quarter of the year 2018. With regard to the entire fiscal year 2018, the Group's Management estimates that there will be no significant changes in the conditions of the market compared to the first half of the year and therefore it anticipates the same improvement outlook compared to the year 2017. However the above estimates may be affected by a possible international event or development.

The Group, following the successful implementation of the investment plan of the 2-year period 2015-2016 that amounted to 52 million Euros, proceeds into the further utilization of these investments whereas at the same time it continues to implement the new investment plan of the period 2017-2018 which will account for 44 million Euros. The new plan aims at further increasing the production capacity as well as at the development of innovative products. The maintenance of the healthy capital structure of the Group, despite the expanded investment plan of the last 4 years, in combination with the healthy operating and organizational structures which it currently possesses provides the Group's Management with the ability to continue achieving its strategic goals.

*** Note**

Alternative Performance Measures (APM): During the description of the developments and the performance of the Group, ratios such as the EBIT and the EBITDA are utilized.

EBIT (The indicator of earnings before the financial and investment activities as well as the taxes): The EBIT serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses, before the financial and investment activities. The EBIT margin (%) is calculated by dividing the EBIT by the turnover.

EBITDA (The indicator of operating earnings before the financial and investment activities as well as the depreciation, amortization, impairment and taxes): The EBITDA serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses before the depreciation of fixed assets, the amortization of grants and the impairments, as well as before the financial and investment activities. The EBITDA margin (%) is calculated by dividing the EBITDA by the turnover.

ANALYSIS OF MAJOR FINANCIAL RESULTS OF THE FIRST HALF 2018 (in € thousand)

Turnover	€165,214	(+2.6%)
Increase of Turnover in the Unit of Technical Fabrics by 0.4% and in the Packaging Unit by 11.0% compared to the first half of 2017 (prior to elimination of intra-group transactions)		
Gross Profit	€34,448	(-0.04%)
Gross profit margin settled at 20.9% compared to 21.4% in the first half 2017.		
Other Operating Income	€784	(-29.3%)
The reduction is mainly due to the lower income from maquettes compared to the first half of 2017.		
Distribution Expenses	€15,637	(+1.2%)
As % of Turnover, Distribution Expenses stood at 9.5% compared to 9.6% in the same period of 2017.		
Administrative Expenses	€8,606	(-1.1%)
Administrative Expenses settled at 5.2% of Turnover compared to 5.4% in the first half of 2017.		
The Research & Development Expenses amounted to € 1,005 (+7.1%).		
Other Operating Expenses	€701	-23.5%
They mainly concern provisions for doubtful receivables, depreciation / amortization, personnel indemnities, taxes and duties non-incorporated into the operating cost, bank expenses and expenses for the purchase of maquettes.		
Other Profit	€279	(Loss € 839)
The Other Profit settled at € 279 thousand on 30.06.2018 versus a Loss of € 839 thousand on 30.06.2017 and concerned mainly foreign exchange differences.		
EBITDA	€16,275	(+6.0%)
EBITDA Margin settled at 9.9% versus 9.5% in first half of 2017.		
Financial Result	-€2,420	(-12.8%)
The reduction of the Financial Result by 12.8% is mainly due to the positive foreign exchange differences.		
EBT	€7,569	(+16.2%)
EBT Margin settled at 4.6% versus 4.0% in first half of 2017.		
EATAM	€5,333	(+16.4%)
EATAM Margin settled at 3.2% versus 2.8% in first half of 2017.		
Earnings per Share	€0.1219	(+16.4%)

Inventories	€63,950	(+7.2%)
Increase in inventories mainly due to seasonality and also due to higher sales volume.		
Trade Receivables	€68,019	(+18.6%)
Increase in trade receivables mainly due to seasonality.		
Suppliers	€44,971	(+21.5%)
Increase in suppliers mainly due to seasonality.		
Net Bank Debt	€72,520	(+25.5%)
The Net Bank Debt / Total Equity ratio settled at 0,50x on 30.06.2018 compared to 0.42x on 31.12.2017.		
Provisions for Employee Benefits	€10,814	(-31.8%)
The Provisions for Employee Benefits amounted to € 10,814 thousand posting a decrease of 31.8%. The above reduction is due to the decrease of the actuarial deficit of Don & Low LTD, which derived from the appreciation of the assets and specifically of the equities and bond securities.		

Statement of Income – 1 st Half 2018			
(amounts in thousand euro)	H1 2018	H1 2017	% Ch.
Turnover	165,214	161,101	2.6%
Gross Profit	34,448	34,461	0.0%
Gross Profit Margin	20.9%	21.4%	
Other Operating Income	784	1,109	-29.3%
As % of Turnover	0.5%	0.7%	
Distribution Expenses	15,637	15,445	1.2%
As % of Turnover	9.5%	9.6%	
Administrative Expenses	8,606	8,704	-1.1%
As % of Turnover	5.2%	5.4%	
Research & Development Expenses	1,005	938	7.1%
As % of Turnover	0.6%	0.6%	
Other Operating Expenses	701	916	-23.5%
As % of Turnover	0.4%	0.6%	
Other Earnings / (Losses)	279	-839	-
EBIT	9,562	8,728	9.6%
EBIT Margin	5.8%	5.4%	
EBITDA	16,275	15,357	6.0%
EBITDA Margin	9.9%	9.5%	
Financial Income / (Expenses)	-2,420	-2,774	-12.8%
Earnings / (Losses) from Companies consolidated with the Equity Method	427	739	-42.2%
Earnings / (Losses) from Participation	0	-180	-
EBT	7,569	6,513	16.2%
EBT Margin	4.6%	4.0%	
Income Tax	2,105	1,785	17.9%
Total EAT	5,464	4,728	15.6%
EAT Margin	3.3%	2.9%	
Minority Interest	131	148	
Total EATAM	5,333	4,580	16.4%
EATAM Margin	3.2%	2.8%	
Earnings per Share (in Euro)	0.1219	0.1047	16.4%

Results per Business Unit – 1st Half 2018

Sector	Technical Fabrics			Packaging			Other		Eliminations		Group	
	1st Half 2018	1st Half 2017	% Ch.	1st Half 2018	1st Half 2017	% Ch.	1st Half 2018	1st Half 2017	1st Half 2018	1st Half 2017	1st Half 2018	1st Half 2017
Turnover	125,087	124,630	0.4%	47,326	42,647	11.0%	2,522	2,632	-9,721	-8,808	165,214	161,101
Gross Profit	24,332	24,676	-1.4%	9,712	9,451	2.8%	227	25	177	309	34,448	34,461
Gross Profit Margin	19.5%	19.8%		20.5%	22.2%		9.0%	0.9%	-	-	20.9%	21.4%
Total EBITDA	10,045	9,113	10.2%	6,451	6,664	-3.2%	-144	-395	-77%	-25	16,275	15,357
EBITDA Margin	8.0%	7.3%		13.6%	15.6%		-	-	-	-	9.9%	9.5%

Basic Balance Sheet Accounts as of 30.06.2018

(amounts in thousand euro)	30.06.2018	31.12.2017	% Change
Tangible Fixed Assets	121,558	114,394	6.3%
Investment Property	113	113	0.0%
Intangible Assets	11,670	11,424	2.2%
Interests in Related Companies	12,721	12,839	-0.9%
Other Long-term Receivables	7,374	7,669	-3.8%
Deferred Tax Assets	1,168	1,334	-12.4%
Total Fixed Assets	154,604	147,773	4.6%
Inventories	63,950	59,634	7.2%
Income Tax Prepaid	2,136	1,702	25.5%
Trade Receivables	68,019	57,332	18.6%
Debtors and Other Receivables	13,379	7,672	74.4%
Cash & Cash Equivalents	28,250	30,593	-7.7%
Total Current Assets	175,734	156,933	12.0%
TOTAL ASSETS	330,338	304,706	8.4%
Shareholders' Equity	142,508	135,113	5.5%
Minority Interest	2,495	2,365	5.5%
TOTAL EQUITY	145,003	137,478	5.5%
Long-term Loans	34,697	15,737	120.5%
Provisions for Employee Benefits	10,814	15,847	-31.8%
Other Long-term Liabilities	5,375	5,130	4.8%
Total Long-term Liabilities	50,886	36,714	38.6%
Short-term Bank Debt	66,073	72,663	-9.1%
Suppliers	44,971	37,021	21.5%
Other Short-term Liabilities	23,405	20,830	12.4%
Total Short-term Liabilities	134,449	130,514	3.0%
TOTAL LIABILITIES	185,335	167,228	10.8%
TOTAL EQUITY & LIABILITIES	330,338	304,706	8.4%