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# PRESS RELEASE

## Q1 2015 Results

## Return to profitability at the level of consolidated EBITDA from business operations[1] for the 1st quarter of the year, despite seasonality: €18.6m profit vs. €6.2m loss in Q1 2014

- **Consolidated Q1 2015 revenues increased by €12m, or 4.6%y-o-y, to €269.2m, despite protracted challenging economic and market conditions in the majority of Greece's business sectors.**

- **For the first time since Q1 2009 the Group reports profit for the 1st quarter of the year at the level of consolidated EBITDA from business operations (€18.6m profit vs €6.2m loss in Q1 2014). The return to profitability is primarily attributed to the improvement of subsidiaries VIVARTIA and ATTICA. Reported consolidated EBITDA (including holding companies and non-recurring items) at €15.5m profit vs. €9.1m loss in Q1 2014, reflecting the significant profitability improvement of the subsidiaries.**

- **Consolidated net loss after tax and minorities of €39.5m, compared to a relevant bottom-line loss of €51.7m in Q1 2014.**

- **Net Asset Value (NAV) on 31.03.2015 at €911m, corresponding to €0.97 per share.**

- **Cash balances, including restricted cash, of €110m at group and €29m at parent company level. Consolidated gross debt declined by €7m vs 31.12.2014 to €1.74bn.**

- **The gradual completion of the Group's debt restructuring/refinancing improves the debt capital structure in favour of long-term liabilities (account for 55% of consolidated gross debt vs. 47% on 31.12.2014).**

- **March 2015: issuance of new €50m common bond loan to cover working capital needs of the Company and its subsidiaries, aimed at strengthening and improving their liquidity or financing new investment plans.**

[1] *Consolidated EBITDA from business operations is defined as Group reported EBITDA excluding holding companies and non-recurring items.*

Marfin Investment Group (MIG) consolidated Q1 2015 sales registered an annual increase of €12m, or 4.6%, to €269.2m, despite protracted challenging economic and market conditions in most of Greece's business sectors.

Consolidated EBITDA from business operations[2] amounted to €18.6m profit, vs. €6.2m loss in Q1 2014. The return to operating profitability, for the first time since Q1 2009 and for the 1st quarter of the year, is primarily associated to improved results at the subsidiaries VIVARTIA and ATTICA. Moreover, the majority of the portfolio companies registered widening gross profit margins (reported group gross profit margin increased by 745bps y-o-y to 21.1%), efficiency improvements as well as cost containment effectiveness. This contributed to the significant widening (approximately c930bps y-o-y) of the consolidated EBITDA margin from business operations to 6.9%.

Reported consolidated EBITDA (including holding companies and non-recurring items) reached €15.5m profit compared to €9.1m loss in Q1 2014, reflecting the operating profitability improvement at the business operations level. Reported EBITDA margin widened by 930bps y-o-y to 5.7%.

Consolidated Q1 2015 net loss, after tax and minorities, amounted to €39.5m, vs. €51.7m loss in Q1 2014. The relevant bottom-line results include losses from discontinued operations of €0.2m in Q1 2015 vs. €1.2m in Q1 2014.

Net Asset Value (NAV) amounted to €911m on 31.03.2015 (compared to €923m on 31.12.2014), corresponding to a value of €0.97 per share (vs. €0.97 on 31.12.2014).

Cash balances, including restricted cash, at the parent company level amounted to €29m and €110m at group level. Consolidated gross debt declined by €7m compared to 31.12.2014, amounting to €1.74bn (consolidated net debt of €1.63bn vs. €1.61bn on 31.12.2014).

In the context of challenging economic and market conditions, due to the protracted 6-year period of economic recession, as well as the uncertainty, amid political fluidity, several of MIG's core portfolio companies have succeeded in further improving their overall performance compared to last year:

- **Vivartia:** the key features of Q1 2015 performance are the revenue growth (6.6% y-o-y to €138.4m vs €129.8m in Q1 2014) combined with management's ongoing efforts to rationalise costs and improve efficiency that have resulted in significant EBITDA improvement to €5.1m profit vs. €2.8m loss in Q1 2014. Vivartia successfully preserved its leading market position across its key businesses, namely the fresh milk market (31.3% share in Q1 2015) and the frozen vegetables market (65.5% share in Q1 2015).

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[2] *Consolidated EBITDA from business operations is defined as Group reported EBITDA excluding holding companies and non-recurring items.*

Moreover, Vivartia strengthened its leading position in the total Greek Dairy market, commanding 26.7% market share in Q1 2015 (vs 26.0% in 2014).

- **Attica Group:** the key feature of Q1 2015 performance is the return to EBITDA profitability, for the first time since Q1 2007 related to the 1st quarter of the year (€2.3m profit vs. €7.2m loss in Q1 2014). The key factors that contributed to the significant profitability turnaround are the containment of operating (-21% y-o-y) and SG&A expenses (-11% y-o-y) as well as the ongoing active fleet deployment, which improved fleet capacity utilization per sailing and rationalised fuel consumption. In more detail, the combination of lower fuel consumption and the fuel oil price decline (35% y-o-y on average in € terms), have contributed to the OPEX reduction and the return to operating (EBITDA) profitability.
- **Hygeia Group:** the key feature of Q1 2015 performance is the EBITDA profitability improvement (3% y-o-y increase to €6.7m vs. €6.5m in Q1 2014), despite the marginal decline in revenues (-1% y-o-y to €56.7m vs. €57.5m in Q1 2014). The EBITDA improvement resulted from ongoing efficiency improvements (the EBITDA margin widened by 50bps y-o-y to 11.8%). Reported consolidated Sales and EBITDA include charges related to the legal obligation to implement the automatic claw back and rebate mechanisms in the healthcare sector.

Management priorities are to further improve subsidiaries' financial results, actively rebalance the group's investment portfolio (gradual disposal of non-core assets), aimed at deleveraging, support existing core companies' strategic initiatives as well as successfully complete debt restructuring/refinancing. Consistent with the aforementioned strategy, we highlight:

- **Gradual completion of the Group's debt restructuring/refinancing improves the debt capital structure in favour of long-term liabilities:** the Company decided to issue a new €115m common bond loan in two tranches, which Piraeus Bank undertook to cover, so as to refinance an equivalent amount of existing debt towards Piraeus Bank. The issuance of the first tranche worth €100m has been completed. The refinancing agreement provides for the long-term restructuring of the said debt, by extending the maturity by 3 years (October 2019). On 31.03.2015 the Group's debt capital structure has further improved, in favour of long-term liabilities, following the reclassification of existing liabilities from short-term to long-term. The table below presents the relevant improvement:

| **Group** *(consolidated, % of total)* | **31.12.2013** | **31.12.2014** | **31.03.2015** |
|---|---|---|---|
| Long-term liabilities | 26% | 47% | 55% |
| Short-term liabilities | 74% | 53% | 45% |

- **Issuance of new €50m common bond loan (March 2015):** the Company issued a new €50m common bond loan which was covered by Piraeus Bank. The loan has a 3 year tenor, maturing in March 2018, and it will be used to cover working capital needs of the Company and its subsidiaries, aimed at strengthening and improving their liquidity or financing new investment plans.

| **Summary of key financials** | | |
|---|---|---|
| **GROUP** *(consolidated in €m)* | **3M 2014** | **3M 2015** |
| Reported Sales | 257.3 | **269.2** |
| EBITDA from business operations[(1)] | (6.2) | **18.6** |
| *% margin* | *(2.4)%* | ***6.9%*** |
| Reported EBITDA[(2)] | (9.1) | **15.5** |
| *% margin* | *(3.6)%* | ***5.7%*** |
| Net results after tax and minorities | (51.7) | **(39.5)** |

*(1) EBITDA from business operations is defined as Group reported EBITDA excluding holding companies and non-recurring items, while including the charge related to the claw back and rebate mechanisms*
*(2) Reported Consolidated Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)*

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***About MIG:*** *Marfin Investment Group Holdings S.A. is an international investment holding company based in Greece and in Southeast Europe (SEE). The Company believes it is uniquely positioned to take advantage of an expanding array of investment opportunities in this region; opportunities in which traditional investment vehicles lacking MIG's regional focus, scale, expertise, and/or its investment flexibility and financial resources, may find difficult to identify and exploit.*

*MIG in its current structure has been listed on the Athens Stock Exchange since July 2007. Its portfolio includes leading companies in sectors across the SEE region, grouped into Food & Beverages, Healthcare, IT & Telecoms, Transportation & Shipping, Real Estate, Tourism & Leisure. Included amongst its portfolio and subsidiary companies is Vivartia, a leading food and food retail business in SEE; Attica Group, a leading passenger ferry operator in the Eastern Mediterranean; Hygeia Group, a prominent integrated private hospitals and clinics group, with the leading general hospital facilities and maternity clinics in Greece; SingularLogic, the leading IT operator in Greece; Flight Ambulance International (FAI) a top-5 global fixed-wing medical evacuation company; Skyserv Handling a prominent ground handling services provider in Greece; Sunce (Bluesun) a leading hospitality and leisure group in Croatia; and Robne Kuce Beograd (RKB), owner of the largest commercial real-estate portfolio in Serbia.*