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# Greek Entrepreneurship:
## Signs of strength and rays of light

FINANCIAL PRESENTATION FOR THE PERIOD 2009-2013 | DECEMBER 2014

## Working Team

The Survey was conducted by Grant Thornton team of executives, highly specialized and experienced in IFRS issues.

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# Introduction

## The Greek Business: Critical growth factor

It's been almost a decade since we started our first efforts focused on imprinting quality and completeness of financial information provided by the Greek listed companies and, thereafter, analyzing it, to the extent it is possible based on the publicized financial information, in respect of performance, stamina and dynamics of Greek businesses. This year, for the first time, we classified not only per business sector, but also per sizes more than 8,000 companies that represent the majority of Greek businesses and employ the vast part of production staff in Greece. Our objective is to provide answer to a line of questions regarding financial performance and position of Greek businesses, using their financial sizes and the business sectors as main benchmark, thus facilitating a broader discussion on the prospects and challenges that Greek businesses will face in the following years as well as actions they should undertake.

Our survey comprises 40 sector analyzes for FYs 2009-2013 as well as the comparative analysis of the total companies sample, based on their financial sizes. Furthermore, examining the sectors' growth potential and financial health of the companies included in them, we created a «Financial Growth / Health Matrix», in which every sector was classified, in order to enable us to record the Greek business environment and define a starting point for further consultation and analysis with respect to business opportunities as well as dangers as far as existing and potential stakeholders are concerned. Systematically based identification of business sectors depicting the greatest potential, while also the sectors lagging behind, will make it possible to undertake the actions that would multiply the potential of the former and facilitate the latter to exploit viable options.

According to the publicized financial statements of the companies under exanimation, FY 2013 was not the restarting point for Greek businesses in relation to activity levels and a rebound in profitability, while approximately 6 out of 10 sectors once more recorded decreases in turnover. On the other hand, reduction in loan liabilities, positive working capital and stabilization of profit margins reveal the continued effort, made by Greek businesses to rationalize their financial structure. This particular effort is getting more systematic as the organizational business structures are becoming more solid and the strategic planning - clearer. Our analysis makes it evident that most of Greek businesses are still faced with the consequences of the economic downturn. However, it is rather encouraging that we were in position to identify the sectors that follow the route of growth and development and have strong financial structure. Moreover, even the sectors that are in distress include a lot of companies that represent bright examples in terms of recovery and perspectives.

At Grant Thornton, we regard Greek businesses, SMEs in particular, as the main driving force and the critical factor that will restore stable growth of the Greek economy. Development of national strategy that will help Greek businesses strengthen their competitiveness will ensure systematic efforts aimed at on-going improvement and will make it possible to ensure financing of sufficiently realistic business plans, which is a vital part of the required actions. Another factor refers to the businesses themselves, the way they operate, their strategies, training of personnel, change in business mentality and decision making. On the occasion of conducting our survey, Grant Thornton presents the proposals, summarized in the following 4 pillars, designed in order to unlock the potential for growth the Greek Businesses:

- Independent assessment, conducted at corporate level, regarding the companies' operations and preparation of realistic business plans.
- Market concentration in order to create broader sustainable entities through consolidating the existing business units.
- Debt restructuring and recapitalization that will support the new activities and restructuring plans.
- Identifying investment opportunities through innovative ideas and new globally competitive products and their financing.

 

Business activity in the country is the main factor facilitating social cohesion and prosperity of our citizens. In this light, we strongly believe that financial downturn will be overcome and that all those in authority will undertake the necessary initiatives thus presenting practical evidence that now they are wiser and ready to meet the challenges of the constantly changing economic environment.

**Vassilis Kazas**
Managing Partner
Grant Thornton

 

# Grant Thornton Greece

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In 2008, Grant Thornton Greece was selected as the International Business Centre, reflecting our ability to effectively respond to any needs of the international market. Every International Business Centre (41 internationally) operates as a business gateway for all the member firms of Grant Thornton International, disseminating knowledge and expertise through its network.

With its remarkable growth during the last years, our firm, has the capabilities and capacities of a large firms while, at the same time, retains the accessibility and flexibility of a smaller one. Grant Thornton relies on business strategy and instinct and supports clients in making sound business decisions, helping them to unlock their potential for growth.

Grant Thornton Greece is registered in the Public Company Accounting Oversight Board (PCAOB), which enables it to conduct audits in companies listed on stock exchanges in the U.S. and is also certified to the International Standard BS EN ISO 9001:2008 in the «Provision of audit, tax and advisory services" as well as to the International Standard ISO/IEC 27001:2005 that verifies the Information Security Management System. Grant Thornton Greece also joined the community of the «Strongest Companies In Greece» and "SuperBrands".

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# The Survey

## Analysis content

Based on the published financial statements of the companies included in our analysis, we briefly present the financial sizes of the companies for the period 2009 - 2013, examine separate crucial items of the financial statements and, applying the specific ratios, identify relationships and trends that can lead to useful conclusions, regarding the historical financial position and performance of the companies.

More specifically, our analysis covers the areas presented in Table 1.

Furthermore, through the use of appropriate financial ratios and the analysis of the trends, we correlated «dynamic growth» and «financial health» companies of various sectors and classified the sectors with common characteristics into four categories described in Table 2.

The companies, belonging to 40 sectors, were classified into 4 aforementioned categories under the same methodological approach. Classifying a sector into one of the above categories does not imply that all the companies of the sector belong only to this specific category. Every sector represents a resultant of the companies, which may have completely different characteristics, and therefore, every sector may include companies belonging to all four categories recorded in Table 2.

## Sources of Information

The analysis was conducted through collecting data and obtaining the relevant information as reflected in the publicized financial statements of the companies for the FYs 2009, 2010, 2011, 2012 and 2013.

The following is to be noted:

- The survey was based on the data included in the consolidated financial statements in respect of the companies that publicize consolidated financial statements unless otherwise stated.
- The analysis referring to the total of the companies under survey does not include the companies consolidated by other companies, whose consolidated data has been included in the analysis.

## Companies' classification based on financial sizes

The initial analysis, pertaining to the total of the companies, includes the financial data of 8,140 companies, representing 92 sectors of Greek Economy. Based on their financial sizes, the companies were classified into 4 categories:

- Mega: Companies with turnover in FY 2013 over € 250 million
- Large: Companies with turnover in FY 2013 from € 50 million to € 250 million
- SMEs: Companies with turnover in FY 2013 from € 2 million to € 50 million
- Micro: Companies with turnover in FY 2013 under € 2 million

In respect of 40 sector analyses, the survey includes 2,483 companies, which are classified into the first three categories presented above since no sufficient information for the purposes of sector analysis was available regarding the companies categorized as Micro. It is to be noted that under development of sector analyzes, in cases when the aforementioned criteria were not performing in terms of sizes, the criteria were amended accordingly.

Selecting 40 sectors was conducted in the way that facilitates covering the greatest possible part of businesses total at approximately 65%, and based on the availability of information sufficiency.

 

**TABLE 1**

| Comparisons/Analysis | Scope of survey |
|---|---|
| Statement of Financial Position 2009 - 2013 | Brief presentation of key items of the statement of financial position as well as their changes, in order to reflect the financial position of the sectors / companies. In addition, there are reviewed the most significant items of assets and liabilities and the division between long and short-term elements of assets and liabilities. |
| Statement of Comprehensive Income 2009-2013 | Brief presentation of the key items of the statement of comprehensive income and their changes in order to reflect the financial performance of the sectors / companies. |
| Cash Flows 2009 - 2013 | Brief presentation and review of the basic sizes in the statement of cash flows as well as their changes. |
| Key Financial Ratios 2009 – 2013 | Where necessary, there are presented the auxiliary financial ratios in order to identify and analyze trends and relationships both regarding the financial position and the performance of the sectors / companies included in the analysis. |

**TABLE 2**

| Growth | | | |
|---|---|---|---|
| | High | **Spotlighters**<br>High leverage and growth prospects | **Illuminators**<br>Healthy financial structure and growth prospects |
| | Low | **Gloomers**<br>High leverage and relatively limited or no growth | **Moonlighters**<br>Healthy financial structure and relatively limited or no growth |
| | | Low | High |
| | | Health | |

 

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# Brief Financial Presentation of Greek Businesses

# INTRODUCTION

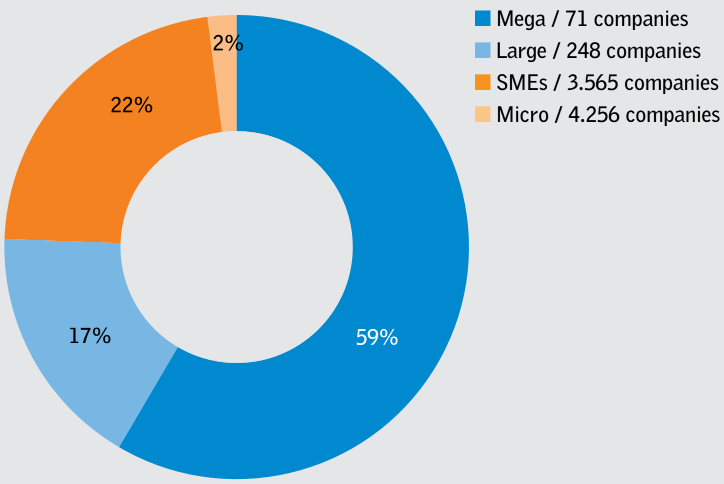
Greek companies, and, in particular, the SMEs, constitute the driving force of Greek economy as well as the key component of social cohesion. Their development based on stable foundation is a great challenge and the main prerequisite to facilitate stable growth of Greek economy.

In this light and reflecting the financial data in respect of over 8,000 companies, we endeavor, for the first time, to outline the performance of Greek companies in its entirety and to answer a series of questions regarding their financial structure, making use of the size and the (business) sector that each company is operating  as the main benchmark. Our ultimate objective is to give rise to a broader discussion about the prospects and the challenges the Greek companies will face in the coming years, as well as the actions that are to be taken.

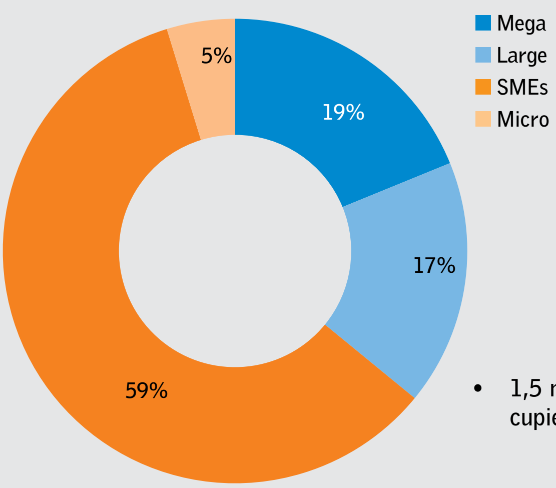
## Analysis

- 8.140 companies divided into 4 categories on sales basis in 2013
  - Companies with turnover under € 2 million: **Micro**
  - Companies with turnover from € 2 million to € 50 million: **SMEs**
  - Companies with turnover from € 50 million to € 250 million: **Large**
  - Companies with turnover over € 250 million: **Mega**

### Sales 2013




### Headcount 2013




- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

- 1,5 million employees, with 59% of headcount occupied in SMEs category.

## GREEK BUSINESSES OUTLOOK

| | |
|---|---|
| **Are the sample companies of homogeneous nature?** | Yes, regardless of their size. The general tendencies observed comprise the decrease in turnover, decrease in profit margins, need to finance working capital, inability to perform investments, especially in respect of the companies with high borrowings, which in many cases, do not seem probable to be repaid. |
| **Does a small number of companies dominate the market?** | Yes, 4% of the companies record 76% of the turnover and employ 36% of headcount. In contrast, 96% of the companies (SMEs) record 24% of the turnover and employ 64% of headcount. |
| **What is the course of development and the position of the companies per category (Mega, Large, SMEs, Micro)?** | The size is the critical sustainability factor. In many cases, however, it can be observed that the size deprives companies from flexibility, so it may seem that SMEs depict greater adaptability to the current economic conditions. |
| **Have the companies overcome the economic crisis?** | It seems that the year 2013 is a year of recovery for many sectors, though not for their total. Lack of liquidity, especially regarding the companies with loan burdened financial structure due to over borrowing remains the main issue. |
| **How hard was it for the companies to face the crisis?** | Very hard indeed regardless of their size. In many sectors, decline in sales was dramatic, while the ones that recorded lower decreases also suffered the margin squeeze. Increase in borrowing costs or lack of illiquidity, inability of shareholders to finance the business and increased credit risk constitute a highly explosive combination for business survival. The companies without high debt burden find themselves in a better position. |
| **Which is the market position of SMEs?** | SMEs are the most essential drivers of the economy employing 64% of headcount in private sector companies. Being unable to find financing, SMEs had to proceed with significant spending cuts in order to survive.<br>The fact that SMEs constitute the category of companies that recorded the highest decrease in net borrowing is an issue of particular interest. |
| **Are the existing borrowings of the companies viable?** | In 2013, 45% of bank borrowings were short-term. That is to say within 2014, bank liabilities of € 28,5 billion are to be repaid or restructured under alternative terms. According to the data, a big number of companies as well as sectors record non-viable borrowings. |
| **Is a company's market share also linked to its viability?** | Yes, sectors where competition is intense have greater financing needs. Even in cases when the sector nature as such has not been, competition has resulted in particularly low profit margins. |
| **What are the prospects for the companies?** | The companies seem to have adjusted their costs in order to cope with reduced activity. The outlook is not promising regarding the companies and the sectors with high borrowings.<br>In contrast, there are positive prospects for the sectors with satisfactory borrowing levels, in particular, if they can have access to new financing, provided either by shareholders or by banks. |

# CONDENSED FINANCIAL DATA

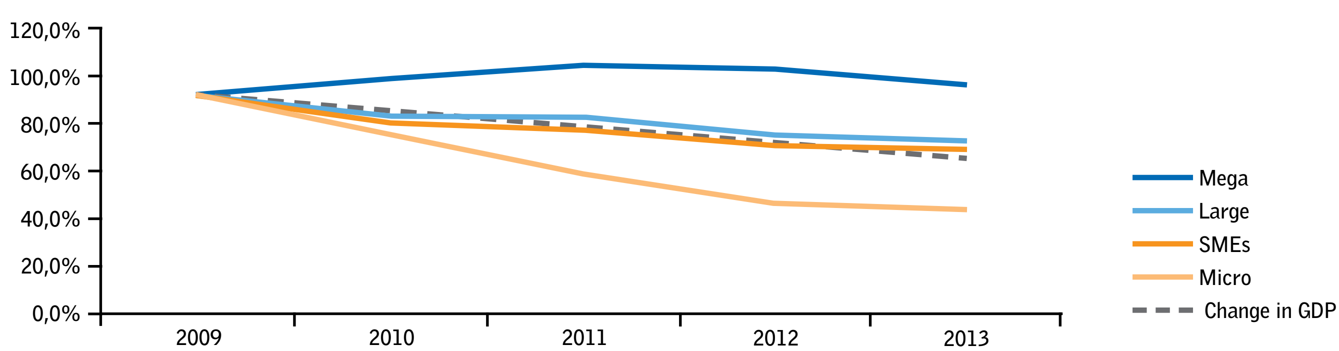
| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 120.960 | 124.131 | 127.977 | 127.884 | 127.961 |
| Current Assets | 82.898 | 86.425 | 89.090 | 94.188 | 93.960 |
| **Total Assets** | **203.858** | **210.556** | **217.067** | **222.073** | **221.922** |
| **Equity** | **75.275** | **77.216** | **79.368** | **79.241** | **81.552** |
| Long-term Loan Liabilities | 34.496 | 32.595 | 38.831 | 43.157 | 44.015 |
| Other Long-term Liabilities | 18.028 | 17.514 | 18.535 | 18.273 | 19.404 |
| **Total Long-term Liabilities** | **52.524** | **50.109** | **57.365** | **61.431** | **63.419** |
| Short-term Loan liabilities | 28.505 | 35.496 | 31.787 | 29.905 | 27.070 |
| Other Short-term Liabilities | 47.554 | 47.736 | 48.546 | 51.496 | 49.881 |
| **Total Short-term Liabilities** | **76.059** | **83.232** | **80.333** | **81.401** | **76.951** |
| **Total Liabilities** | **128.583** | **133.341** | **137.698** | **142.832** | **140.370** |
| **Total Equity and Liabilities** | **203.858** | **210.556** | **217.067** | **222.072** | **221.922** |
| Working Capital | 6.839 | 3.194 | 8.757 | 12.787 | 17.009 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 147.756 | 155.686 | 161.745 | 161.003 | 161.497 |
| EBITDA | 10.492 | 11.160 | 11.592 | 12.153 | 16.305 |
| EBIT | 3.529 | 3.517 | 3.344 | 4.057 | 8.817 |
| EBT | -216 | -2.130 | -1.118 | -1.723 | 5.916 |
| EAT | -1.879 | -3.165 | -2.674 | -4.220 | 2.773 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/Equity | 0,8 | 0,9 | 0,9 | 0,9 | 0,9 |
| Current Assets/Short-term Liabilities | 1,1 | 1,0 | 1,1 | 1,2 | 1,2 |
| EV/EBITDA | 11,6 | 11,6 | 11,6 | 11,2 | 8,3 |
| EBITDA Margin | 7,1% | 7,2% | 7,2% | 7,5% | 10,1% |

## Sales

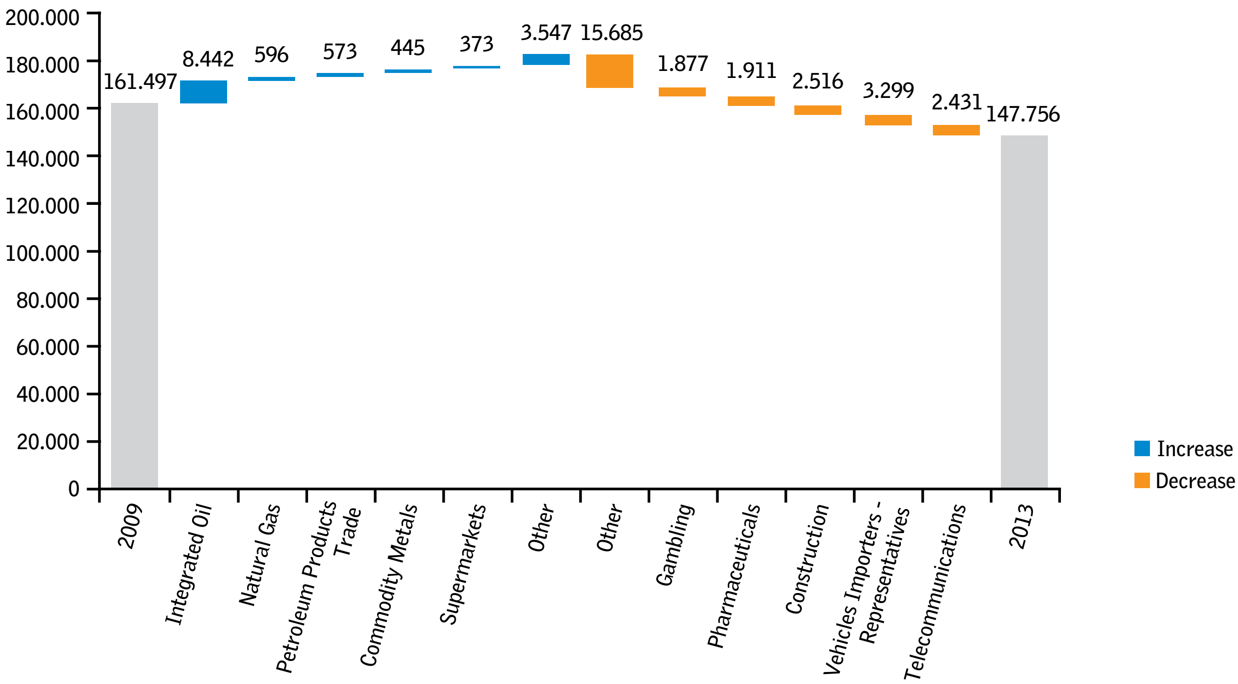
### Changes in Sales 2009-2013 (Benchmark year 2009)




 | 

- The sample companies decreased sales by 8,5% within the period under examination. Overall, the turnover decreased by € 13,7 billion.
- Turnover analysis shows that the companies' size is the crucial factor in respect of their sustainability. Mega category companies hold their turnover, in contrast to SMEs whose operations have substantially decreased (approximately -20%).
- Micro category companies have suffered the most losses of approximately 45% of turnover within the five-year period.

**Sales 2009-2013: Changes per Sector**




- Per sector examination reveals that 60 sectors decreased their turnover versus 2009 by € 28 billion, while 32 sectors recorded increases standing in at € 14 billion. Excluding the integrated oil sector, the total increase recorded in 31 sectors stood at € 6 billion.
- It should be noted that integrated oil sector sales, as well as the sales in natural gas, commodity metals and petroleum products trade sectors, are significantly affected by crude oil prices and €/$ exchange rates. The sales of the latter have also increased following the increase in taxes incorporated in petroleum products price, which, however, has even more significant negative effect on the demand that brought intense downward pressure on sales.

The following tables present the sectors recording the highest increase and the highest decrease in sales in the period 2009 - 2013.

| Change in Sales 2009-2013 (sectors with significant contribution to the total) | 2013-2009 |
|---|---|
| **10 Sectors with the highest increase** | |
| Integrated Oil | 78% |
| Natural Gas | 41% |
| Commodity Metals | 13% |
| Bakery & Confectionery | 10% |
| Various Food Products | 8% |
| Petroleum Products Trade | 6% |
| Supermarkets | 6% |
| Mineral Water, Juices & Soft Drinks | 4% |
| Electricity | 3% |
| Dairy Products | 2% |
| **10 Sectors with the highest decrease** | |
| Vehicles Importers – Representatives | -68% |
| Construction | -32% |
| Telecommunications | -31% |
| Gambling | -29% |
| Building Materials & Fixtures | -28% |
| Pharmaceuticals | -24% |
| PC and Electronic Equipment Trade | -23% |
| Retailers | -19% |
| Industrial Machinery | -16% |
| Computer Services | -10% |

| Change in Sales 2009-2013 (sectors with non-significant contribution to the total) | 2013-2009 |
|---|---|
| **5 Sectors with the highest increase** | |
| Fur and Leather Products | 82% |
| Retail of Fuels and Vehicles Lubricants | 55% |
| Lubricants | 55% |
| Recycling & Waste Management | 45% |
| Renewable Sources of Energy | 39% |
| **5 Sectors with the highest decrease** | |
| Vehicles Trade | -75% |
| Ready Mixed Concrete | -62% |
| Plumbing Fixtures | -56% |
| Newspapers and Magazines Publishing | -51% |
| Books, Newspapers and Magazines Trade | -49% |

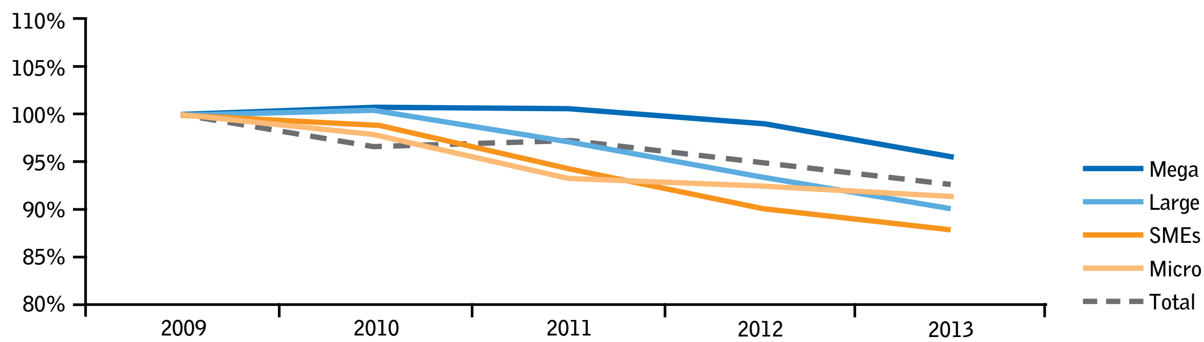
 | 

- Examination of the sectors presenting the highest increase brings about the conclusion that in many cases, the increase is due to international prices for the products or/and increase in taxation (oil, natural gas, metals) rather than growth.
- Examination of decrease in sales based on sizes makes it evident that as the size decreases, so does the number of the companies that record decrease in sales. In particular, we would like to note that 3 out of 4 companies in Micro category record decrease in turnover from 2009 to 2013.

| Companies | With increase in sales 2009-2013 | With decrease in sales 2009-2013 |
|---|---|---|
| Mega | 49% | 51% |
| Large | 44% | 56% |
| SMEs | 42% | 58% |
| Micro | 24% | 76% |

## Assets

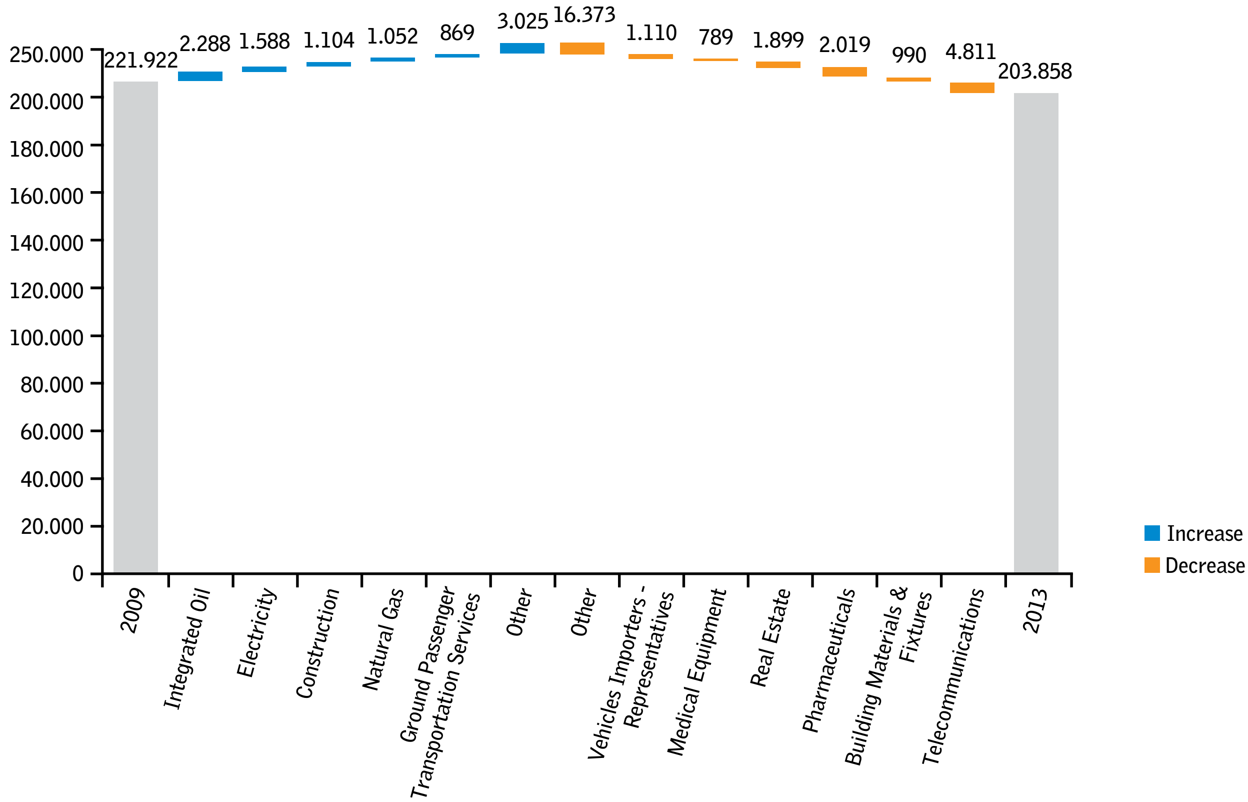
**Changes in Assets: 2009-2013 (Benchmark year 2009)**




- Overall, the sample companies decreased their assets by 8%, i.e. € 18 billion.
- The decrease in assets is mainly due to disposal of assets at prices that are lower than acquisition value, making provisions and impairments, thus, simultaneously, reducing investments.
- Size analysis indicates that losses are higher in respect of the companies' category. That is to say, while Mega category companies lost approximately 5% of their assets, Micro category companies lost almost 13%.
- It should be noted that losses incurred by SMEs and Micro companies can be even higher given that such companies are reluctant to make provisions.

**Assets 2009-2013: Changes per Sector**




- Sector analysis indicates that 63 sectors recorded decrease in assets, standing at € 28 billion, while 29 sectors recorded increases standing at € 9,9 billion.
- Telecommunications, Pharmaceuticals and Real Estate sectors record the highest decreases – their significant assets are impaired or valued at constantly lower prices, as, for example, investing property items, whose values, based on valuations conducted by the companies under IFRS are constantly lower.

The following tables present the sectors recording the highest increases as well as the highest decreases in Assets.

| Changes in assets (sectors with significant contribution to the total) | 2013-2009 |
|---|---|
| **10 Sectors with the highest increase** | |
| Ground Passenger Transportation Services | 46% |
| Integrated Oil | 30% |
| Natural Gas | 30% |
| Bakery & Confectionery | 12% |
| Supermarkets | 10% |
| Electricity | 9% |
| Mineral Water, Juices & Soft Drinks | 6% |
| Construction | 5% |
| Retailers | 1% |
| Commodity Metals | 1% |
| **10 Sectors with the highest decrease** | |
| Real Estate | -31% |
| Pharmaceuticals | -31% |
| Telecommunications | -25% |
| Professional Services | -21% |
| Industrial Machinery | -19% |
| Building Materials & Fixtures | -19% |
| Healthcare services | -19% |
| Various Metal Products | -9% |
| Petroleum Products Trade | -7% |
| Transportation Services | -4% |

| Changes in assets (sectors with non-significant contribution to the total) | 2013-2009 |
|---|---|
| **5 Sectors with the highest increase** | |
| Renewable Sources of Energy | 57% |
| Catering | 49% |
| Fuel and Lubricants Retailers | 31% |
| Fruit and Vegetables Trade | 30% |
| Airlines | 25% |
| **5 Sectors with the highest decrease** | |
| Post Office - Courier Services | -50% |
| Vehicles Trade | -44% |
| Vehicles Importers - Representatives | -37% |
| Newspapers and Magazines Publishing | -34% |
| TV, Radio & Entertainment | -31% |

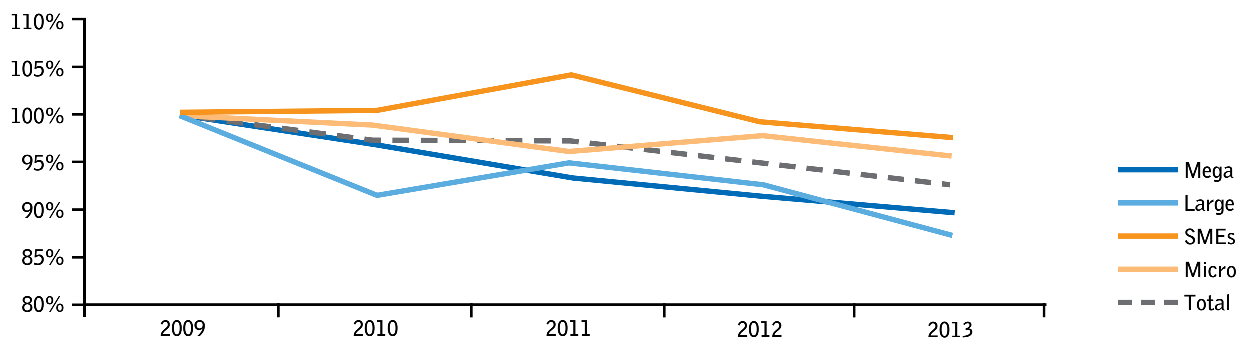
- Significant decreases are reported in Healthcare Services and Pharmaceuticals with a significant part of receivables essentially impaired.
- On examining the decrease in assets regarding category based on the companies' size, it's evident that as categories decrease, the number of companies presenting decrease in assets increases, with 65% of Micro category companies presenting decrease in assets from 2009 to 2013.

| Companies | With increase in assets 2009-2013 | With decrease in assets 2009-2013 |
|---|---|---|
| Mega | 52% | 48% |
| Large | 44% | 56% |
| SMEs | 41% | 59% |
| Micro | 35% | 65% |

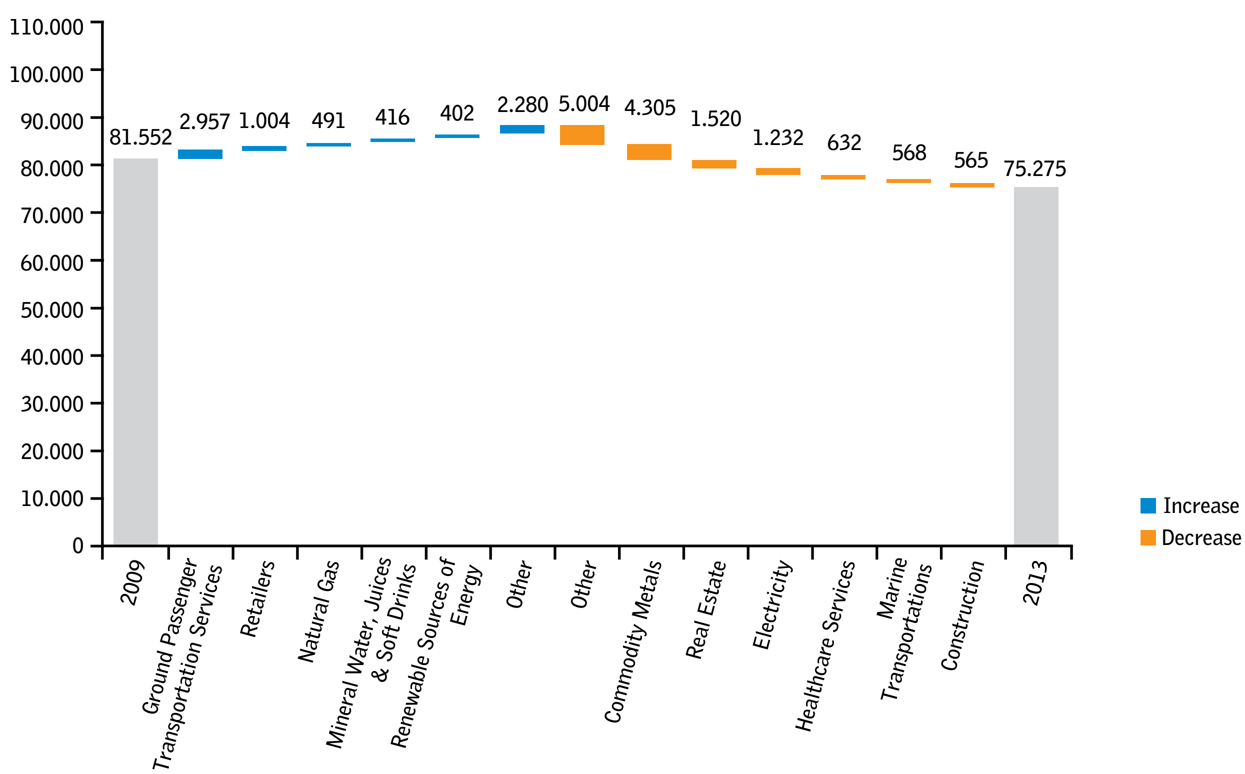
## Equity

### Changes in Equity 2009-2013 (Benchmark year 2009)




- The total companies' sample recorded decrease in Equity by 7,7% standing at € 6,3 billion.
- It is worth mentioning the fact that Micro and SMEs showed stamina and held their Equity levels despite the substantial decrease in their assets.
- It should be noted, however, that eventually losses incurred by Micro and SMEs can be even higher given that such companies are reluctant to make provisions.
- In contrast, Mega and Large companies recorded higher Equity losses as a result of profit margins squeeze.

### Equity 2009-2013: Changes per Sector




- Per sector examination indicates that 55 sectors presented decreases of € 13,8 billion, while 37 sectors presented increased of € 7,5 billion.

The following tables present the sectors recording the highest increases and the highest decreases in Equity.

| Changes in equity (sectors with significant contribution to the total) | 2013-2009 |
|---|---|
| **10 Sectors with the highest increase** | |
| Retailers | 86% |
| Supermarkets | 47% |
| Gambling | 35% |
| Pharmaceuticals | 33% |
| Natural Gas | 22% |
| Mineral Water, Juices & Soft Drinks | 15% |
| Dairy Products | 8% |
| Ground Transportation Support Services | 4% |
| Transportation Services | 3% |
| Bakery & Confectionery | 2% |
| **10 Sectors with the highest decrease** | |
| Real Estate | -52% |
| Healthcare Services | -47% |
| Marine Transportations | -45% |
| Commodity Metals | -26% |
| Petroleum Products Trade | -21% |
| Electricity | -17% |
| Building Materials & Fixtures | -14% |
| Computer Services | -10% |
| Hotels | -7% |
| Construction | -5% |

| Changes in equity (sectors with non-significant contribution to the total) | 2013-2009 |
|---|---|
| **5 Sectors with the highest increase** | |
| Ground Passenger Transportation Services | 190% |
| Renewable Sources of Energy | 132% |
| Animal Feed | 55% |
| Fruit and Vegetables Trade | 55% |
| Chemicals | 47% |
| **5 Sectors with the highest decrease** | |
| Newspapers and Magazines Publishing | -123% |
| Post Office - Courier Services | -80% |
| TV, Radio & Entertainment | -74% |
| Books, Newspapers and Magazines Trade | -72% |
| Fish Farms | -71% |

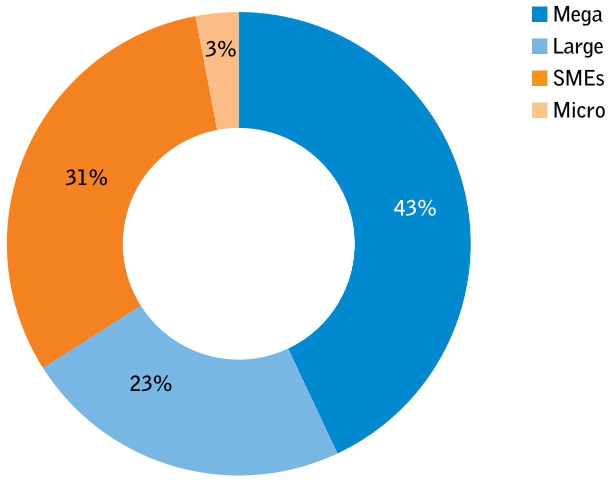
- Retailers and Supermarkets record the most significant increases, while the highest decreases are presented by Ground Cargo Transportation Services, Real Estate, Healthcare Services and Marine Transportations.
- Examining the decrease in Equity regarding the category based on the companies' size, it seems that Micro and SMEs prove to be more resilient, since, in general, almost one in two companies as a total record decrease in Equity.

| Companies | With increase in equity 2009-2013 | With decrease in equity 2009-2013 |
|---|---|---|
| Mega | 51% | 49% |
| Large | 54% | 46% |
| SMEs | 58% | 42% |
| Micro | 47% | 53% |

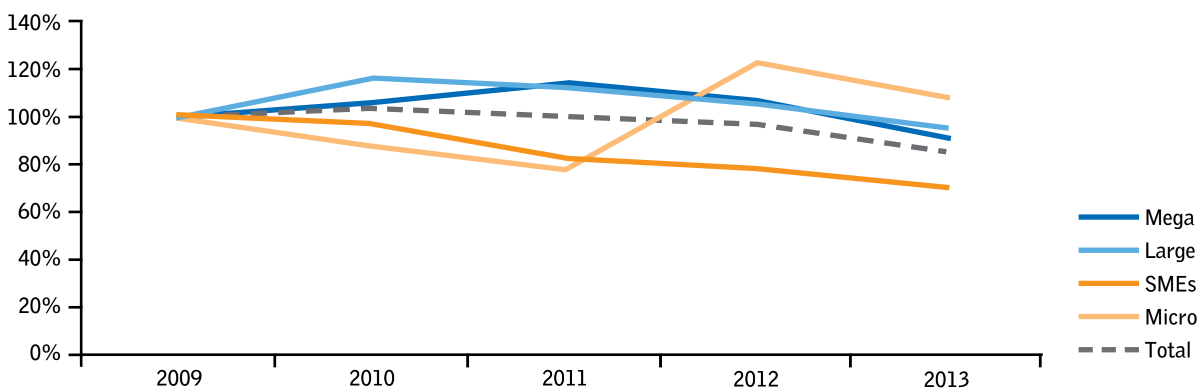
 

## Borrowings

### Net borrowings 2013




### Changes in net borrowings 2009-2013 (Benchmark year 2009)

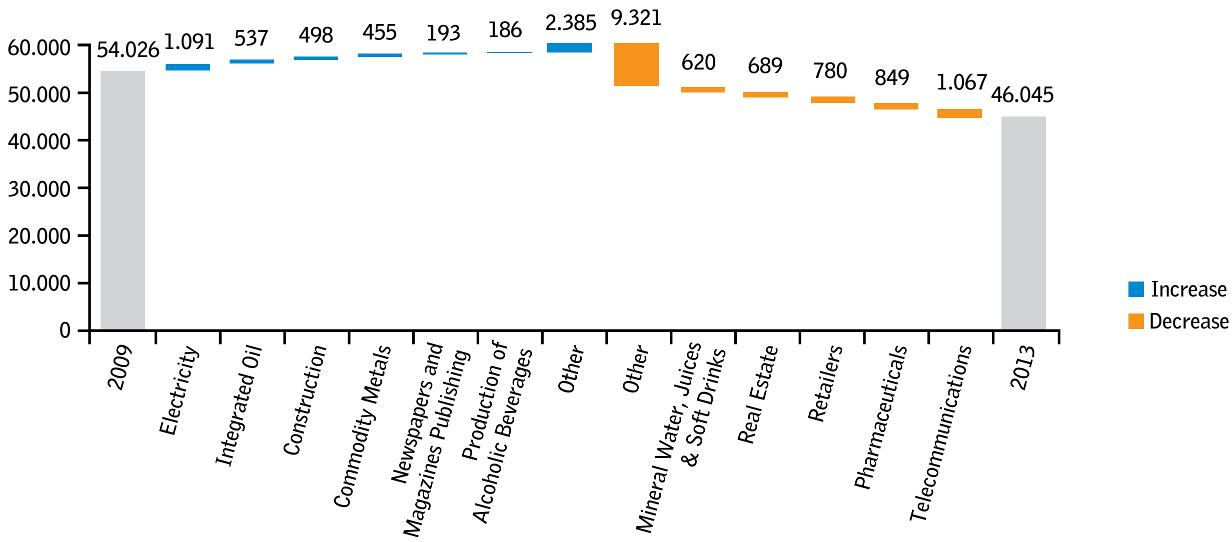



| Net borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 19.809 | 23.479 | 25.187 | 23.014 | 22.010 |
| Large | 10.670 | 11.856 | 12.392 | 12.776 | 11.094 |
| SMEs | 14.017 | 15.543 | 16.013 | 19.250 | 19.469 |
| Micro | 1.549 | 1.774 | 1.136 | 1.289 | 1.453 |
| **Total** | **46.045** | **52.651** | **54.728** | **56.328** | **54.026** |

- In 2013, Net Borrowings of the sample companies stood at € 46 billion. 66% of borrowings are attributed to Mega and Marge companies and 34% - to SMEs and Micro.
- It can be observed that within the period under examination, net borrowings decreased by € 8 billion in respect of the sample companies. It's impressing that the major decrease was recorded in SMEs (€ 5,5 billion), especially when compared to the decrease recorded by Mega companies that stood at € 2,2 billion.

**Net Borrowings 2009-2013: Changes per Sector**




- Per sector examination reveals that 37 sectors increased their borrowings by € 5,3 billion, while 57 sectors decreased their borrowings by € 13,3 billion.

The following tables present the sectors recording the highest increase and the highest decrease in net borrowings.

| Changes in net borrowings (sectors with significant contribution to the total) | 2013-2009 |
|---|---|
| **10 Sectors with the highest increase** | |
| Commodity Metals | 35% |
| Integrated Oil | 25% |
| Electricity | 25% |
| Transportation Services | 23% |
| Bakery & Confectionery | 23% |
| Petroleum Products Trade | 14% |
| Construction | 13% |
| Healthcare Services | 8% |
| Hotels | 6% |
| Dairy Products | 4% |
| **10 Sectors with the highest decrease** | |
| Telecommunications | -32% |
| Real Estate | -32% |
| Building Materials & Fixtures | -29% |
| Medical Equipment | -29% |
| Mineral Water, Juices & Soft Drinks | -28% |
| Other | -26% |
| Various Metal Products | -25% |
| Marine Transportations | -16% |
| Vehicles Importers - Representatives | -12% |
| Industrial Machinery | -8% |

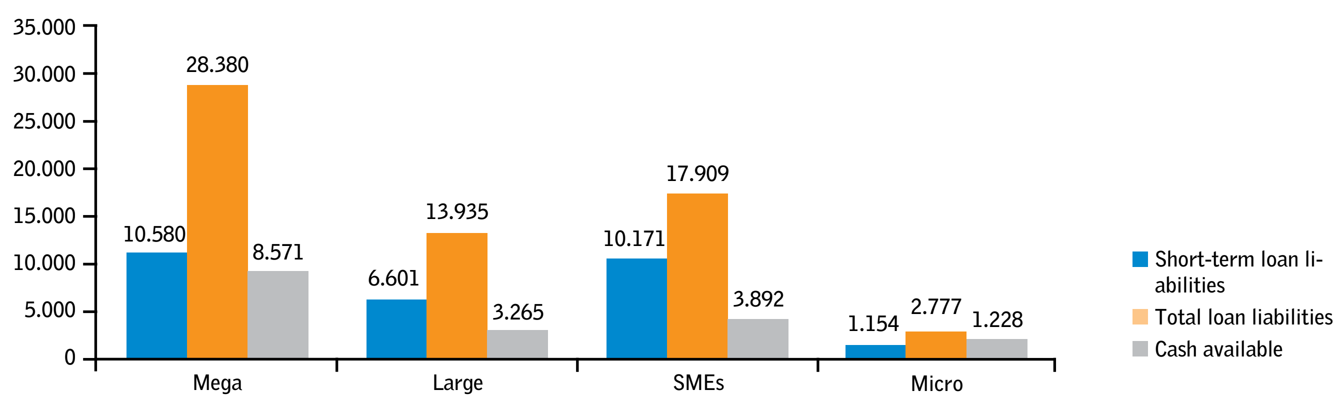
| Changes in net borrowings (sectors with non-significant contribution to the total) | 2013-2009 |
|---|---|
| **5 Sectors with the highest increase** | |
| Tobacco | 95% |
| Catering | 189% |
| Metal Constructions | 115% |
| Books, Newspapers and Magazines Trade | 467% |
| Newspapers and Magazines Publishing | 68% |
| **10 Sectors with the highest decrease** | |
| Production of Alcoholic Beverages | -444% |
| Advertising | -160% |
| PC and Electronic Equipment Trade | -132% |
| Post Office - Courier Services | -115% |
| Ground Passenger Transportation Services | -105% |

- Examination of the change in net borrowings regarding the category based on the companies' size has shown that 63% of SMEs decreased their borrowings.

| Companies | With increase in net borrowings 2009-2013 | With decrease in net borrowings 2009-2013 |
|---|---|---|
| Mega | 51% | 49% |
| Large | 47% | 53% |
| SMEs | 37% | 63% |
| Micro | 48% | 52% |

- Regarding the time of loan liabilities repayment, it should be noted that 45% is short-term, indicating that an amount of € 28,5 billion is to be repaid or directly restructured. In particular, as far as SMEs are concerned, the particular ratio stands at 57%.
- Taking into account cash available and examining the time of repayment at net borrowings level, it is obvious that 25% of net borrowings are short-term. In contrast, as far as SMEs are concerned, the particular ratio stands at 45%.

### Short-term Liabilities to Total Borrowings 2013

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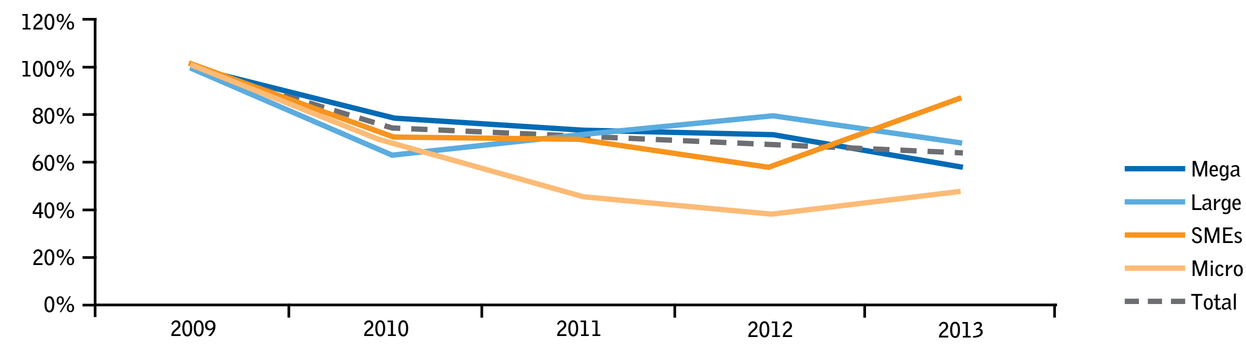
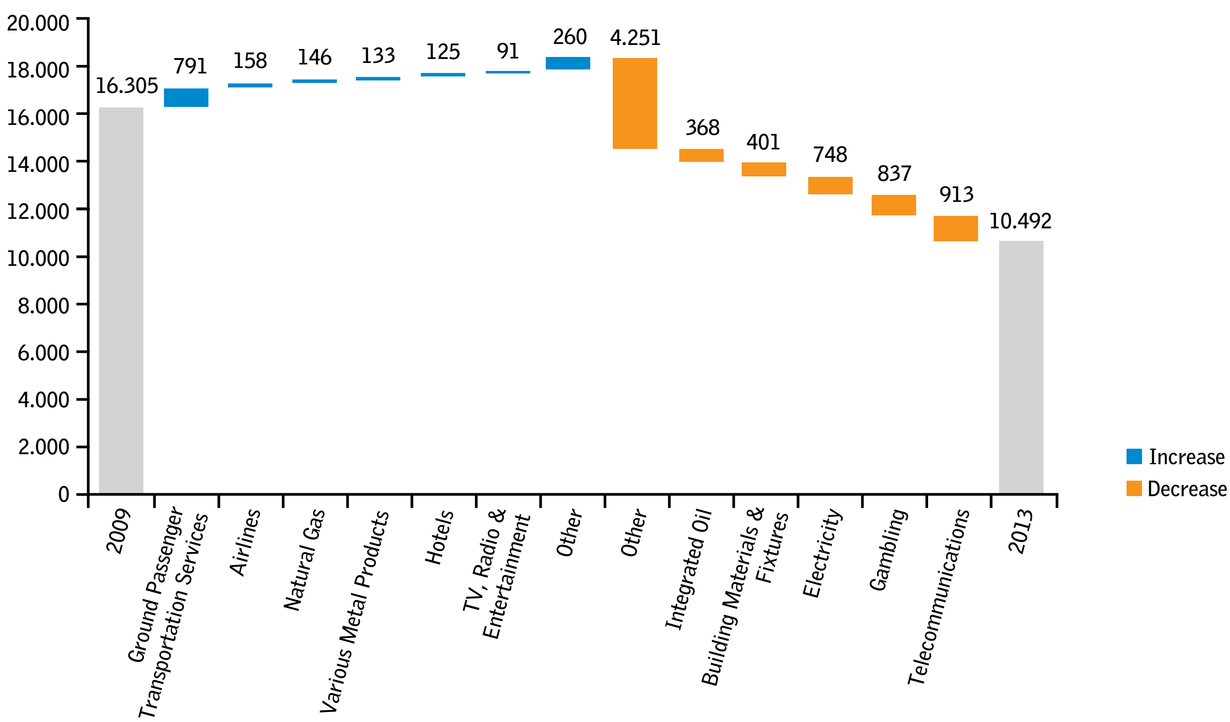
## EBITDA

### Chnages in EBITDA 2009-2013 (Benchmark year 2009)




- Regarding the sample companies, EBITDA is presented as decreased by 35%. Total EBITDA decreased by € 5,8 billion.
- SMEs and Micro companies seem to react to the sharp decrease in their turnover by adjusting the costs, and therefore, in 2013 they record increase in EBITDA margins.
- On the contrary, Mega and Large companies are still under pressure regarding EBITDA margins and record decreases in 2013.

### EBITDA 2009-2013: Changes per Sector




- Per sector examination shows that 66 sectors recorded decreases standing at € 7,5 billion, while 26 sectors recorded increases of € 1,7 billion.
- Ground Passenger Transportation Services and Airlines present increases, while the highest decreases are recorded by Telecommunications, Gambling and Electricity sectors.

The following tables present the sectors recording the highest increases and decreases in EBITDA.

| Changes in EBITDA (sectors with significant contribution to the total) | 2013-2009 |
|---|---|
| **10 Sectors with the highest increase** | |
| Various Metal Products | 510% |
| Airlines | 312% |
| Ground Passenger Transportation Services | 104% |
| Natural Gas | 94% |
| Hotels | 39% |
| Olive Oil - Cooking Fats | 33% |
| Renewable Sources of Energy | 29% |
| Bakery & Confectionery | 15% |
| Chemicals | 10% |
| Ground Cargo Transportation Services | 3% |
| **10 Sectors with the highest decrease** | |
| Gambling | -77% |
| Building Materials & Fixtures | -77% |
| Healthcare services | -76% |
| Integrated Oil | -60% |
| Production of Alcoholic Beverages | -59% |
| Medical Equipment | -53% |
| Petroleum Products Trade | -46% |
| Electricity | -46% |
| Telecommunications | -43% |
| Apparel & Footwear Wholesale | -41% |

| Changes in EBITDA (sectors with non-significant contribution to the total) | 2013-2009 |
|---|---|
| **5 Sectors with the highest increase** | |
| Textiles | 293% |
| Metal Trade and Processing | 185% |
| TV, Radio & Entertainment | 175% |
| Post Office - Courier Services | 168% |
| Fur and Leather Products | 152% |
| **5 Sectors with the highest decrease** | |
| Newspapers and Magazines Publishing | -2084% |
| Timber | -255% |
| Fish Farms | -238% |
| Ready Mixed Concrete | -135% |
| Real Estate | -131% |

- Various Metal Products, Airlines and Ground Cargo Transportation Services sectors present the highest increases, while the highest decreases are recorded by Gambling, Building Materials & Fixtures and Healthcare Services sectors.
- Regarding changes in EBITDA, 6 in 10 companies record decreases with SMEs recording the lowest rate of 58% and Mega companies – the highest rate of 68%.

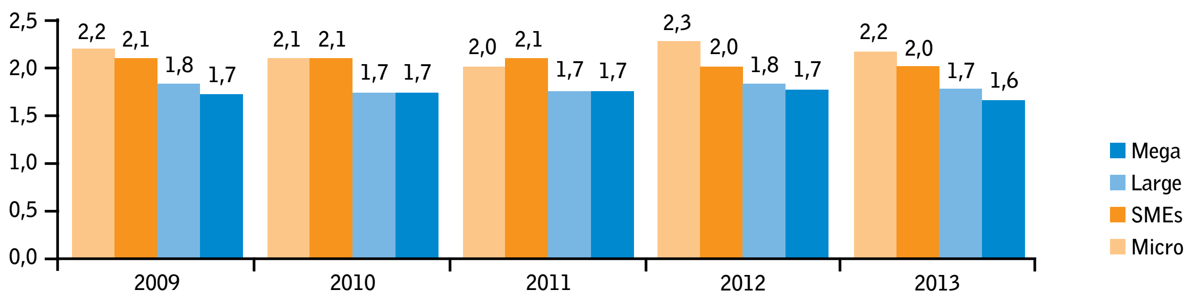
| Εταιρείες | With increase in EBITDA 2009-2013 | With decrease in EBITDA 2009-2013 |
|---|---|---|
| Mega | 32% | 68% |
| Large | 39% | 61% |
| SMEs | 42% | 58% |
| Micro | 36% | 64% |

 | 

# SECTOR ANALYSIS

## Working Capital

### Current Assets/Short-term Liabilities (Borrowings are not included)




- Considering the working capital ratio, it seems that the companies face bigger difficulties in collecting receivables. In many cases, positive working capital mainly concerns past due receivables from clients.
- This need to finance working capital creates liquidity issues regarding SMEs and Micro companies.

| Number of Companies with Negative Working Capital | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | | 27 | 37 | 29 | 28 | 24 |
| | *(percentage)* | 38% | 52% | 41% | 39% | 34% |
| Large | | 83 | 78 | 81 | 72 | 64 |
| | *(percentage)* | 33% | 31% | 33% | 29% | 26% |
| SMEs | | 1.110 | 1.135 | 1.086 | 996 | 917 |
| | *(percentage)* | 31% | 32% | 30% | 28% | 26% |
| Micro | | 1.086 | 1.080 | 1.036 | 1.042 | 1.001 |
| | *(percentage)* | 26% | 25% | 24% | 24% | 24% |
| **Total** | | **2.306** | **2.330** | **2.232** | **2.138** | **2.006** |
| | ***(percentage)*** | **28%** | **29%** | **27%** | **26%** | **25%** |

| Number of Companies with Negative Working Capital (Amounts in m €) | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -6.295 | -8.043 | -3.850 | -5.970 | -3.530 |
| Large | -5.122 | -4.885 | -3.711 | -3.352 | -1.664 |
| SMEs | -12.250 | -12.949 | -8.394 | -6.273 | -4.424 |
| Micro | -699 | -624 | -590 | -552 | -527 |
| **Total** | **-24.366** | **-26.501** | **-16.545** | **-16.148** | **-10.145** |

- Taking into account short-term borrowings, one in four companies presents prolonged negative working capital, the tendency that increases within the period under examination.
- The percentage of the companies recording negative working capital increases following the increase in the category. This fact is also due to reclassification of long-term borrowing liabilities into short-term given non-compliance with contractual obligations.

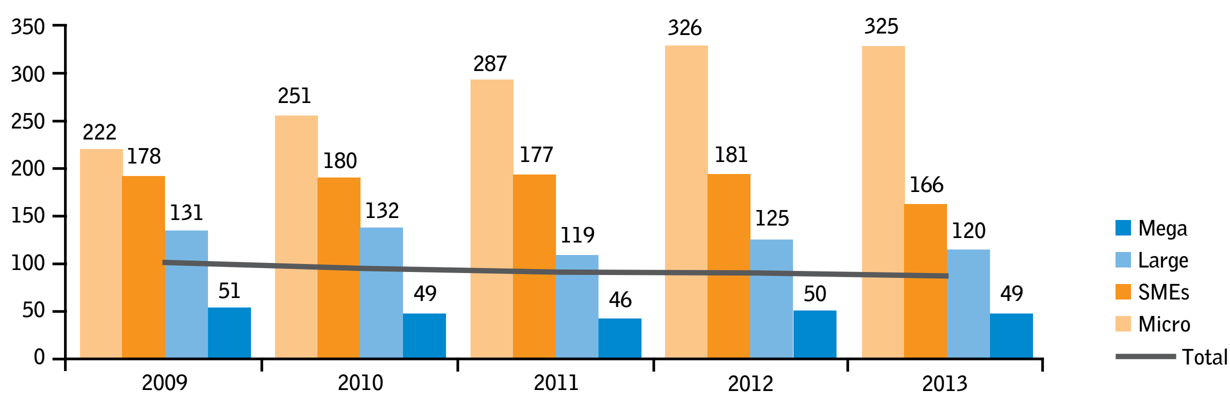
| Number of Companies with Negative Working Capital (Borrowings are not included) | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | | 13 | 14 | 14 | 14 | 14 |
| | *(percentage)* | 18% | 20% | 20% | 20% | 20% |
| Large | | 34 | 29 | 29 | 28 | 27 |
| | *(percentage)* | 14% | 12% | 12% | 11% | 11% |
| SMEs | | 482 | 457 | 486 | 459 | 413 |
| | *(percentage)* | 14% | 13% | 14% | 13% | 12% |
| Micro | | 674 | 639 | 735 | 739 | 659 |
| | *(percentage)* | 16% | 15% | 17% | 17% | 15% |
| **Total** | | **1.203** | **1.139** | **1.264** | **1.240** | **1.113** |
| | ***(percentage)*** | **15%** | **14%** | **16%** | **15%** | **14%** |

| Number of Companies with Negative Working Capital (Borrowings are not included - amounts in m €) | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -1.290 | -1.228 | -1.391 | -1.473 | -1.377 |
| Large | -1.672 | -1.445 | -1.280 | -1.761 | -867 |
| SMEs | -6.124 | -5.210 | -2.784 | -2.759 | -1.836 |
| Micro | -347 | -304 | -358 | -331 | -295 |
| **Total** | **-9.433** | **-8.187** | **-5.812** | **-6.324** | **-4.375** |

- Even not including bank loans from the working capital, a substantial number of companies, mostly SMEs, would not be in position to settle their trade and other non-financial liabilities.

## Average Collection Period of Receivables

### Average Collection Period of Receivables




- Evidently, there is a link between the company size and its ability to collect the receivables.
- Mega companies constantly record average collection period of under 2 months, and Large companies – 4 months.
- As far as SMEs are concerned, the average collection period of receivables fluctuates around six months without significant variations within the period under examination.
- In contrast, as far as Micro companies are concerned, the average collection period of receivables constantly increases and in 2013 stands at around 11 months, with the category companies facing sig-

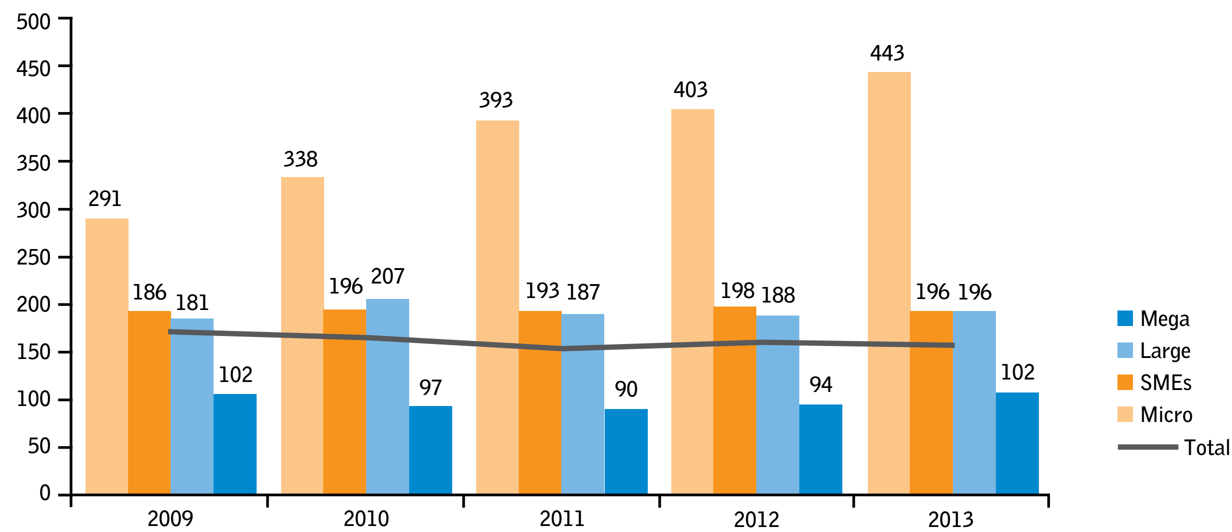
 

nificant liquidity issues and being unable to collect the receivables. Regarding the particular category, given that most companies are not audited by certified public accountants, not making provisions has resulted in very high level of receivables in respect of operations level, the receivables, whose substantial part, as arising from the financial analysis, cannot be collected.

- The sectors that perform transactions with the Greek State as well as domestically oriented sectors have greater difficulty in collecting their receivables. In contrast, low collection period, almost zero, is presented by the sectors, whose nature ensures direct payment of trade receivables.

## Average Period of Paying Liabilities

**Average Period of Paying Liabilities**




- Evidently, there is also a link between the company size and its ability to pay its liabilities.
- Failure to collect receivables has essentially resulted in suspension of payments of Micro category companies. As a result, the average period of paying liabilities in 2013 stood at 15 months.

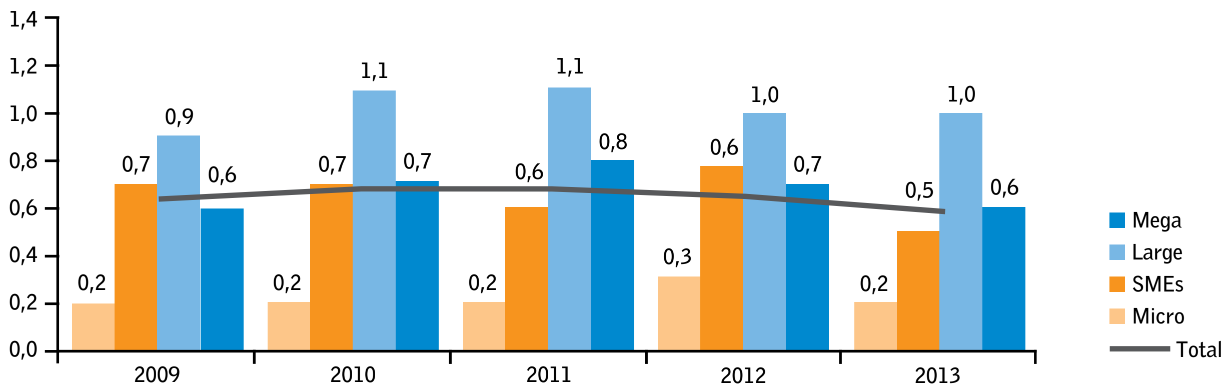
| Collection Period of Receivables - Period of Paying Liabilities (irrespective of the contribution to the total) | 2013 |
|---|---|
| **10 Sectors with the biggest Collection Period of Receivables - Period of Paying Liabilities difference** | |
| Flour Mills | 3,9 |
| Construction | 3,4 |
| Healthcare Services | 3,2 |
| Animal Feed | 3,1 |
| Metal Trade and Processing | 2,8 |
| Steel | 2,8 |
| Advertising | 2,8 |
| Cooling, heating, plumbing | 2,6 |
| Olive Oil - Cooking Fats | 2,5 |
| Processing and wholesale meat trade | 2,5 |

- The sectors whose operations are focused on domestic market and the sectors whose operations involve transactions with the Greek State are the ones with the longest delay in repaying liabilities, in essence, as a consequence of the tendencies presented by the period of collecting receivables.

## Borrowings

### Net Borrowings / Equity




| Companies with Net Borrowings > Equity (Amounts in m €) | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | Net Borrowings | 7.224 | 10.824 | 11.593 | 10.021 | 9.423 |
| | Equity | 3.283 | 6.382 | 6.183 | 5.061 | 4.814 |
| Large | Net Borrowings | 10.408 | 10.748 | 11.179 | 10.922 | 8.751 |
| | Equity | 985 | 1.721 | 2.559 | 2.604 | 1.897 |
| SMEs | Net Borrowings | 23.732 | 27.113 | 26.271 | 30.009 | 28.721 |
| | Equity | 4.520 | 6.323 | 8.627 | 9.106 | 8.603 |
| Micro | Net Borrowings | 1.833 | 1.878 | 1.472 | 1.635 | 1.767 |
| | Equity | 182 | 283 | 262 | 433 | 574 |
| **Total** | **Net Borrowings** | **43.197** | **50.564** | **50.515** | **52.585** | **48.662** |
| | **Equity** | **8.970** | **14.709** | **17.632** | **17.204** | **15.888** |

- Micro category companies have very low loan burdening since such companies have practically no access to bank financing.
- The relative ratio was improved mainly due to Mega and Large categories companies.
- Regarding the companies whose net borrowings exceed their equity, the problem seems to be getting worse in 2013, making it necessary for the companies to take instant measures.

The following tables present the sectors with the highest and the lowest loan burdening in 2013.

| Loan Burdening (sectors with significant contribution to the total) | 2013 |
|---|---|
| **10 Sectors with the biggest loan burdening** | |
| Healthcare Services | 1,6 |
| Marine Transportations | 1,4 |
| Industrial Machinery | 1,1 |
| Real Estate | 1,1 |
| Commodity Metals | 1,1 |
| Petroleum Products Trade | 1,1 |
| Bakery & Confectionery | 1,0 |
| Integrated Oil | 0,9 |
| Dairy Products | 0,9 |
| Electricity | 0,9 |
| **10 Sectors with the smallest loan burdening** | |
| Pharmaceuticals | 0,1 |
| Retailers | 0,1 |
| Personal Hygiene Products | 0,1 |
| Tobacco | 0,2 |
| Plastics | 0,3 |
| Supermarkets | 0,3 |
| Building Materials & Fixtures | 0,3 |
| Construction | 0,4 |
| Telecommunications | 0,4 |
| Mineral Water, Juices & Soft Drinks | 0,5 |

| Loan Burdening (sectors with non-significant contribution to the total) | 2013 |
|---|---|
| **5 Sectors with the biggest loan burdening** | |
| Newspapers and Magazines Publishing | 477,3 |
| Shipyards | 350,6 |
| Fish Farms | 5,7 |
| TV, Radio & Entertainment | 4,8 |
| Various Metal Products | 3,9 |
| **5 Sectors with the smallest loan burdening** | |
| Retail of Fuels and Vehicles Lubricants | -0,8 |
| Airlines | -0,3 |
| Trade and Production of Games | -0,1 |
| Gambling | -0,1 |
| Ground Passenger Transportation Services | -0,1 |

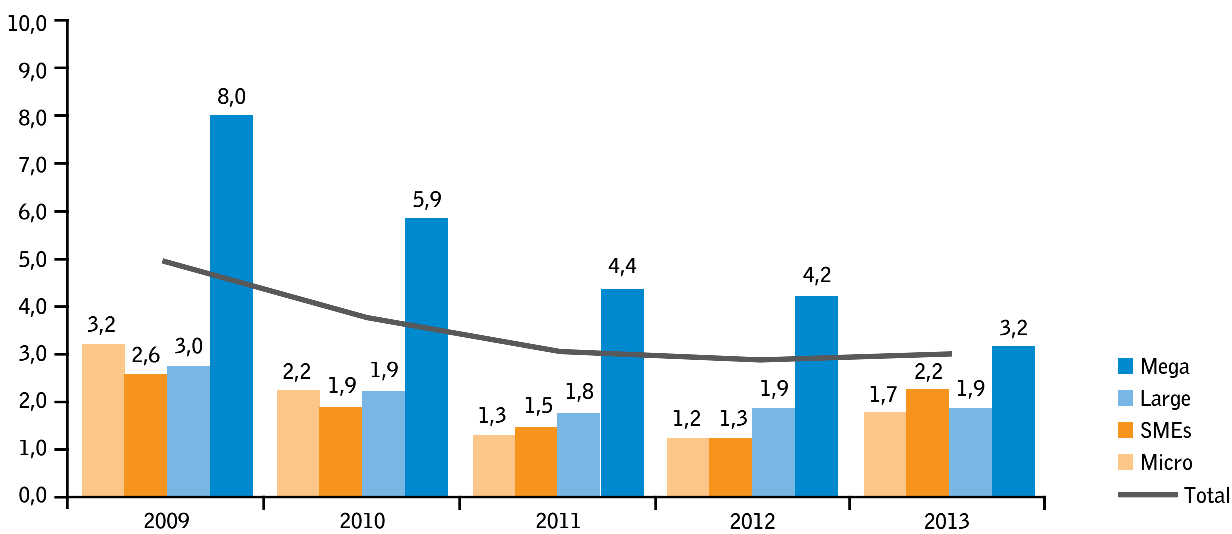
- Excluding the sectors that in essence do not affect the total results, Healthcare Services and Marine Transportations sectors record the highest loan burdening. In contrast, Pharmaceuticals and Retailers, as well as Personal Hygiene Products sectors present particularly low loan burdening.
- In 2013, the average borrowing interest rate as arising from the table below stood at 6,7%.

| Average Borrowing Interest Rate | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 6,4% | 5,5% | 5,1% | 4,3% | 4,2% |
| Large | 6,3% | 6,5% | 6,4% | 5,4% | 5,9% |
| SMEs | 6,5% | 7,0% | 7,5% | 5,0% | 4,9% |
| Micro | 6,7% | 7,2% | 10,6% | 7,9% | 7,0% |
| **Total** | **6,7%** | **6,5%** | **6,4%** | **5,1%** | **5,1%** |

- It is interesting to mention the fact that borrowing costs have steadily reached the same level regarding the total companies irrespective of their size.

## EBITDA / Financial Expenses




- Evidently, Mega companies are more capable of covering their financial costs through operating profits.
- It can be observed that borrowing costs significantly increase mainly due to interest rate increase in almost all refinancing taking place within the last three year period as well as profit margins squeeze, thus making competition much more intense.

| Number of Companies with EBITDA / Financial Expenses <1 | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | | 14 | 12 | 13 | 10 | 6 |
| | *(percentage)* | 20% | 17% | 18% | 14% | 8% |
| Large | | 66 | 67 | 61 | 61 | 38 |
| | *(percentage)* | 27% | 27% | 25% | 25% | 15% |
| SMEs | | 975 | 1.151 | 1.015 | 850 | 618 |
| | *(percentage)* | 27% | 32% | 28% | 24% | 17% |
| Micro | | 1.475 | 1.658 | 1.482 | 1.133 | 867 |
| | *(percentage)* | 35% | 39% | 35% | 27% | 20% |
| **Total** | | **2.530** | **2.888** | **2.571** | **2.054** | **1.529** |
| | ***(percentage)*** | **31%** | **35%** | **32%** | **25%** | **19%** |

| EBITDA / Financial Expenses <1 (Amounts in m €) | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | EBITDA | -160 | -180 | -430 | -1.184 | -34 |
| | Financial expenses | 580 | 245 | 214 | 131 | 107 |
| | Net borrowings | 6.776 | 3.596 | 2.856 | 1.902 | 1.954 |
| Large | EBITDA | -393 | -259 | -461 | -639 | -573 |
| | Financial expenses | 521 | 571 | 586 | 436 | 341 |
| | Net borrowings | 7.123 | 7.851 | 6.411 | 6.493 | 3.484 |
| SMEs | EBITDA | -719 | -1.186 | -1.165 | -1.630 | -1.682 |
| | Financial expenses | 927 | 1.028 | 1.529 | 1.218 | 896 |
| | Net borrowings | 10.357 | 12.232 | 20.281 | 23.384 | 18.424 |
| Micro | EBITDA | -130 | -166 | -179 | -144 | -120 |
| | Financial expenses | 100 | 121 | 138 | 92 | 64 |
| | Net borrowings | 853 | 1.012 | 670 | 528 | 297 |
| **Total** | **EBITDA** | **-1.402** | **-1.790** | **-2.235** | **-3.596** | **-2.409** |
| | **Financial expenses** | **2.128** | **1.965** | **2.466** | **1.877** | **1.408** |
| | **Net borrowings** | **25.109** | **24.691** | **30.218** | **32.307** | **24.159** |

- One in three companies cannot cover its financing costs. The companies' inability to settle financing costs decreases as their sizes also decrease.
- In 2013, net borrowings of € 25 billion are attributed to the companies presenting EBITDA lower than financial expenses.

The following tables present the sectors with the highest and lowest coverage of financial expenses through EBITDA in 2013.

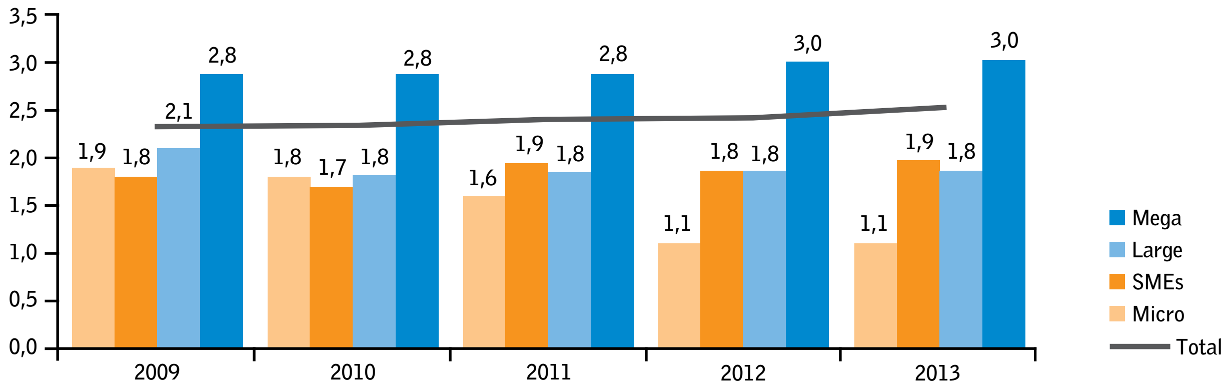
| EBITDA/Financial Expenses (sectors with significant contribution to the total) | 2013 |
|---|---|
| **10 Sectors with the biggest coverage** | |
| Gambling | 14,0 |
| Airlines | 11,8 |
| Natural Gas | 10,6 |
| Mineral Water, Juices & Soft Drinks | 8,3 |
| Retailers | 6,2 |
| Pharmaceuticals | 6,1 |
| Telecommunications | 6,0 |
| Supermarkets | 5,8 |
| Vehicles Leasing | 5,6 |
| Production of Alcoholic Beverages | 5,3 |
| **10 Sectors with the smallest coverage** | |
| Integrated Oil | 0,8 |
| Healthcare Services | 1,0 |
| Commodity Metals | 1,0 |
| Petroleum Products Trade | 1,1 |
| Construction | 1,4 |
| Building Materials & Fixtures | 1,4 |
| Medical Equipment | 1,6 |
| Industrial Machinery | 1,8 |
| Other | 2,0 |
| Various Metal Products | 2,0 |

| EBITDA/Financial Expenses (sectors with non-significant contribution to the total) | 2013 |
|---|---|
| **5 Sectors with the biggest coverage** | |
| Ground Passenger Transportation Services | 8,3 |
| Professional Services | 6,3 |
| Recycling & Waste Management | 6,2 |
| Trade and Production of Games | 5,5 |
| Ground Cargo Transportation Services | 5,4 |
| **5 Sectors with the smallest coverage** | |
| Fish Farms | -3,4 |
| Ready Mixed Concrete | -2,8 |
| Timber | -2,5 |
| Shipyards | -2,0 |
| Real Estate | -1,6 |

- Intensive capital sectors with traditionally low margins and high financing costs show the weakest performance in respect of the particular ratio.

## Sales / Total Borrowings




- Mega category companies cover the total borrowings through sales by over 2,8 times within the five year period. In contrast, as far as Micro category companies are concerned, since 2012 and onwards the sales marginally cover the borrowing, although the borrowings are rather low.

| Number of Companies with Sales/Total Borrowings <1 | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | | 7 | 7 | 6 | 7 | 6 |
| | *(percentage)* | 10% | 10% | 8% | 10% | 8% |
| Large | | 44 | 46 | 44 | 41 | 31 |
| | *(percentage)* | 18% | 19% | 18% | 17% | 13% |
| SMEs | | 694 | 673 | 600 | 574 | 511 |
| | *(percentage)* | 19% | 19% | 17% | 16% | 14% |
| Micro | | 1.060 | 1.086 | 666 | 627 | 646 |
| | *(percentage)* | 25% | 26% | 16% | 15% | 15% |
| **Total** | | **1.805** | **1.812** | **1.316** | **1.249** | **1.194** |
| | ***(percentage)*** | **22%** | **22%** | **16%** | **15%** | **15%** |

| Sales/Total Borrowings < 1 (Amounts in m €) | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | Sales | 5.890 | 6.255 | 6.356 | 5.691 | 5.478 |
| | Total Borrowings | 8.209 | 8.623 | 9.021 | 7.495 | 7.226 |
| Large | Sales | 4.616 | 5.007 | 5.320 | 5.425 | 3.894 |
| | Total Borrowings | 9.932 | 10.377 | 10.168 | 10.460 | 8.318 |
| SMEs | Sales | 6.313 | 6.838 | 6.934 | 6.651 | 6.103 |
| | Total Borrowings | 22.797 | 25.415 | 24.870 | 27.970 | 26.665 |
| Micro | Sales | 549 | 624 | 492 | 559 | 632 |
| | Total Borrowings | 2.302 | 2.381 | 1.754 | 1.827 | 1.870 |
| **Total** | **Sales** | **17.369** | **18.724** | **19.102** | **18.326** | **16.106** |
| | **Total Borrowings** | **43.239** | **46.795** | **45.813** | **47.752** | **44.079** |

- In one out of almost four companies, turnover is not sufficient to cover loan liabilities, deteriorating as the company sizes decrease.
- In 2013, loans amounting to € 43 billion are attributed to the companies whose borrowings exceed their sales.

The following tables present the sectors with the highest and lowest coverage of Loan Liabilities through Sales in 2013.

| Sales / Total Borrowings (sectors with significant contribution to the total) | 2013 |
|---|---|
| **10 Sectors with the biggest coverage** | |
| Gambling | 25,8 |
| PC and Electronic Equipment Trade | 12,4 |
| Supermarkets | 10,6 |
| Petroleum Products Trade | 10,1 |
| Pharmaceuticals | 8,6 |
| Natural Gas | 7,0 |
| Personal Hygiene Products | 6,1 |
| Integrated Oil | 5,1 |
| Various Food Products | 4,7 |
| Chemicals | 4,6 |
| **10 Sectors with the smallest coverage** | |
| Hotels | 0,6 |
| Construction | 0,8 |
| Various Metal Products | 1,0 |
| Healthcare Services | 1,0 |
| Transportations Services | 1,1 |
| Other | 1,2 |
| Vehicles Importers - Representatives | 1,4 |
| Telecommunications | 1,7 |
| Building Materials & Fixtures | 1,8 |
| Commodity Metals | 1,9 |

| Sales / Total Borrowings (sectors with non-significant contribution to the total) | 2013 |
|---|---|
| **5 Sectors with the biggest coverage** | |
| Retail of Fuels and Vehicles Lubricants | 500,2 |
| Ground Passenger Transportation Services | 11,5 |
| Ground Cargo Transportation Services | 9,5 |
| Tourism | 9,4 |
| Advertising | 9,3 |
| **10 Sectors with the smallest coverage** | |
| Real Estate | 0,2 |
| Ground Cargo Transportation Support Services | 0,4 |
| Renewable Sources of Energy | 0,6 |
| Shipyards | 0,7 |
| Vehicles Leasing | 0,7 |

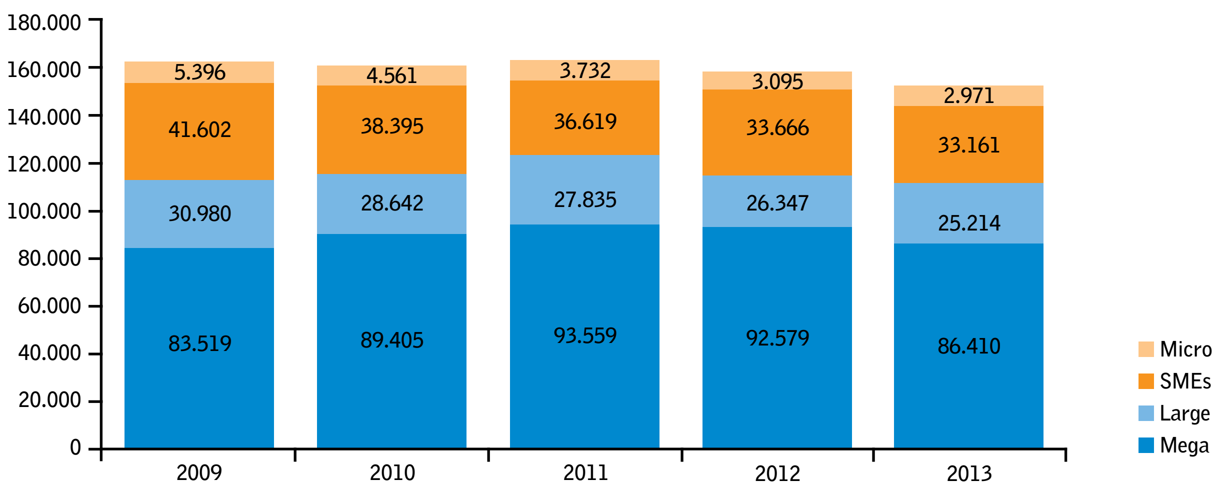
- Loan repayment in several sectors is almost impossible given the current conditions when their borrowings stand at the level of their operations that is not projected to recover in the nearest future.

## Sales – Profitability

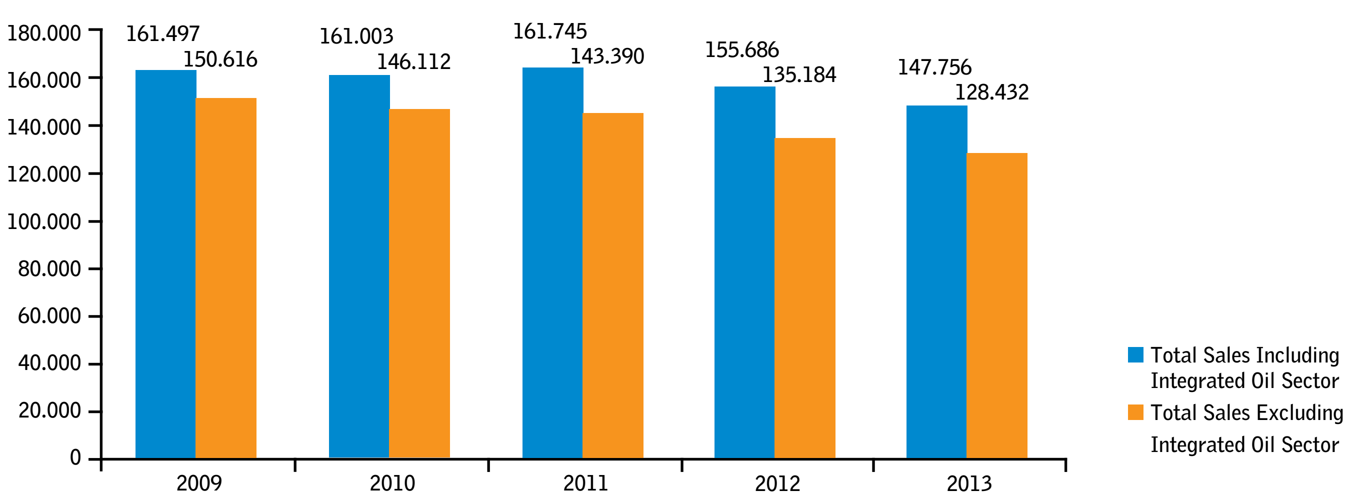
| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 86.410 | 92.579 | 93.559 | 89.405 | 83.519 |
| Large | 25.214 | 26.347 | 27.835 | 28.642 | 30.980 |
| SMEs | 33.161 | 33.666 | 36.619 | 38.395 | 41.602 |
| Micro | 2.971 | 3.095 | 3.732 | 4.561 | 5.396 |
| **Total** | **147.756** | **155.686** | **161.745** | **161.003** | **161.497** |

### Sales




- The temporary halting of the decline in operations from 2010 to 2011 pertains to only one sector (Integrated Oil), thus altering the overall picture. Excluding from our analysis the effect caused by the particular sector, the picture changes, indicating continuous decreases and totally reaching 15% in 2009 - 2013.

### Total Sales Excluding Integrated Oil Sector

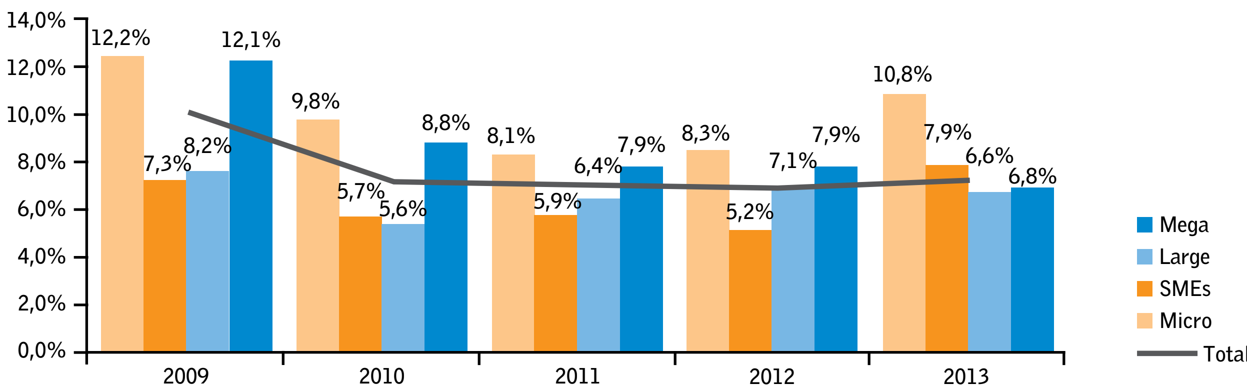


| Changes in Sales in Absolute Numbers and Percentage | | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|---|
| Mega | | -6.169 | -981 | 4.154 | 5.886 |
| | *(percentage)* | -7% | -1% | 5% | 7% |
| Large | | -1.133 | -1.488 | -806 | -2.338 |
| | *(percentage)* | -4% | -5% | -3% | -8% |
| SMEs | | -505 | -2.953 | -1.776 | -3.207 |
| | *(percentage)* | -2% | -8% | -5% | -8% |
| Micro | | -123 | -637 | -829 | -835 |
| | *(percentage)* | -4% | -17% | -18% | -15% |
| **Total** | | **-7.931** | **-6.059** | **742** | **-494** |
| | ***(percentage)*** | **-5,1%** | **-3,7%** | **0,5%** | **-0,3%** |

- Continuous decrease is recorded in all the sectors on year-to-year basis, with the exception of 2011-2010 in respect of Mega category companies, when integrated oil sector alters the overall performance.
- The highest decreases are recorded by Micro category companies, in particular from 2009 till 2012 inclusively.

## EBITDA Margin




- Following a sharp decrease in EBITDA margin from 2009 to 2010, the companies adjusted their operating expenses to constantly decreasing operating levels and thus, manage to balance operating profit margin.

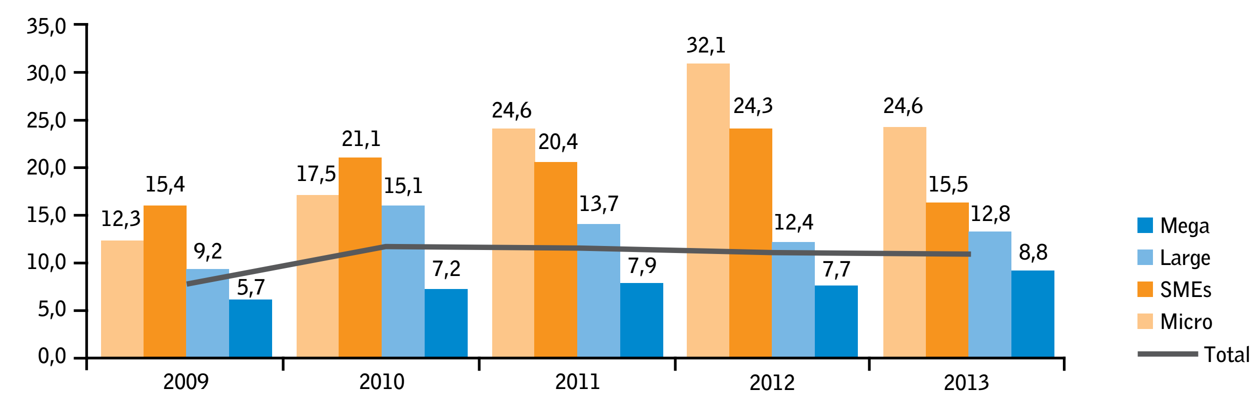
| Number of Companies with EBITDA <0 | | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|---|
| Mega | | 5 | 4 | 9 | 8 | 4 |
| | *(percentage)* | 7% | 6% | 13% | 11% | 6% |
| Large | | 42 | 41 | 39 | 41 | 29 |
| | *(percentage)* | 17% | 17% | 16% | 17% | 12% |
| SMEs | | 647 | 729 | 682 | 582 | 441 |
| | *(percentage)* | 18% | 20% | 19% | 16% | 12% |
| Micro | | 1.122 | 1.299 | 1.123 | 877 | 689 |
| | *(percentage)* | 26% | 31% | 26% | 21% | 16% |
| **Total** | | **1.816** | **2.073** | **1.853** | **1.508** | **1.163** |
| | ***(percentage)*** | **22%** | **25%** | **23%** | **19%** | **14%** |

 | 

| Number of Companies with EBITDA <0 (Amounts in m €) | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -243 | -269 | -458 | -1.185 | -111 |
| Large | -541 | -423 | -596 | -714 | -650 |
| SMEs | -846 | -1.438 | -1.440 | -1.845 | -1.785 |
| Micro | -153 | -189 | -207 | -164 | -134 |
| **Total** | **-1.783** | **-2.319** | **-2.702** | **-3.907** | **-2.680** |

- Over 1.800 companies record negative EBITDA with the percentage increasing as the size of the companies decreases.
- In 2013, 7% of Mega companies, 18% of Large companies and SMEs and 26% of Micro companies present negative EBITDA.

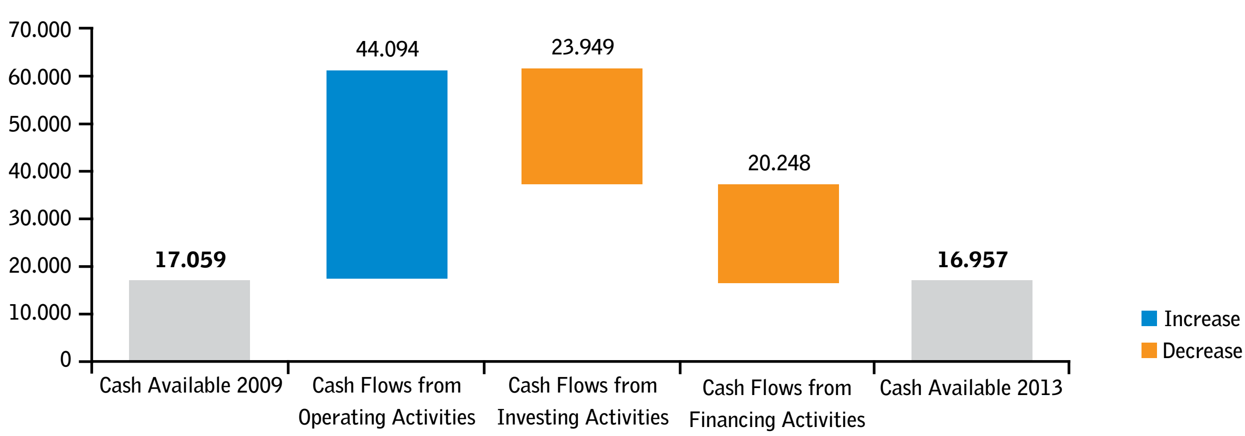
### EV / EBITDA




- Mega and Large companies steadily present more interest in investments, while much less interest is recorded by Micro companies and SMEs till 2012. The figures look improved in 2013, mainly regarding SMEs.

## Cash Flows

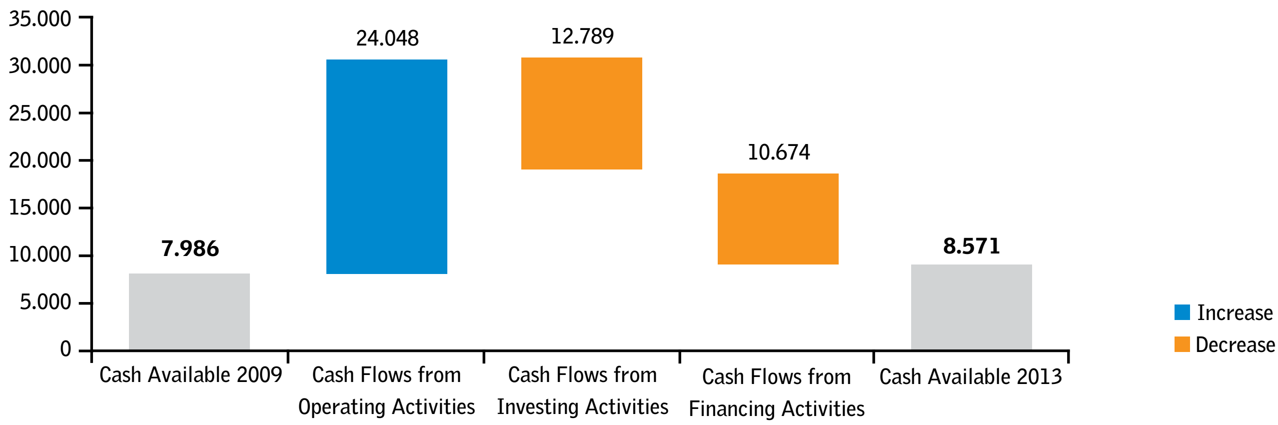
### Cash Flows: Total 2009-2013



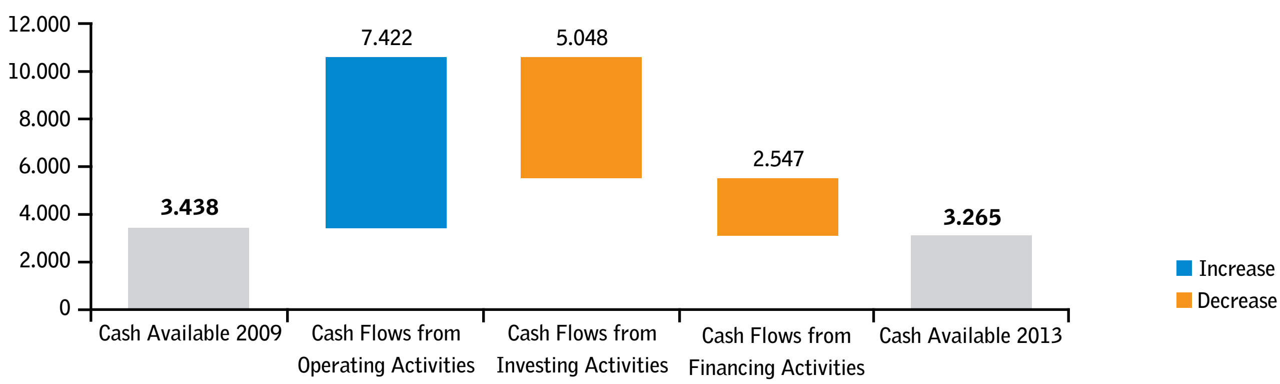
- Total cash available is marginally decreased by approximately 1%. Within the five year period, cash outflows from investing activities fluctuate around € 24 billion. Cash outflows from financing activities stand at approximately € 20,3 billion indicating lack of new financing, while financing activities mainly concern repayment of existing loans.

### Cash Flows: Mega 2009-2013




- 7% increase in cash available is recorded in Mega companies with 71 Mega companies forming approximately 50% of the total cash flows.
- Cash inflows from operating activities exceed cash outflows from investing and financing activities with the companies of the category presenting, in general, a sort of balance in financial management.

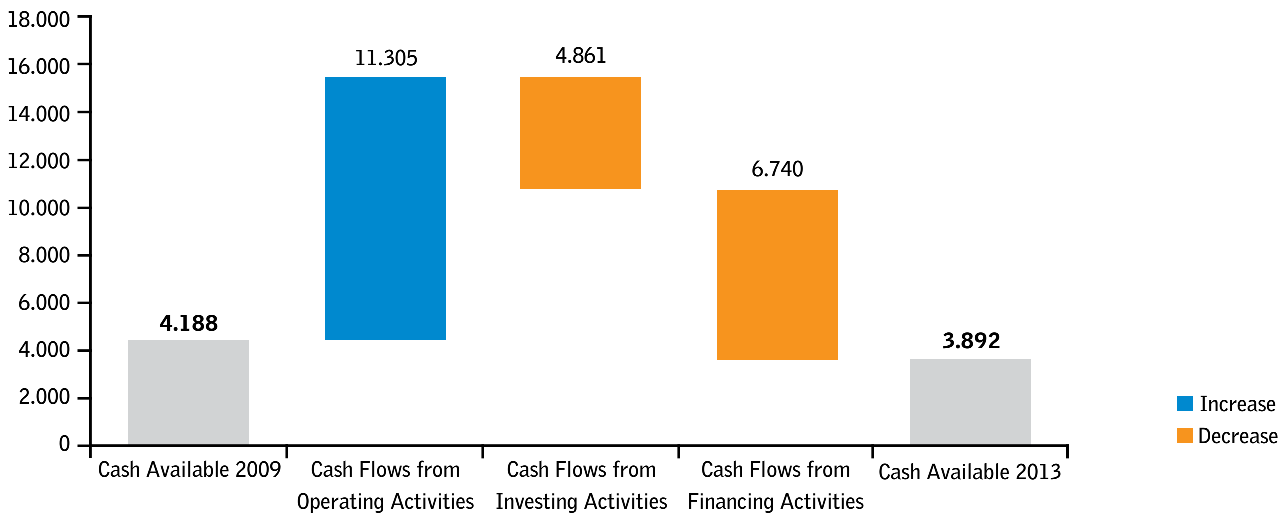
### Cash Flows: Large 2009-2013




- 5% decrease in cash available is recorded by Large companies which, however, present analogically significant outflows from investing activities.
- Cash outflows from financing activities within the five year period stand at approximately € 2,6 billion, with the performance of the category's companies similar to that of the total, as the companies repay part of their borrowings and financing mainly pertains to refinancing of existing borrowings.

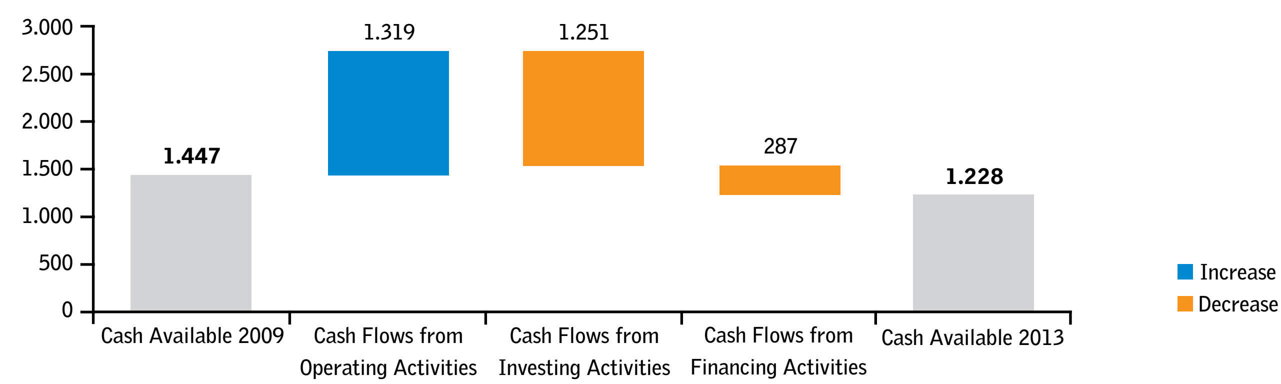
 

**Cash Flows: SMEs 2009-2013**




- 7% decrease in cash available is recorded by SMEs, which, however, present analogically higher outflows for financing activities, standing at € 6,8 billion, than any other category's companies.

**Cash Flows: Micro 2009-2013**

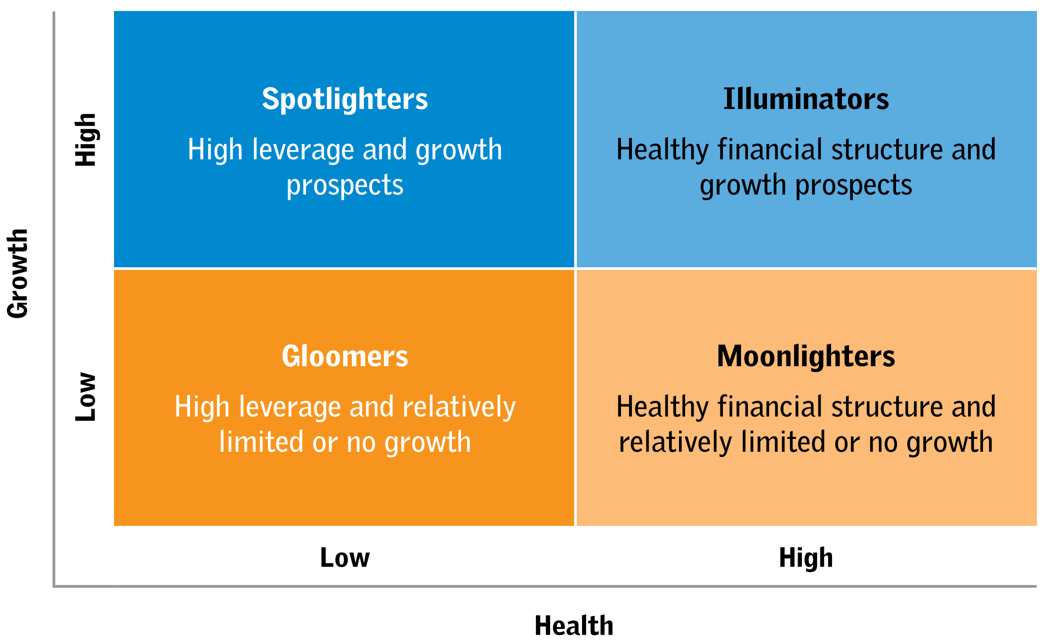



- 15% decrease in cash available is recorded by Micro category companies which, however, present analogically the highest outflows from investing activities than any other category's companies.
- Financing activities are at a very low level regarding the companies of the category, while cash flows from investing activities cover over 90% cash flows from operating activities.

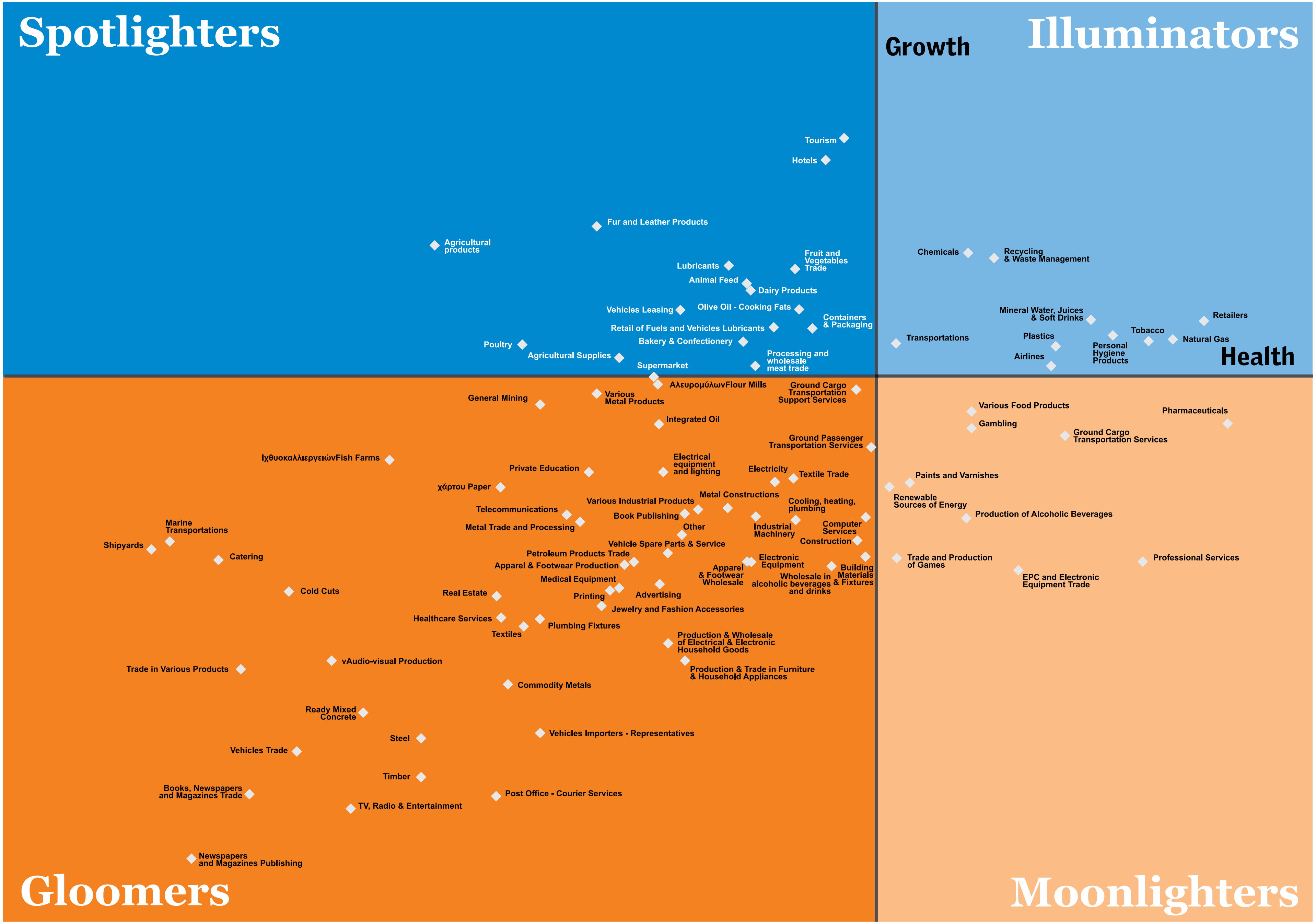
## SECTORS AND THEIR COMPANIES' ANALYSIS BASED ON «FINANCIAL GROWTH / HEALTH MATRIX»

- The analysis, presented above, was also applied at sector level.
- We used appropriate financial ratios and the analysis of the trends recorded in every sector regarding both - financial performance and dynamics and financial structure. Our objective is to identify the sectors with common characteristics in order to facilitate further discussions in respect of investment opportunities or threats faced by existing and potential stakeholders.
- In this context, we correlated "dynamic growth" and "financial health" companies of various sectors, creating «Financial Growth / Health Matrix», and accordingly classified the sectors into 4 categories (***"Illuminators", "Spotlighters","Gloomers", "Moonlighters"***).
- In accordance with the above, "***Financial Growth / Health Matrix"***, and the general characteristics of the categories forming it are as follows:




- The sectors' classification into matrix as well as the condensed data per category at sectors level are as follows:

 | 



Spotlighters
Illuminators
Gloomers
Moonlighters
Growth
Health
Tourism
Hotels
Fur and Leather Products
Agricultural products
Lubricants
Fruit and Vegetables Trade
Animal Feed
Dairy Products
Vehicles Leasing
Olive Oil - Cooking Fats
Containers & Packaging
Retail of Fuels and Vehicles Lubricants
Bakery & Confectionery
Poultry
Agricultural Supplies
Processing and wholesale meat trade
Supermarket
Chemicals
Recycling & Waste Management
Mineral Water, Juices & Soft Drinks
Retailers
Transportations
Plastics
Tobacco
Natural Gas
Personal Hygiene Products
Airlines
ΑλευρομύλωνFlour Mills
Ground Cargo Transportation Support Services
General Mining
Various Metal Products
Integrated Oil
Ground Passenger Transportation Services
IχθυοκαλλιεργειώνFish Farms
Private Education
Electrical equipment and lighting
Electricity
Textile Trade
χάρτου Paper
Metal Constructions
Various Industrial Products
Cooling, heating, plumbing
Telecommunications
Book Publishing
Marine Transportations
Metal Trade and Processing
Other
Industrial Machinery
Computer Services
Shipyards
Construction
Vehicle Spare Parts & Service
Catering
Petroleum Products Trade
Electronic Equipment
Apparel & Footwear Production
Apparel & Footwear Wholesale
Building Materials & Fixtures
Medical Equipment
Wholesale in alcoholic beverages and drinks
Cold Cuts
Real Estate
Printing
Advertising
Jewelry and Fashion Accessories
Healthcare Services
Plumbing Fixtures
Textiles
Production & Wholesale of Electrical & Electronic Household Goods
vAudio-visual Production
Trade in Various Products
Production & Trade in Furniture & Household Appliances
Commodity Metals
Ready Mixed Concrete
Vehicles Importers - Representatives
Steel
Vehicles Trade
Timber
Books, Newspapers and Magazines Trade
Post Office - Courier Services
TV, Radio & Entertainment
Newspapers and Magazines Publishing
Various Food Products
Pharmaceuticals
Gambling
Ground Cargo Transportation Services
Paints and Varnishes
Renewable Sources of Energy
Production of Alcoholic Beverages
Trade and Production of Games
Professional Services
EPC and Electronic Equipment Trade

| | |
|---|---|
| **Spotlighters**<br>17 sectors<br>Represent:<br>**16%** of the total sales,<br>**13%** of the total borrowings. | **Illuminators**<br>10 sectors<br>Represent:<br>**14%** of the total sales,<br>**9%** of the total borrowings. |
| **Gloomers**<br>55 sectors<br>Represent:<br>**58%** of the total sales,<br>**72%** of the total borrowings. | **Moonlighters**<br>10 sectors<br>Represent:<br>**12%** of the total sales,<br>**6%** of the total borrowings. |

- «Illuminators» include sectors such as Personal Hygiene Products and Recycling & Waste Management as well as industrial sectors such as Chemicals and Plastics. Moreover, the category includes developing sectors such as Transportations as well as traditional sectors like Tobacco.
- «Spotlighters» include sectors such as Tourism and Hotels. In addition, the category includes primary production sectors like Agricultural products, Farming and products and operations related to these sectors.
- «Moonlighters» include sectors such as Pharmaceuticals, Various Food Products, Production of Alcoholic Beverages, Gambling and Professional Services.
- «Gloomers» include sectors such as Real Estate, Fish Farms, Heavy Industrial Products, Publications, TV, Newspapers, Advertising, Healthcare Services, Vehicles, Construction and related products.
- It is to be noted that classifying a sector into one of the above categories does not imply that all the companies of the sector belong only to this specific category. Therefore, also due to the number of the companies that make up a sector, every separate company of every separate sector does not necessary accurately present the characteristics attributed to the latter. Every sector has companies that record dynamic growth and strong financial structure, and companies recording downward trends in their operations and weak financial position, however, the general picture of the sector is a resultant of all the included companies.
- Therefore, in line with the position of the sector, the analysis of the specific financial characteristics at companies level is what fully reveals both investment opportunities and targeted necessary actions concerning the companies of various sectors. The result of this analysis, i.e. classification at the examined sample companies level, is summarized as follows:

| | |
|---|---|
| **Spotlighters**<br>18% of total companies<br>Represent:<br>**19%** of the total sales,<br>**15%** of the total borrowings. | **Illuminators**<br>16% of total companies<br>Represent:<br>**21%** of the total sales,<br>**9%** of the total borrowings. |
| **Gloomers**<br>50% of total companies<br>Represent:<br>**46%** of the total sales,<br>**72%** of the total borrowings. | **Moonlighters**<br>16% of total companies<br>Represent:<br>**14%** of the total sales,<br>**4%** of the total borrowings. |

- The results of mapping Greek businesses at company level indicate that despite the challenging economic environment predominating in the recent years, there are companies with strong financial sizes and encouraging course of operations. Furthermore, it should be noted that even regarding the companies that have recorded sufficient decreases in operations within the last five years, stabilization of the economic environment can trigger their restart, and on the basis of optimization of costs with and operations achieved in recent years, they can still play the leading part in the newly formed Greek business environment.

## CONCLUSIONS

- Within the five year period 2013 -2009, the sample companies recorded decreases of 8,5% in turnover, 8% in assets and 7,7% in Equity. Also, EBITDA margin decreased by 30% and net borrowings by 15%.
- Constant decreases in sales, in particular if Integrated Oil companies are excluded from the total, in which case the decrease stands at 15%.
- The sectors recording the highest decreases in sales are the ones with domestic market orientation and, mainly, the sectors heavily depending on state financing, greatly affected by its reduction. Collecting receivables is the key challenge regarding such sectors.
- One in four companies continuously presents negative working capital. The percentage of the companies, presenting negative working capital, increases as their size increases. Positive working capital, steadily presented by Micro companies, does not reflect the general performance since the period of their receivables collection presents the evident and particularly significant liquidity issue they face, further deteriorated by not making the required provisions.
- The companies' ability to repay their liabilities is proportional to their size with the companies of smaller categories, Micro in particular, being essentially unable to settle their liabilities.
- Very low loan burdening of Micro companies, which are practically excluded from bank financing.
- The highest loan burdening is recorded by the sectors related to Mass Media, Medical Services and Agriculture. These sectors are domestically focused and the increased burdening, recorded by some of them, is directly related to the decrease in state financing.
- The highest decrease in net borrowings is recorded by SMEs (€ 5,5 billion), a very impressive fact, especially when compared to the decrease recorded by Mega companies that stands at € 2,2 billion.
- The companies' ability to cover their financial costs through operating profits constantly decreases. Cost of financing significantly increases, while, at the same time, profit margins decrease given intense competition.

- In almost one in four companies, turnover is not sufficient to cover loan liabilities, while in one out of three companies operating profit cannot cover financial costs. The performance deteriorates as the size of the companies decreases.
- Several sectors are not able to repay their loans under the current conditions, while their borrowings are at operating levels that are not projected to recover in the nearest future.
- The companies, as a total, managed to stabilize profit margins, adjusting their operating expenses to constantly decreasing operating levels.
- Steadily low profit margins are recorded by the productive sectors, while the sectors whose key operations concern services and trade record the highest margins.
- Over 6 billion decrease in investments from 2011 to 2013.
- The period under examination is characterized by repayment of existing loans and lack of new financing, thus intensifying liquidity problem.
- In our survey, through the use of appropriate financial ratios and the analysis of the trends, we correlated "dynamic growth" and "financial health" companies of various sectors and classified the sectors with common characteristics into four categories (Illuminators, Spotlighters, Gloomers, Moonlighters) with shared characteristics.
- «Illuminators» include sectors such as Personal Hygiene Products and Recycling & Waste Management as well as industrial sectors such as Chemicals and Plastics. Moreover, the category includes developing sectors such as Transportations as well as traditional sectors like Tobacco.
- «Spotlighters» include sectors such as Tourism and Hotels. In addition, the category includes primary production sectors like Agricultural products, Farming and products and operations related to these sectors.
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# Advertising Sector

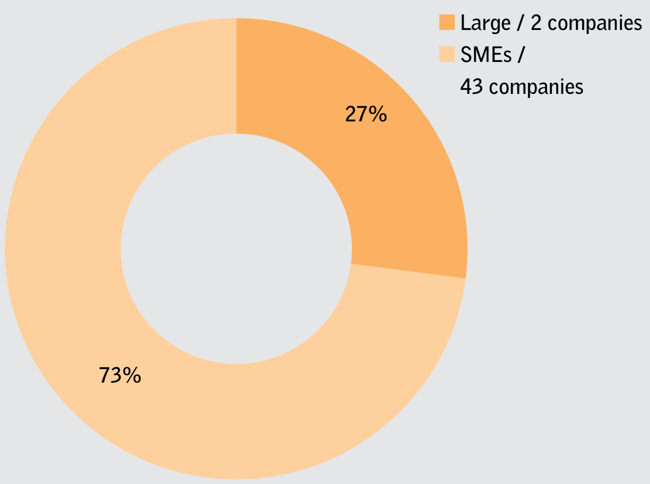
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

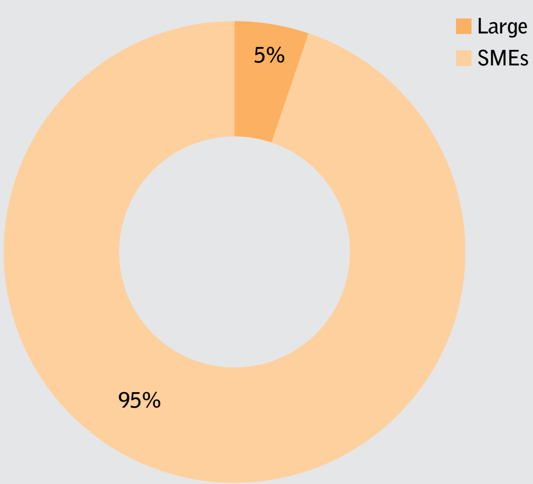
- **45** companies represent over **90%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 43 companies represent over 73% of the sector's total sales in 2013.

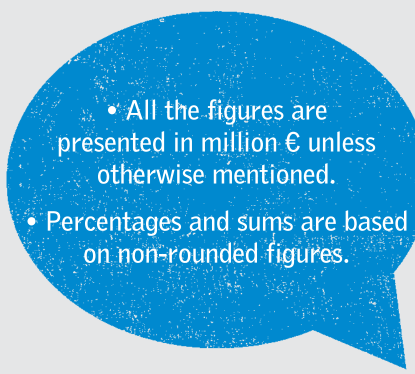
### Headcount 2013




- 95% of the sector's headcount are employed in 43 SMEs.

## Sector Characteristics

- The sector that experienced hard effects of the financial crisis.
- Declining course of turnover and small to minimal profit margins.
- Any decrease in sales significantly affects profit margins and working capital of the companies.
- Intense competition in the sector with further decrease in profit margins.
- Turnover records decreases within the entire five year period. Domestic margin does not present particular growth prospects; therefore, the companies compete for market share.
- A significant part of the sector's financing comes from suppliers and is the key driving force behind defining credit limits.
- Intense need of working capital financing, in particular regarding the "leading" companies of the sector.
- In cases of bank borrowings, financing working capital is getting all the more difficult.



## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial performance is characterized by homogeneity. Decrease in sales and profit margins as well as the need for working capital financing are recorded regarding the total sector. |
| **Does a small number of companies dominate the sector?** | 43 companies constitute 73% of the sector's turnover. Most of the companies are SMEs with shared characteristics. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector significantly differs from the expected picture and presents decreases in working capital and EBITDA operating margins. |
| **Has the sector overcome the economic crisis?** | No, since turnover and operations are constantly decreasing. |
| **How hard was it for the sector to face the crisis?** | Very hard indeed. The companies proceed with constant decreases in costs and resort to short-term borrowings in order to address financing needs. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Intense decline in the sector's operations versus GDP. |
| **What is the financial performance of the sector's SMEs?** | SMEs present satisfactory financial performance given the current conditions, while they are in a better position regarding bank financing and credit terms defined by the suppliers. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to size as to financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | "On line marketing" is a useful tool in today's business environment regarding advertising, communication and sales promotion.<br>The comparative advantages of advertising through Internet versus traditional advertising media, in conjunction with<br>1. enhancing the penetration of Internet in Greece and<br>2. growing acceptance of these services as value added services,<br>increase the demand in advertising and eventually contribute to growth of the market under survey.<br><br>Significant amendments have been announced recently that can be regarded as positive factors:<br>1. Compulsory direct invoicing of advertised companies as from 01.01.2015, while intervening advertising companies no longer invoice.<br>2. The Advertised are exclusively burdened with advertising agencies expenses.<br>3. Change in the method of calculating advertisement tax (hereinafter to be based on the actual price invoiced by the media to the advertised company as arising following the deduction of any rebates). |

# CONDENSED FINANCIAL DATA

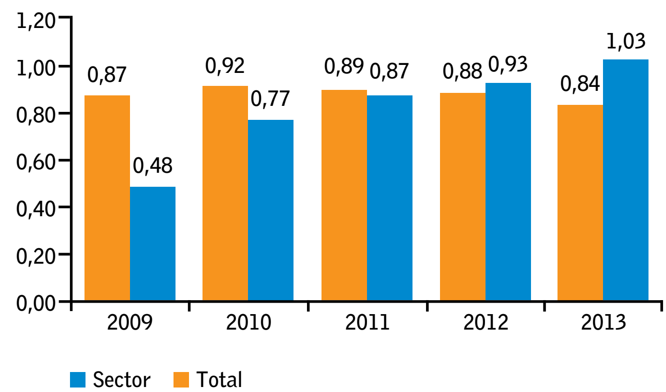
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 40 | 39 | 41 | 41 | 36 |
| Current Assets | 389 | 427 | 444 | 490 | 559 |
| **Total Assets** | **428** | **466** | **485** | **530** | **595** |
| **Equity** | **55** | **52** | **54** | **55** | **53** |
| Long-term Loan Liabilities | 7 | 7 | 9 | 6 | 8 |
| Other Long-term Liabilities | 9 | 11 | 10 | 8 | 9 |
| **Total Long-term Liabilities** | **16** | **18** | **18** | **14** | **17** |
| Short-term Loan liabilities | 50 | 41 | 39 | 36 | 17 |
| Other Short-term Liabilities | 307 | 355 | 373 | 425 | 507 |
| **Total Short-term Liabilities** | **357** | **396** | **412** | **461** | **524** |
| **Total Liabilities** | **373** | **414** | **430** | **475** | **542** |
| **Total Equity and Liabilities** | **428** | **466** | **485** | **530** | **595** |
| Working Capital | 32 | 31 | 32 | 29 | 34 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 535 | 592 | 662 | 759 | 877 |
| EBITDA | 10 | 6 | 15 | 21 | 33 |
| EBIT | 8 | 4 | 12 | 17 | 29 |
| EBT | 8 | 1 | 11 | 20 | 30 |
| EAT | 5 | -1 | 6 | 14 | 23 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,0 | 0,9 | 0,9 | 0,8 | 0,5 |
| Current Assets/ Short-term Liabilities | 1,1 | 1,1 | 1,1 | 1,1 | 1,1 |
| EV/EBITDA | 7,7 | 9,6 | 3,6 | 1,0 | 0,4 |
| EBITDA Margin | 1,9% | 1,1% | 2,3% | 2,7% | 3,7% |

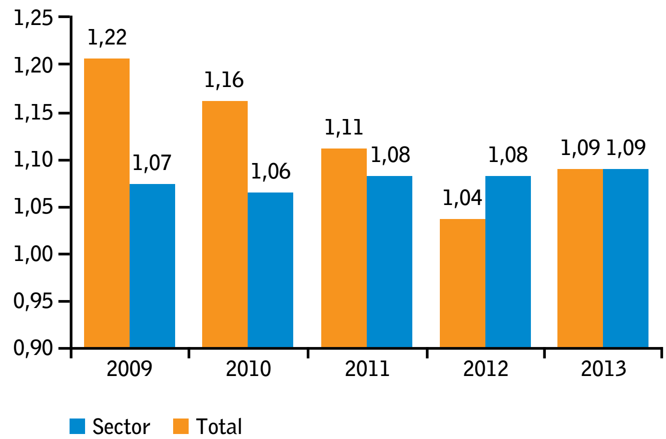
### Loan Liabilities / Equity




- The sector traditionally operated with low borrowings and low equity and therefore, its loan burdening is low as compared to the total. Within the period under survey, receiving financing in order to meet liquidity needs have resulted in loans exceeding equity.

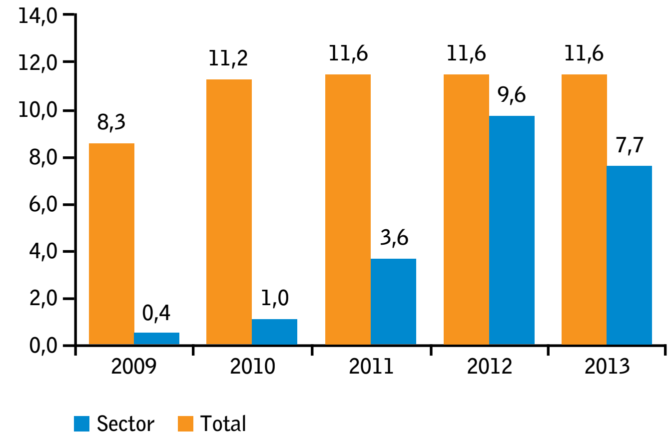
 | 

## Current Assets / Short-term Liabilities



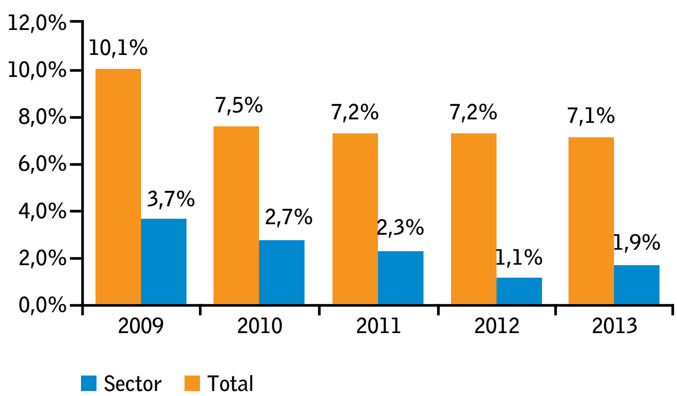

- The working capital remains at the same level within the entire period under survey. However, given the large number of companies and the nature of the sector's operations there may be increased credit risk as well as bad debts that have not been recorded.

## EV/EBITDA



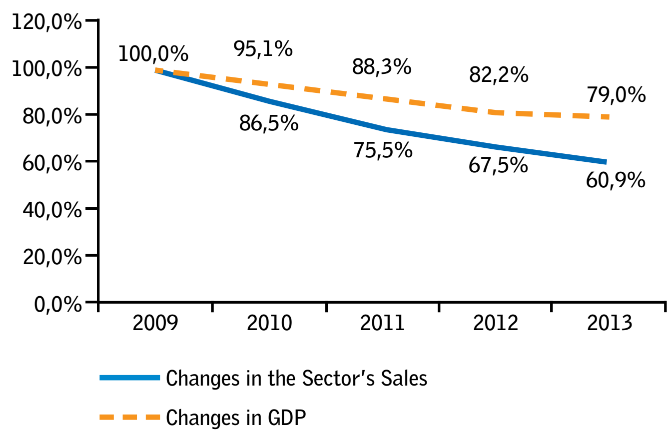

- Low loan burdening has positively affected the sector's companies.

## EBITDA Margin




- EBITDA margins have significantly decreased and remain at marginal levels. Intense competition and prolonged decrease in turnover have resulted in declines of operating profits.

## Changes in the sector's Sales and GDP (benchmark year 2009)




- Turnover decreased by 39%, thus reflecting the impact of the economic crisis on the sector. Compared to GDP, advertising sector is one of the sectors recording the largest decrease in operations.

# SECTOR ANALYSIS

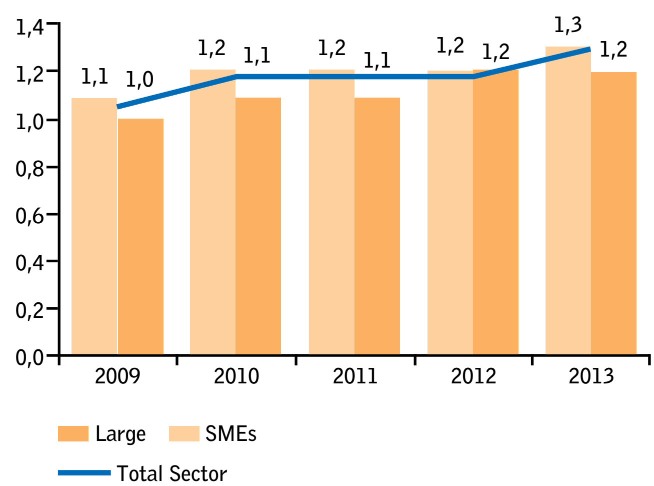
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 9 | 8 | 10 | 6 | 5 |
| SMEs | 23 | 23 | 23 | 22 | 30 |
| **Total Sector Working Capital** | **32** | **31** | **32** | **29** | **34** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 17 | 14 | 13 | 10 | 5 |
| SMEs | 65 | 58 | 58 | 55 | 47 |
| **Total Sector Working Capital** | **82** | **72** | **71** | **65** | **52** |

* *Borrowings are not included*

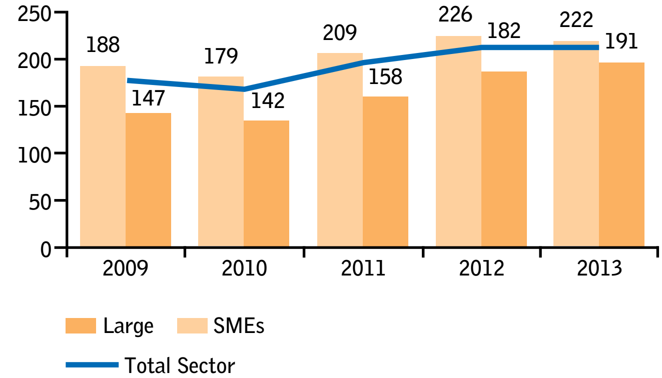
### Current Assets /Short-term Liabilities*




* *Borrowings are not included*

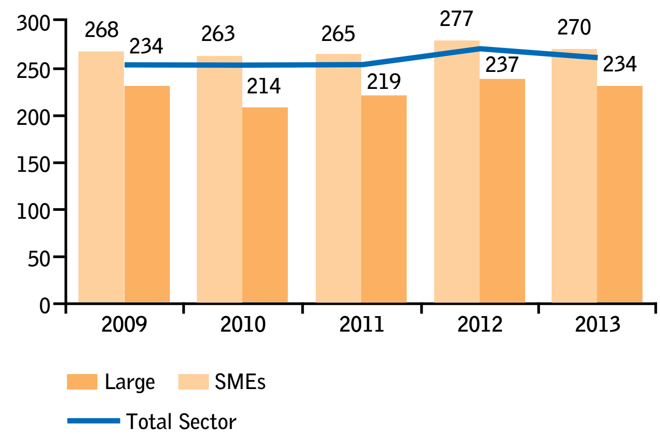
- Similar performance regarding working capital notwithstanding the sector's companies size.
- Threefold increase in short-term borrowings versus 2009 is particularly worth mentioning.
- Moreover, the ability to collect the receivables and the size of bad receivables are also to be examined.

### Average Collection Period of Receivables




- Increase in days of collecting receivables in line with decrease in turnover is worrying. The sector's companies collect their receivables after 6 to 8 months.

### Average Period of Paying Liabilities




- The Average Collection Period of Receivables is over 8 months, following the trends presented by the period of collecting receivables.

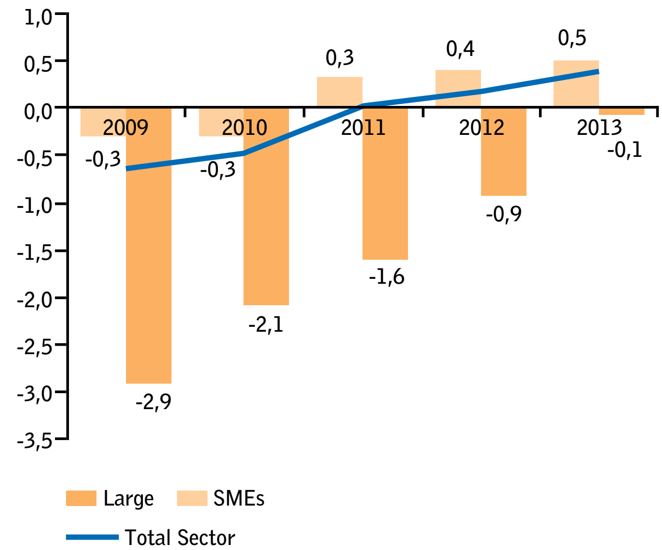
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -1 | -8 | -13 | -19 | -25 |
| SMEs | 25 | 16 | 13 | -15 | -15 |
| **Total Sector Working Capital** | **24** | **8** | **-1** | **-34** | **-39** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 1 | 1 | 1 | 0,2 | 0 |
| SMEs | 3 | 3 | 3 | 2 | 1 |
| **Total Sector Working Capital** | **4** | **4** | **4** | **2** | **1** |

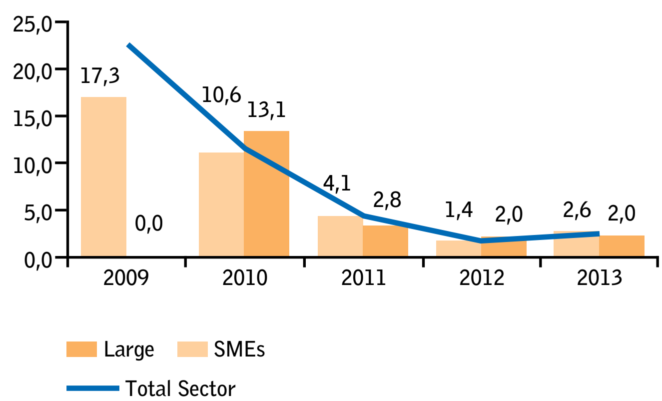
- The sector traditionally presents surplus in net borrowings. Within the period under survey, this tendency was reverted and net borrowings have become negative.
- Large companies record positive results regarding net borrowings. Eventually, they finance their operations through cash available, which, however, is gradually decreasing.

### Net Borrowings / Equity



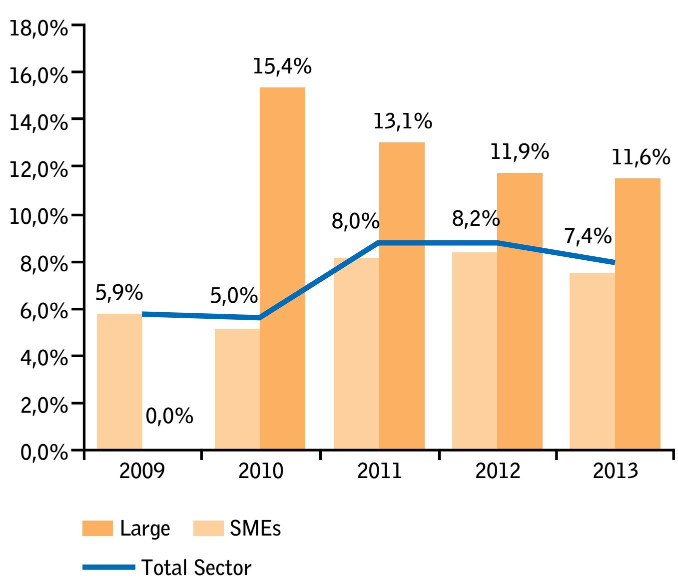

- The sector presents negative net borrowing till 2010, with SMEs standing at 0,5 in 2013, given the particular increase in loans, and Large companies maintaining the negative net borrowings within the entire five year period.

### EBITDA / Financial Expenses




- The ratio is particularly burdened. The increase in the cost of financing in line with the decreases in operating profits have shaped the ratio at marginal level in order to cover the interest rates.

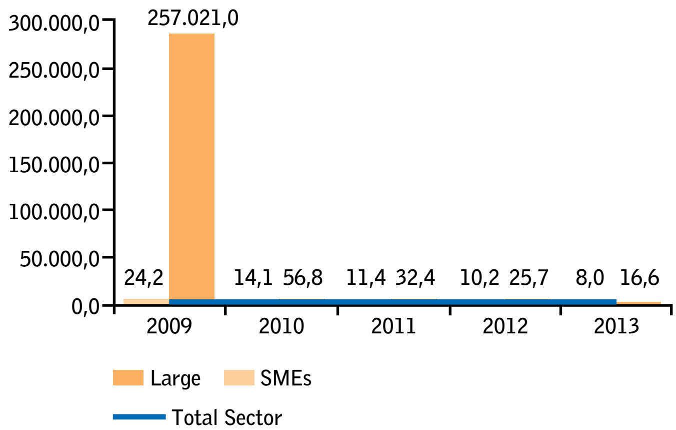
### Average Borrowing Interest Rate




- Constant increase in short-term borrowings has resulted in higher interest rates.
- The sector's Average Borrowing Interest Rate from 5,9% in 2009 significantly increases and approaches 8% in 2013, due to increase in loans.

### Sales / Total Borrowings




- Large companies of the sector present the highest performance in the particular ratio, while SMEs are obviously worse.
- Decrease in sales constantly worsens the ratio, taking into account the nature and the way of the sector's operations.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -25 | -16 | -27 | -50 |
| *(percentage)* | -15% | -9% | -13% | -19% |
| SMEs | -32 | -54 | -69 | -68 |
| *(percentage)* | -8% | -11% | -13% | -11% |
| **Total Sales of the Sector** | **-57** | **-71** | **-96** | **-118** |
| ***(percentage)*** | **-10%** | **-11%** | **-13%** | **-13%** |

- Rather uniform downward trend regarding the sector's sales in all the companies' categories.
- As a total, Large companies lost 45% and SMEs - 37% of their turnover.

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 2 | 1 | 2 | 4 | 7 |
| SMEs | 8 | 5 | 13 | 17 | 26 |
| **Total Sector** | **10** | **6** | **15** | **21** | **33** |

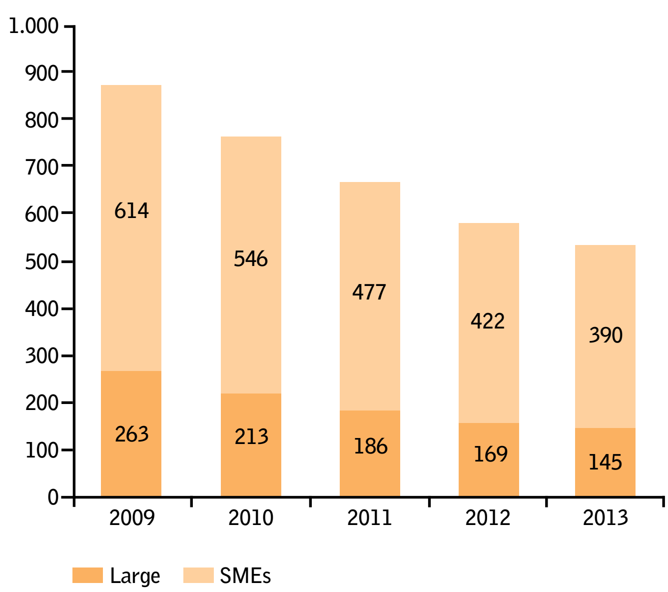
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 145 | 169 | 186 | 213 | 263 |
| SMEs | 390 | 422 | 477 | 546 | 614 |
| **Total Sector** | **535** | **592** | **662** | **759** | **877** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 1,5 | 1,2 | 1,5 | 3,4 | 6,2 |
| SMEs | 6,4 | -0,1 | 9,3 | 16,8 | 24,0 |
| **Total Sector** | **7,9** | **1,1** | **10,7** | **20,2** | **30,2** |

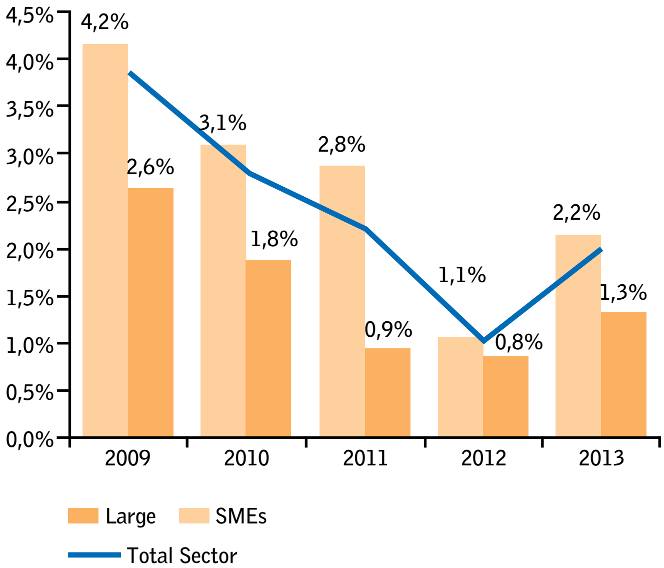
- EBITDA decreased by 70% within the period under survey.
- A similar trend has been recorded in profit before tax, which decreased by 74% within the period.

### Sales



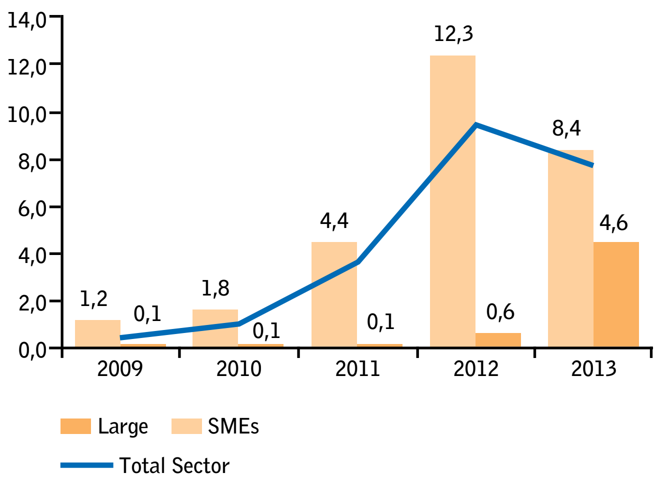

 | 

### EBITDA Margin




- Profit margins reached marginal levels as a result of the decreases.

### EV/EBITDA Margin




- Low borrowings of the sector make Large companies more attractive from investment point of view.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -6 | -5 | -3 | -2 |
| SMEs | -2 | 2 | -16 | 16 |
| **Total Sector** | **-9** | **-3** | **-19** | **13** |

- In the last years, the sector steadily does not record positive cash flows from operating activities. This fact explains liquidity problems and the short-term borrowings, selected by the companies.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -0,1 | 1 | -0,3 | -0,4 |
| SMEs | -3 | -0,4 | -4 | -8 |
| **Total Sector** | **-3** | **0,4** | **-5** | **-9** |

- Almost zero investing activities within the period under survey, thus justifying the decrease in operations.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 2 | -0,2 | -1 | 1 |
| SMEs | 3 | -6 | -4 | 6 |
| **Total Sector** | **5** | **-6** | **-4** | **7** |

- Increase in bank loans and almost equal distribution of dividends have led the sector's financing activities to low levels.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**4%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**18%** of the total companies of the sector,<br>**15%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**47%** of the total companies of the sector,<br>**44%** of the total sales of the sector,<br>**95%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**31%** of the total companies of the sector,<br>**40%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. |

## CONCLUSIONS
## Advertising Sector

- Significant decrease in turnover, reaching 40%.
- Decrease in turnover and profit margins. EBITDA margins and profit after tax decreased with direct negative effect on the working capital. A slight recovery was recorded in 2013.
- The sector's companies, faced with the decrease in operations, seem to have adjusted their operating expenses to the current conditions. As a result, decrease in turnover has negatively affected profit margins, however maintaining a positive profit margin.
- The sector resorted to short-term borrowings in order to address its financing needs. A negative factor is that the sector is no longer in position to generate positive operating cash flows.
- Another negative factor is the increase in days of collecting receivables. Increase in credit risk can be expected, coupled with non-recognized bad receivables.

Grant Thornton | An instinct for growth™

# Bakery & Confectionery Sector

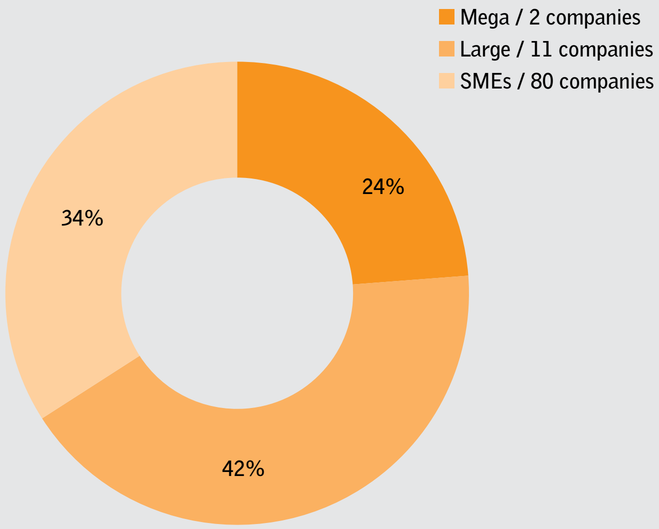
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

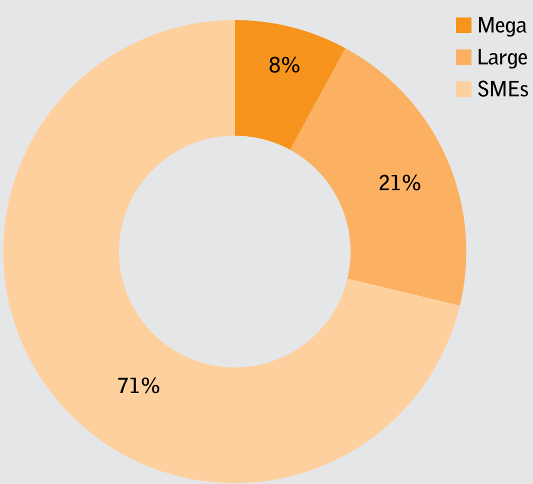
- **93** companies represent over **85%** of the sector's total operations.
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 200 million.
    - **Mega:** Companies with sales over € 200 million.

### Sales 2013




- 11 companies represent 42% of the sector's total sales in 2013.

### Headcount 2013




- 8% of the sector's headcount are employed in 2 Mega companies.

## Sector Characteristics

- The sector that plays a multiple part in the country's economy.
- Stable turnover but low profit margins.
- Any decrease in sales significantly affects the results and the working capital of the companies.
- Domestic market does not present particular growth prospects and the competition is extremely intense.
- A substantial part of the sector's financing arises from the suppliers and the size is a significant factor defining the credit limits.
- The sector has increased loan burdening, whose substantial part is formed by short-term borrowings.
- Intense need of financing working capital especially regarding the Large companies of the sector.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differentiate according to the sizes of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 2 companies hold 24% of turnover and employ 8% of the sector's total headcount and 11 companies represent 42% of sales and employ 21% of the sector's headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not substantially differ from the general picture, however, it records decreases in working capital and higher loan burdening. |
| **Has the sector overcome the economic crisis?** | Given the defensive character of the sector, its sales have not been significantly affected, presenting slight increases within the five year period. |
| **How hard was it for the sector to face the crisis?** | It is a sector with relatively inelastic demand, which makes it rather resistible to decreases in consumer expenses. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector retains its strength, unlike the general picture presented by the overall economy. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance, while their bank financing terms and suppliers' credit limits are similar to those recorded by the other categories of the sector's companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be so much linked to the sizes as to financial structure and the level of bank loans. |
| **What are the prospects for the sector?** | The changes that occur in respect of domestic food production reflect the adaptation of Greek households needs to the new economic conditions. The ability of the sector to expand exports is the crucial factor that will significantly determine its growth prospects. |

## CONDENSED FINANCIAL DATA

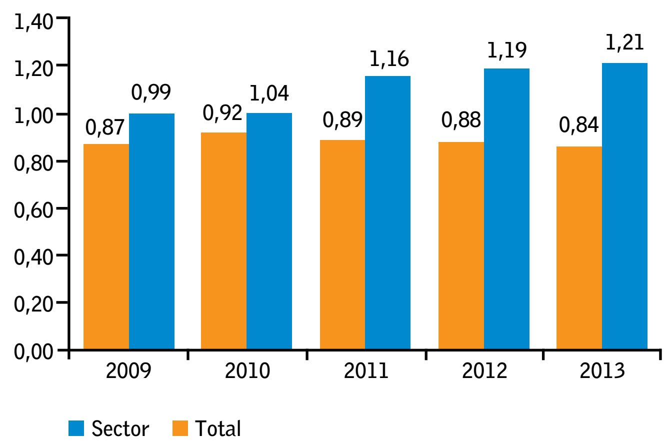
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.345 | 1.354 | 1.420 | 1.438 | 1.076 |
| Current Assets | 1.349 | 1.395 | 1.449 | 1.487 | 1.337 |
| **Total Assets** | **2.694** | **2.749** | **2.869** | **2.925** | **2.413** |
| **Equity** | **904** | **940** | **998** | **1.062** | **884** |
| Long-term Loan Liabilities | 259 | 270 | 297 | 536 | 390 |
| Other Long-term Liabilities | 97 | 90 | 105 | 117 | 105 |
| **Total Long-term Liabilities** | **356** | **360** | **402** | **653** | **496** |
| Short-term Loan liabilities | 838 | 844 | 858 | 569 | 481 |
| Other Short-term Liabilities | 596 | 605 | 611 | 641 | 552 |
| **Total Short-term Liabilities** | **1.434** | **1.449** | **1.469** | **1.210** | **1.033** |
| **Total Liabilities** | **1.790** | **1.809** | **1.871** | **1.863** | **1.529** |
| **Total Equity and Liabilities** | **2.694** | **2.749** | **2.869** | **2.925** | **2.413** |
| Working Capital | -84 | -54 | -19 | 277 | 304 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 2.282 | 2.275 | 2.336 | 2.228 | 2.068 |
| EBITDA | 181 | 195 | 178 | 174 | 158 |
| EBIT | 109 | 114 | 97 | 94 | 90 |
| EBT | 19 | -40 | -28 | -199 | 36 |
| EAT | -7 | -55 | -43 | -200 | 11 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,2 | 1,2 | 1,2 | 1,0 | 1,0 |
| Current Assets/ Short-term Liabilities | 0,9 | 1,0 | 1,0 | 1,2 | 1,3 |
| EV/EBITDA | 10,2 | 9,8 | 11,4 | 11,7 | 10,5 |
| EBITDA Margin | 7,9% | 8,6% | 7,6% | 7,8% | 7,6% |

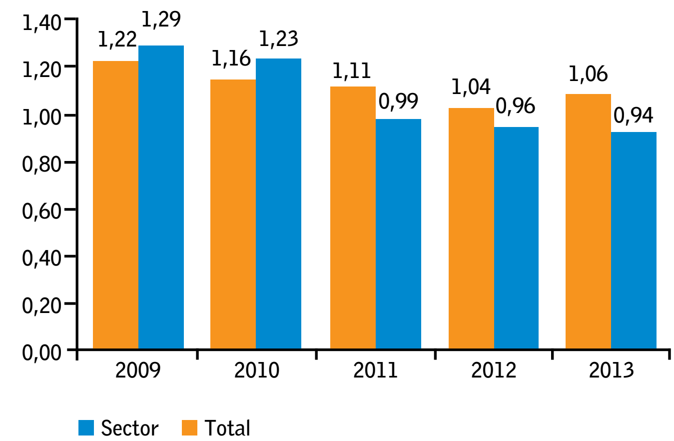
### Loan Liabilities / Equity




- The sector's loan burdening exceeds the average level, recording stabilization within the last three years.

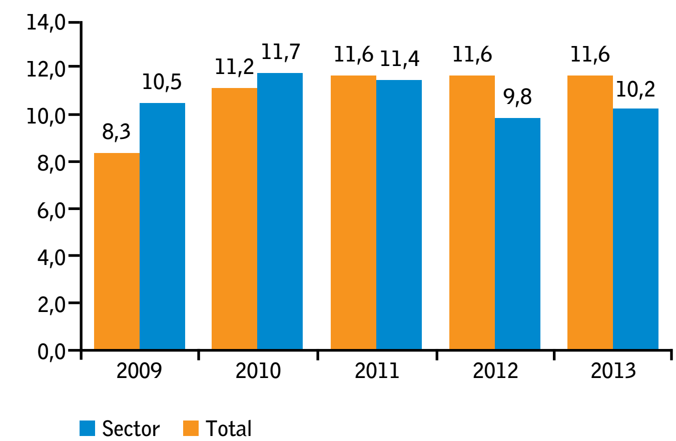
 | 

## Current Assets / Short-term Liabilities



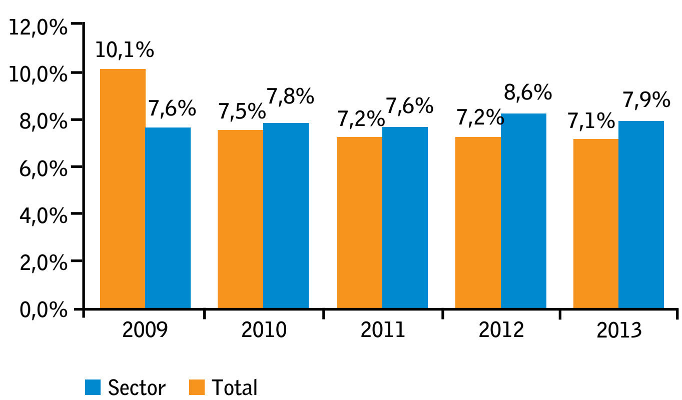

- The sector's working capital had been steadily decreasing and since 2011 onwards has become negative, reflecting the financing needs faced by the sector.

## EV/EBITDA



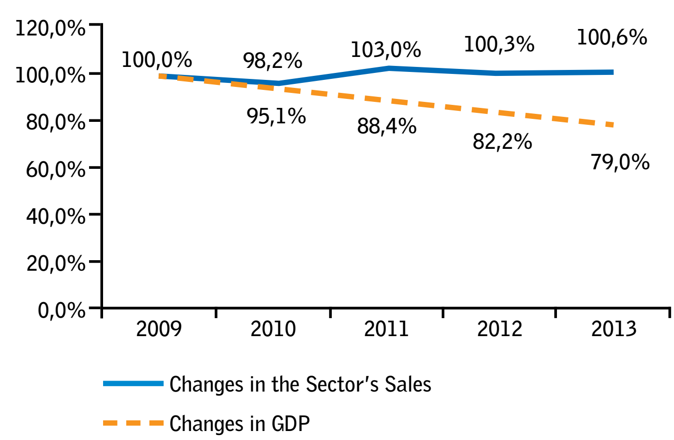

- From 2011 onwards, the sector has presented more interest regarding investments as compared to the general total.

## EBITDA Margin




- EBITDA margin recorded by the sector does not substantially differ from the general total, apart from 2009.

## Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector retains its strength in respect of sales and does not follow the general trends.

# SECTOR ANALYSIS

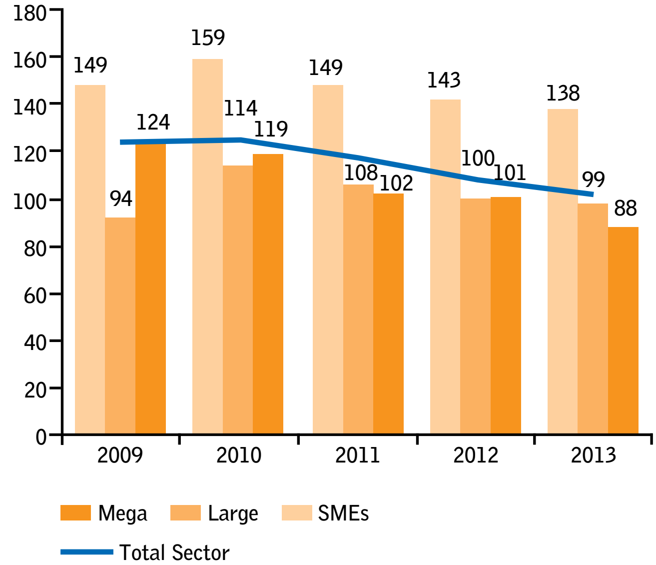
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -87 | -56 | -31 | -14 | 33 |
| Large | -164 | -154 | -131 | 132 | 106 |
| SMEs | 167 | 156 | 142 | 158 | 166 |
| **Total Sector Working Capital** | **-84** | **-54** | **-19** | **277** | **304** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 147 | 171 | 201 | 208 | 218 |
| Large | 325 | 340 | 362 | 362 | 301 |
| SMEs | 281 | 279 | 276 | 276 | 267 |
| **Total Sector Working Capital** | **753** | **790** | **839** | **846** | **785** |

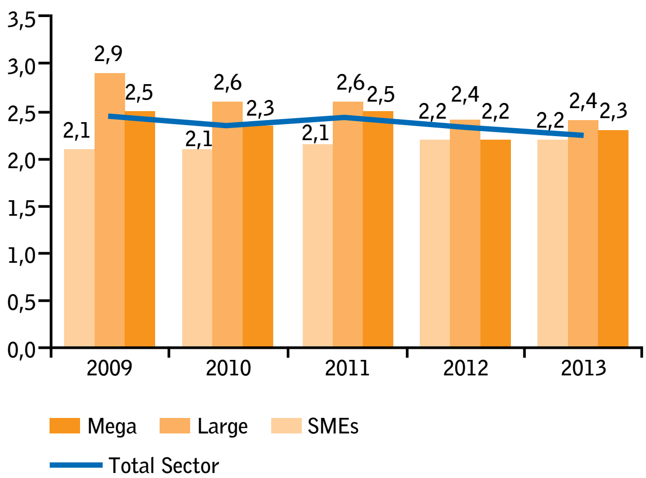
** Borrowings are not included*

### Average Collection Period of Receivables




- Credit risk is linked to the size of the companies, since Large and Mega companies achieve quicker collection of their receivables.
- Significant difference regarding the sector's SMEs, whose collection period of receivables steadily exceeds 4,5 months within the five year period.

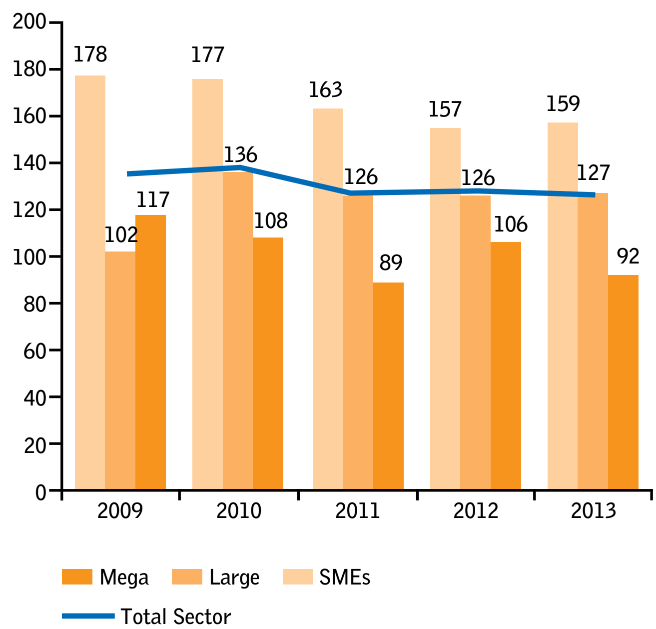
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- Steadily positive working capital excluding borrowings regarding all the companies' categories in line with the general picture.

### Average Period of Paying Liabilities




- The Average Period of Paying Liabilities is over 4 months within the five year period.
- The Average Period of Paying Liabilities regarding SMEs steadily exceeds 5 months, which is 1 month longer that the sector's average.

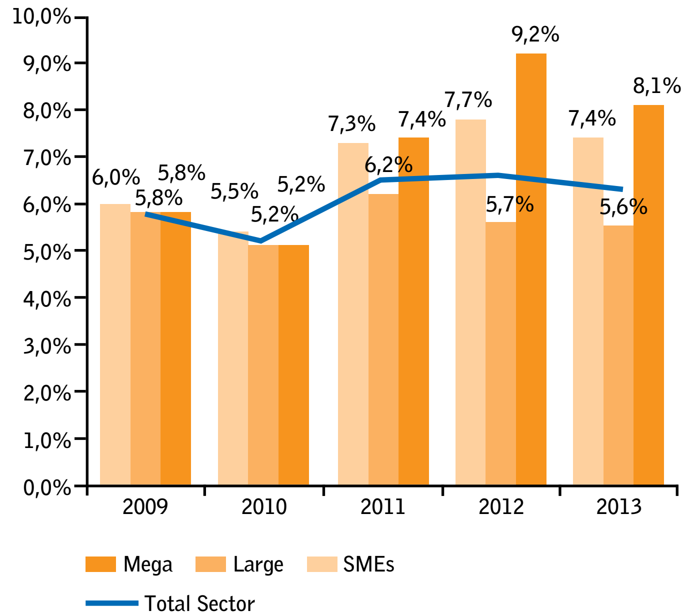
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 254 | 256 | 252 | 252 | 226 |
| Large | 574 | 581 | 621 | 582 | 398 |
| SMEs | 119 | 138 | 150 | 140 | 146 |
| **Total Sector** | **946** | **975** | **1.023** | **974** | **770** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 22 | 25 | 20 | 13 | 14 |
| Large | 37 | 38 | 41 | 28 | 26 |
| SMEs | 14 | 15 | 15 | 11 | 12 |
| **Total Sector** | **72** | **78** | **76** | **52** | **51** |

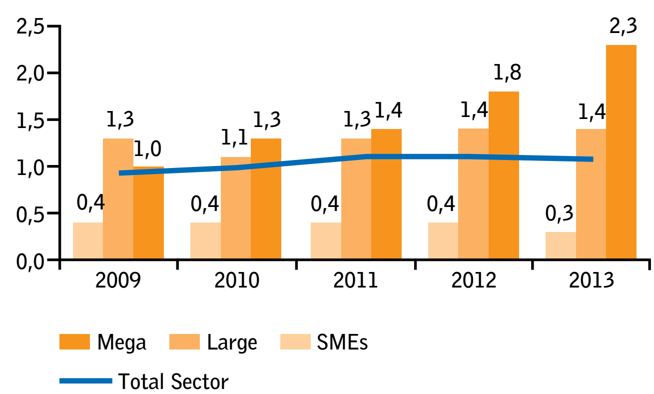
- From 2010 onwards the sector's borrowings had not presented substantial changes, since the change from 2009 to 2010 was not indicative, pertaining to one company that absorbed another company's bakery and confectionary segment, burdened with the total borrowings exceeding € 200 million.

### Average Borrowing Interest Rate




- The sector's Average Borrowing Interest Rate from 5,9% in 2009 and 5,3% το 2010 has been significantly increasing from 2011 onwards and approaches 6,5% in 2013.
- No significant changes were recorded in the sector's borrowing costs per companies' category till 2011 inclusively, with Mega companies recording the highest financial expenses, given their highest loan burdening and the biggest proportion between short-term loans and total borrowings.

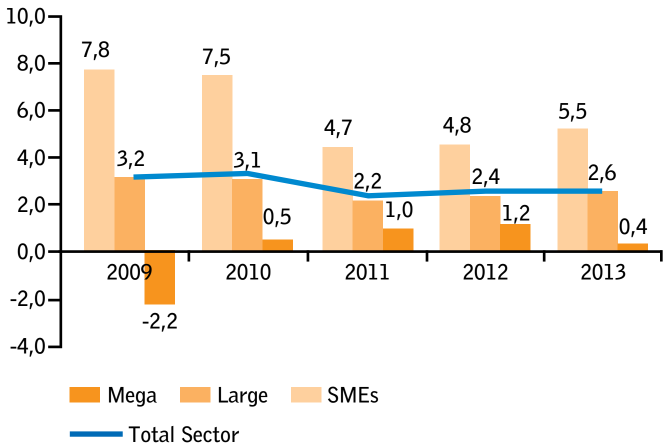
### Net Borrowings / Equity




- Low loan burdening of SMEs is worth mentioning, since the relative ratio does not exceed 0,4 within the entire period under survey.
- Constantly increasing loan burdening in respect of the other two categories of the companies, in particular, Mega companies, in which the increase in loan burdening coupled with losses have doubled loan burdening from 2009 to 2013.

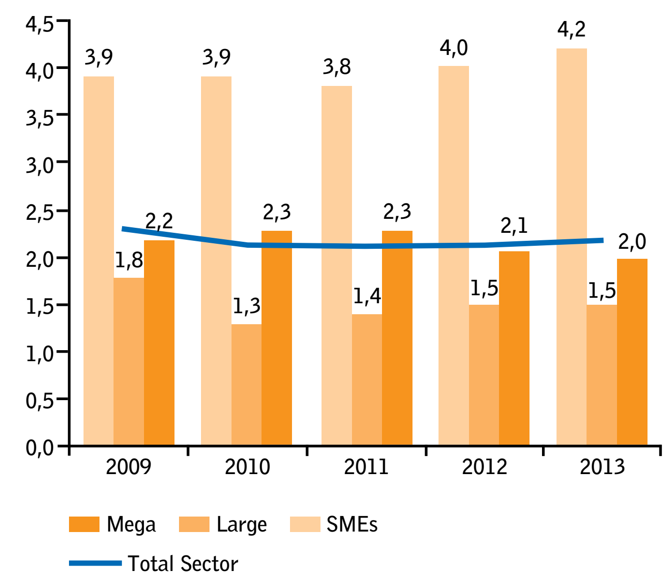
 

### EBITDA / Financial Expenses




- The increase in the cost of financing constantly decreases the sector's ability to cover the costs of their financing through operating profits.
- As far as the Mega companies are concerned, the high levels of their borrowings shall be taken into account.

### Sales / Total Borrowings

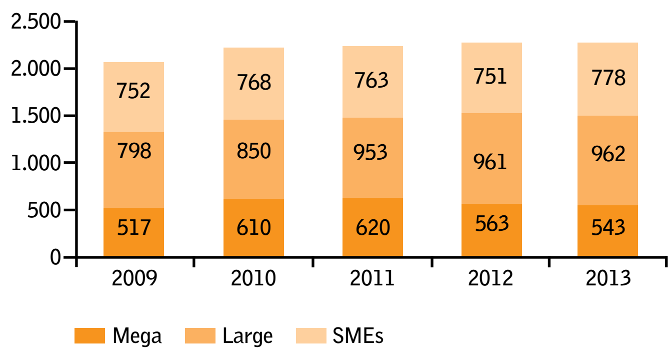



- SMEs present the highest returns regarding the particular ratio, given that they traditionally hold very low borrowings.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 543 | 563 | 620 | 610 | 517 |
| Large | 962 | 961 | 953 | 850 | 798 |
| SMEs | 778 | 751 | 763 | 768 | 752 |
| **Total Sector** | **2.282** | **2.275** | **2.336** | **2.228** | **2.068** |

### Sales




| **Changes in Sales in Absolute Numbers and Percentage** | **2013-2012** | **2012-2011** | **2011-2010** | **2010-2009** |
|---|---|---|---|---|
| Mega | -20 | -56 | 10 | 93 |
| *(percentage)* | -4% | -9% | 2% | 18% |
| Large | 1 | 8 | 103 | 52 |
| *(percentage)* | 0,1% | 1% | 12% | 7% |
| SMEs | 27 | -12 | -5 | 15 |
| *(percentage)* | 4% | -2% | -1% | 2% |
| **Total Sales of the Sector** | **7** | **-61** | **108** | **160** |
| ***(percentage)*** | **0,3%** | **-3%** | **5%** | **8%** |

- Sales present generally similar trends regarding all the categories of the companies, while the changes in the Mega category affect the total sector's results.

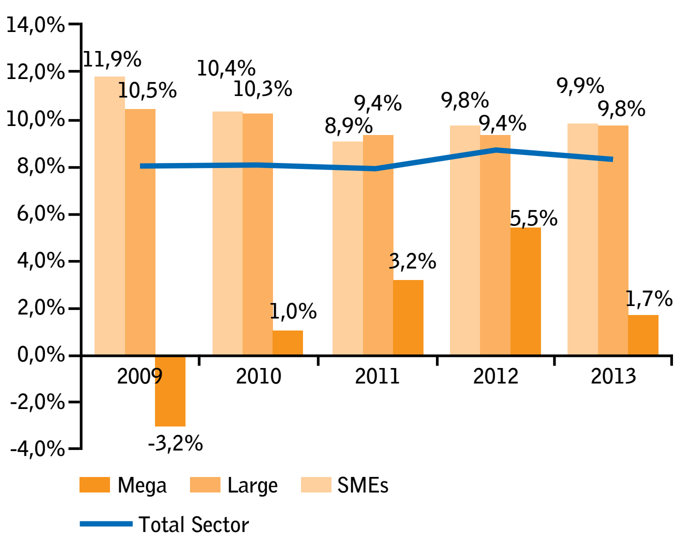
 

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 9 | 31 | 20 | 6 | -16 |
| Large | 94 | 91 | 90 | 88 | 84 |
| SMEs | 77 | 74 | 68 | 80 | 90 |
| **Total Sector** | **181** | **195** | **178** | **174** | **158** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -36,1 | -11,3 | -16,1 | -26,2 | -45,5 |
| Large | 18,8 | -52,7 | -37,2 | -211,8 | 32,0 |
| SMEs | 36,5 | 24,5 | 25,0 | 38,8 | 49,7 |
| **Total Sector** | **19,3** | **-39,5** | **-28,2** | **-199,2** | **36,2** |

- Mega companies of the sector record significant consecutive losses within the five year period, while the profitability of SMEs steadily decreases till 2012, while slightly increasing in 2013.

**EBITDA Margin**




- EBITDA margin steadily exceeds 9% regarding SMEs and Large companies, while Mega companies record relatively low ratio.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 30 | 2 | 11 | -7 |
| Large | 48 | 79 | 42 | 44 |
| SMEs | 77 | 56 | 55 | 68 |
| **Total Sector** | **156** | **137** | **108** | **105** |

- Steadily increasing cash flows from operating activities of the sector.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -22 | -7 | -11 | -15 |
| Large | -21 | -23 | -58 | -52 |
| SMEs | -30 | -38 | -38 | -28 |
| **Total Sector** | **-73** | **-68** | **-107** | **-96** |

- Cash flows from investing activities stand at € 344 million on four year basis, with 61% pertaining to Mega and Large companies.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -9 | -4 | 9 | 25 |
| Large | -34 | -38 | 10 | 22 |
| SMEs | -32 | -19 | -21 | -30 |
| **Total Sector** | **-74** | **-61** | **-2** | **18** |

- Cash flows from financing activities mainly concern payment of dividends.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**23%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**36%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**22%** of the total companies of the sector,<br>**26%** of the total sales of the sector,<br>**10%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**40%** of the total companies of the sector,<br>**46%** of the total sales of the sector,<br>**54%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**7%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Bakery & Confectionery Sector

- The sector retains its strength despite the economic downturn, with SMEs and Large companies recording greater stamina.
- Low loan burdening on SMEs is worth recording, while steadily increasing loan burdening in respect of two other categories, in particular on Mega companies, in which the increase in loan burdening coupled with incurred losses have doubled the loan burdening since 2009.
- Steadily increasing percentage of short-term loan liabilities to total loan liabilities from 55% in 2009 to 76% in 2013, with the substantial part of loan liabilities becoming overdue.
- The balance between short-term and total loan liabilities is constantly increasing in proportion to the companies' sizes, while in 2013 regarding Mega companies it stands at 88%.
- EBITDA margin steadily exceeds 9% regarding SMEs and Large companies, while Mega companies record relatively low ratio.
- The sector presents investing activities with the total outflows from investing activities exceeding € 344 million from 2010 to 2013, while Large and Mega companies represent 61% of such activities.

 | 

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# Building Materials & Fixtures Sector

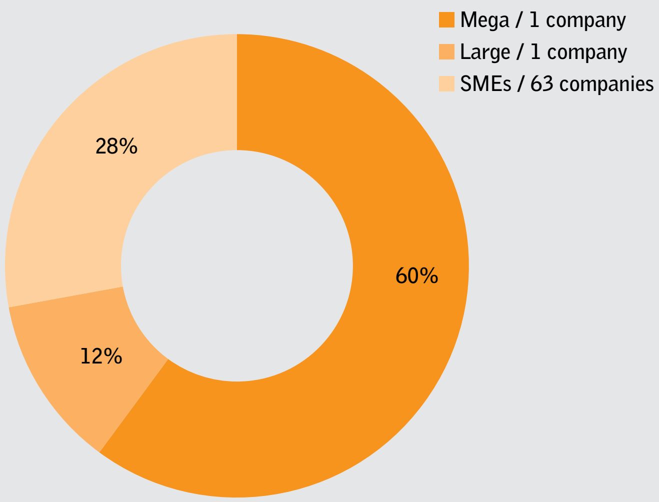
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

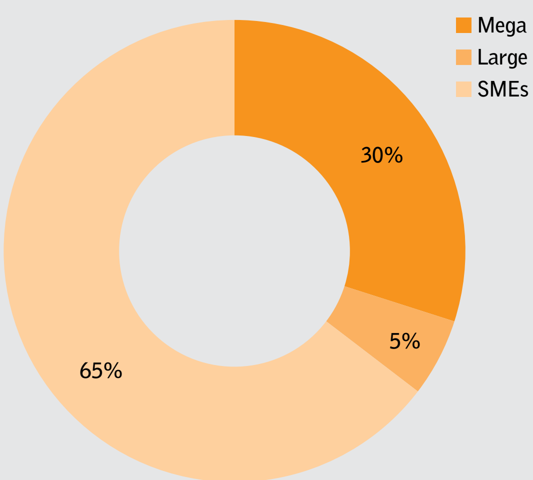
- **65** companies represent **89%** of the sector's total operations.
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.
    - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 1 company represents 60% of the sector's total sales in 2013.

### Headcount 2013




- 30% of the sector's headcount are employed in Mega company.

## Sector Characteristics

- Sales of building materials and fixtures in Greece declined and reached extremely low levels during the five year period. This is mainly due to maintaining public sector expenditure on infrastructure at very low levels, while the low disposable income, high taxes and high number of unsold real estate practically stopped private building activities.
- In 2013, the domestic cement market continued its downward course, through at a slower pace than within the previous years.
- Signs of stabilization were recorded in 2013 regarding the domestic demand in this sector. The main factors behind this small recovery from the low levels recorded in the first half of 2013 are the infrastructure projects implemented through public small-scale maintenance and rehabilitation works.
- The sector with steadily positive working capital and positive cash flows.
- Productive companies of the sector seek to decrease production costs, reorganizing their operations and expanding the product range.
- The sector, financed from equity, with low borrowings and decreased profit margins.

• All the figures are presented in million € unless otherwise mentioned.

• Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity in the sector with lots of SMEs and 2 companies, holding a dominating position. |
| **Does a small number of companies dominate the sector?** | There is a small number of companies defining the sector's performance. One of those represents 60% of the sector's sales. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Regarding the total of the companies, the sector finances its operations through equity and presents better liquidity. However, the sales have significantly decreased. |
| **Has the sector overcome the economic crisis?** | It does not seem that the sector has overcome the crisis, since substantial decreases in operating profits and profits before tax are recorded in 2013. |
| **How hard was it for the sector to face the crisis?** | The sector has been badly affected by the crisis, as reflected in the decline in turnover and profit margins. It is to be noted that more losses have been presented within the last three year period. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector follows relatively similar course in respect of the Greek Economy as a total as far as the decline in operations is concerned. |
| **What is the financial performance of the sector's SMEs?** | SMEs hold almost $^1/_4$ of the market share. Although they were strongly affected by the crisis, some SMEs present stamina in 2013 and record significant improvement in their financial performance. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Market share does not seem to be linked to one of the sector's companies viability. SMEs have displayed adaptability within the last two years and some of them improve their performance in contrast to the leading companies of the sector. |
| **What are the prospects for the sector?** | The decline in residential investment undoubtedly affected the demand, the effective investments and employment in a number of sectors of the economy related to the building operations.<br><br>Recent market trends, however, justify moderately optimistic outlook for 2014-2015, despite significant uncertainties.<br><br>The key prospect for the sector is active involvement in the foreign markets in order to partially offset the losses in the domestic market, although these activities pertain to very few companies.<br><br>Companies will have to proceed with prioritization of investments, finding necessary capital and reducing costs in order to generate positive flows and improve their profitability. |

# CONDENSED FINANCIAL DATA

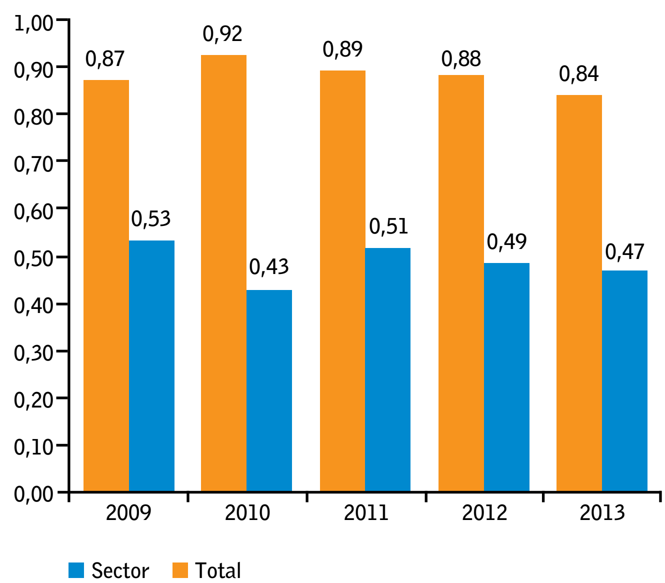
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 2.971 | 3.250 | 3.447 | 3.623 | 3.586 |
| Current Assets | 1.235 | 1.419 | 1.721 | 1.543 | 1.611 |
| **Total Assets** | **4.206** | **4.669** | **5.169** | **5.165** | **5.197** |
| **Equity** | **2.287** | **2.526** | **2.750** | **2.863** | **2.658** |
| Long-term Loan Liabilities | 768 | 878 | 962 | 879 | 914 |
| Other Long-term Liabilities | 352 | 409 | 450 | 450 | 458 |
| **Total Long-term Liabilities** | **1.120** | **1.288** | **1.412** | **1.329** | **1.373** |
| Short-term Loan liabilities | 307 | 350 | 437 | 365 | 504 |
| Other Short-term Liabilities | 493 | 505 | 570 | 609 | 662 |
| **Total Short-term Liabilities** | **800** | **855** | **1.007** | **973** | **1.166** |
| **Total Liabilities** | **1.920** | **2.143** | **2.419** | **2.302** | **2.538** |
| **Total Equity and Liabilities** | **4.206** | **4.669** | **5.169** | **5.165** | **5.197** |
| Working Capital | 435 | 563 | 715 | 569 | 445 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.956 | 1.915 | 2.026 | 2.542 | 2.736 |
| EBITDA | 122 | 192 | 283 | 408 | 523 |
| EBIT | -57 | -18 | 56 | 197 | 324 |
| EBT | -170 | -115 | -49 | 115 | 251 |
| EAT | -170 | -124 | -72 | 74 | 173 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,5 | 0,5 | 0,5 | 0,4 | 0,5 |
| Current Assets/ Short-term Liabilities | 1,5 | 1,7 | 1,7 | 1,6 | 1,4 |
| EV/EBITDA | 25,3 | 17,3 | 12,7 | 9,3 | 7,2 |
| EBITDA Margin | 6,2% | 10,0% | 14,0% | 16,1% | 19,1% |

### Loan Liabilities / Equity




- The sector maintains low borrowings versus the general total and finances its operations through equity.
- The sector's ratio presents a steady decline within the five year period due to the decrease in equity (-14%) arising from losses, but mainly due to a decrease in borrowed funds (-24%).

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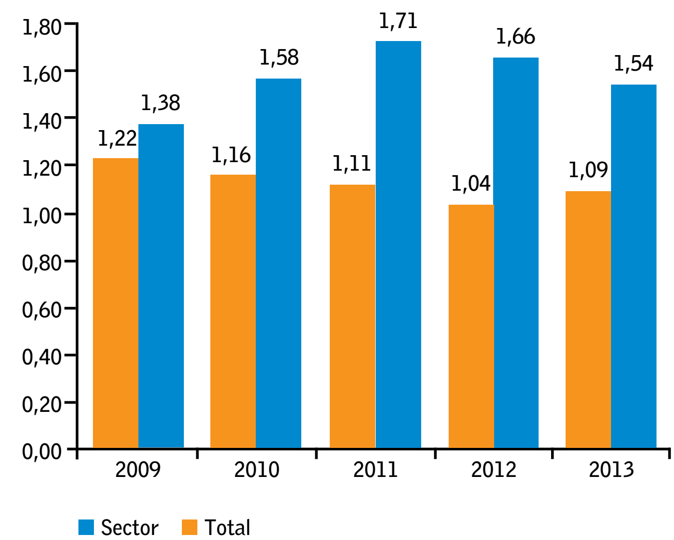
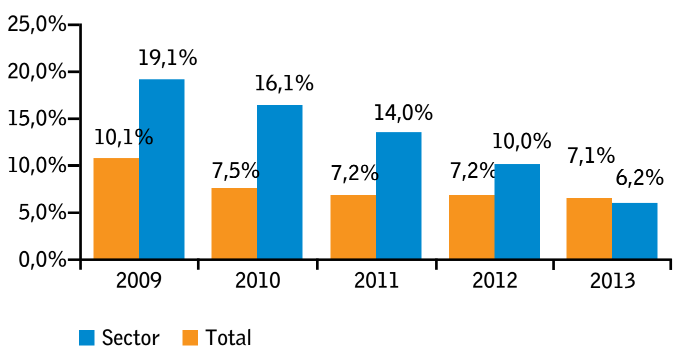
### Current Assets / Short-term Liabilities



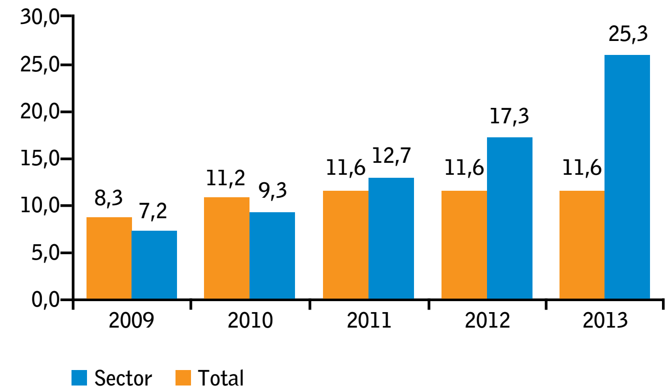

- The sector presents better liquidity than the general total of the companies under survey within the entire five year period. In particular, regarding the period 2011 – 2013, the sector's performance is dominated by one company, classified as Mega in our survey.

### EBITDA Margin



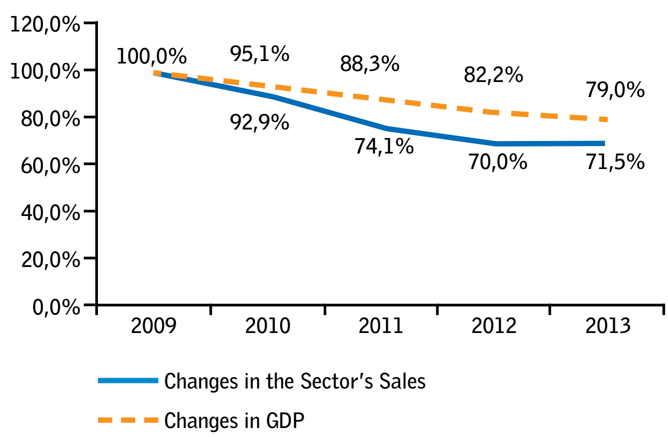

- Comparatively higher profit margins than those recorded by the general total with the exception of 2013, when the lowest levels are recorded, slightly behind the general total.
- It is to be noted that the increase in turnover by 2% recorded by the sector in 2013 is accompanied by a 3% decrease in EBITDA by 37%.

### EV/EBITDA




- In the last years, given the decrease in the sector's profit margins, the sector presents lower investment interest versus the general total.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The crisis significantly affected the sector in 2010-2013, since the turnover declined by approximately 28,5%.

# SECTOR ANALYSIS

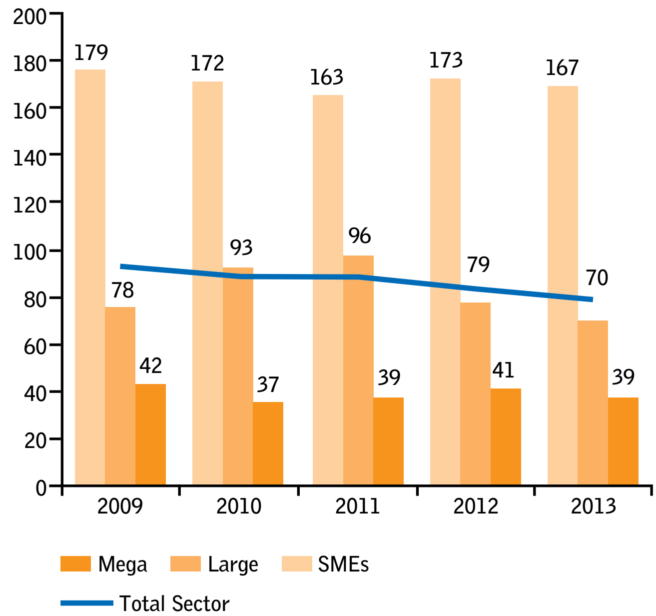
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 277 | 321 | 330 | 151 | -20 |
| Large | -45 | 24 | 167 | 173 | 228 |
| SMEs | 203 | 219 | 218 | 246 | 237 |
| **Total Sector Working Capital** | **435** | **563** | **715** | **569** | **445** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 389 | 495 | 555 | 287 | 241 |
| Large | 31 | 81 | 225 | 217 | 268 |
| SMEs | 322 | 337 | 371 | 431 | 440 |
| **Total Sector Working Capital** | **742** | **914** | **1.152** | **934** | **949** |

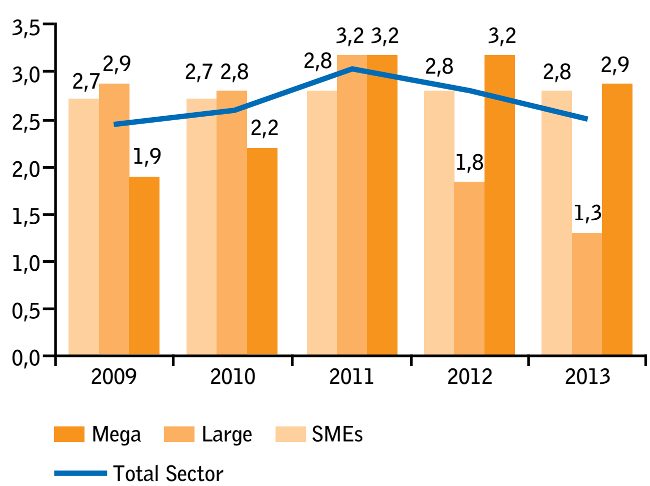
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables presents decreasing tendency regarding the total companies of the sector, with the Mega companies recording a better performance.
- As a total, in 2013 the sector's average collecting period of receivables stands at approximately 3 months, with SMEs presenting higher exposure to credit risk.

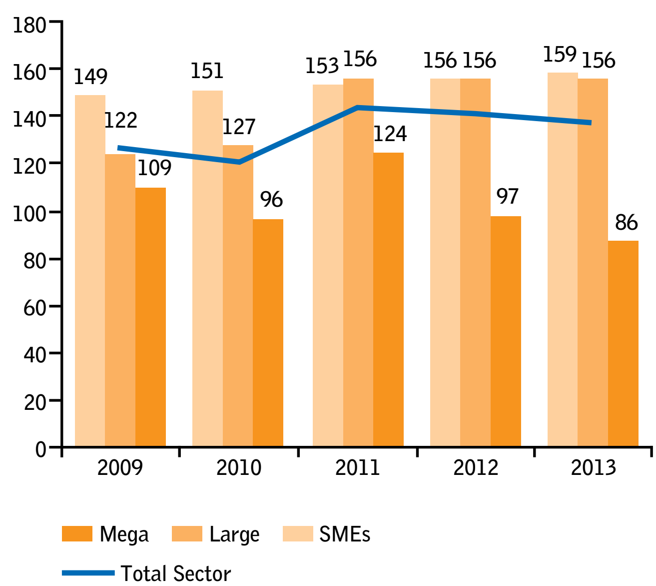
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- Steadily positive working capital is presented by the total of the sector's companies.
- SMEs present stable performance regarding the ratio under survey. In contrast, the Mega company faces liquidity problems during the last two years.

### Average Period of Paying Liabilities




- SMEs record the biggest difference between collecting receivables and paying the suppliers.

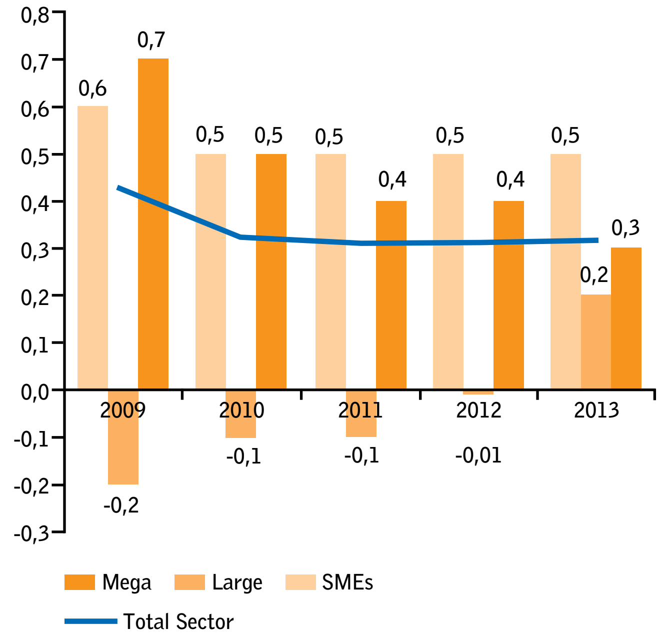
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 539 | 596 | 706 | 774 | 968 |
| Large | 48 | -4 | -87 | -94 | -152 |
| SMEs | 210 | 221 | 237 | 264 | 302 |
| **Total Sector** | **796** | **812** | **856** | **944** | **1.118** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 65 | 66 | 56 | 49 | 59 |
| Large | 4 | 3 | 3 | 6 | 6 |
| SMEs | 19 | 23 | 22 | 19 | 20 |
| **Total Sector** | **88** | **92** | **81** | **74** | **84** |

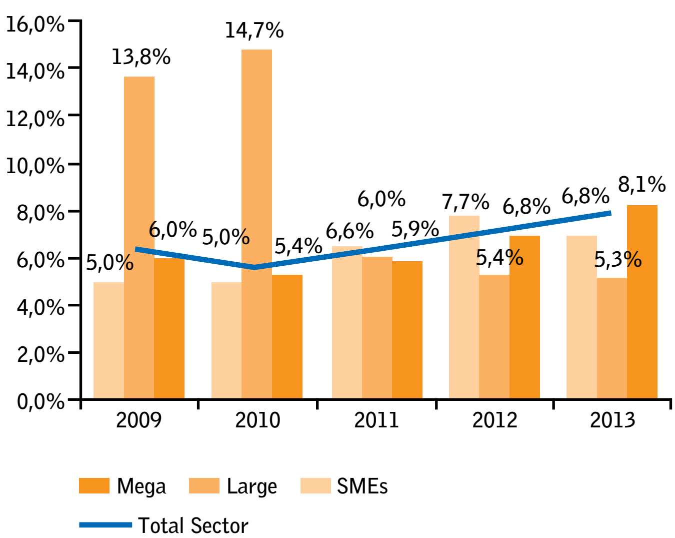
- The sector records a decrease of 29% in net borrowings within the five year period, due to the Mega company's results. Given the liquidity problems mentioned above, the Mega company increased its borrowings.
- 70% of total loan liabilities pertain to loans maturing in longer than one year.

### Net Borrowings / Equity



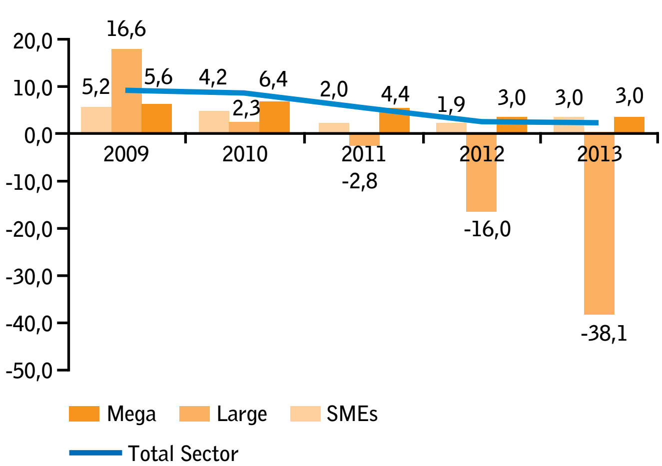

- The sector finances its operations from equity, maintaining its borrowings at low levels versus equity.

### Average Borrowing Interest Rate




- The average borrowing interest rate has increased from 5,9% to 7,6%.

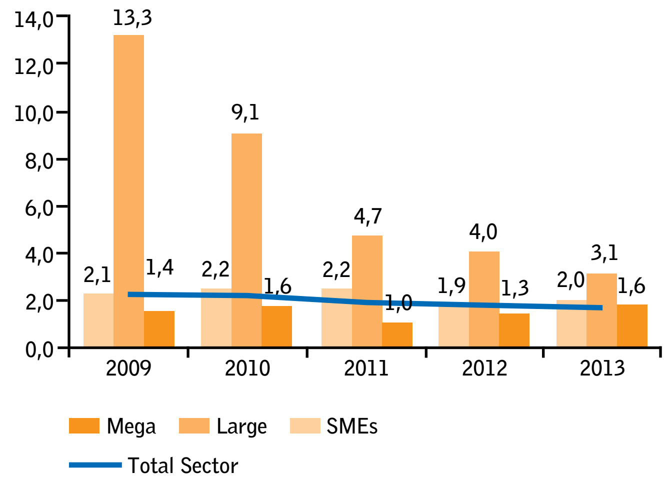
### EBITDA / Financial Expenses




- With the exception of the Mega company of the sector it seems that the total companies of the sector, given low average borrowing interest rate, cover the cost of financing from their operating profits.

### Sales / Total Borrowings




- Total borrowings of the companies remain low as compared to the sector's sales within the five year period, with the Mega company presenting the best performance.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 45 | 39 | -259 | -10 |
| *(percentage)* | 4% | 4% | -19% | -1% |
| Large | 7 | -49 | -124 | -129 |
| *(percentage)* | 3% | -18% | -31% | -24% |
| SMEs | -11 | -101 | -133 | -55 |
| *(percentage)* | -2% | -15% | -17% | -7% |
| **Total Sales of the Sector** | **41** | **-111** | **-516** | **-194** |
| ***(percentage)*** | **2%** | **-5%** | **-20%** | **-7%** |

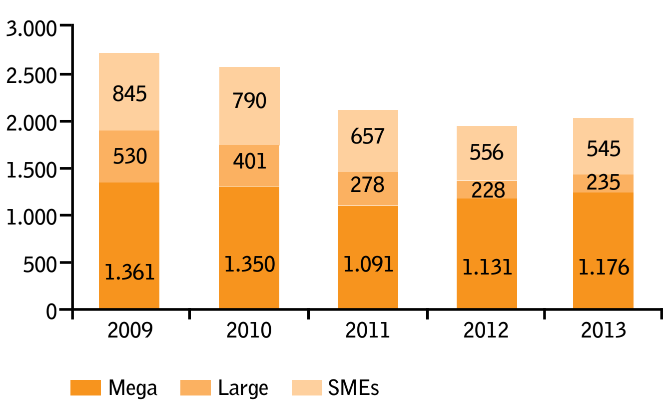
- High taxes on real estate, low disposable income, high number of unsold real estate and liquidity deficit have practically stopped private building activities. Public expenditure on infrastructure remained at very low levels within 2013. As a result, within the five year period, the sector recorded a 29% decrease in turnover.
- The Mega company steadily presents the largest decreases, standing at 56%.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.176 | 1.131 | 1.091 | 1.350 | 1.361 |
| Large | 235 | 228 | 278 | 401 | 530 |
| SMEs | 545 | 556 | 657 | 790 | 845 |
| **Total Sector** | **1.956** | **1.915** | **2.026** | **2.542** | **2.736** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 196 | 196 | 244 | 315 | 330 |
| Large | -131 | -47 | -5 | 14 | 92 |
| SMEs | 57 | 43 | 45 | 79 | 102 |
| **Total Sector** | **122** | **192** | **283** | **408** | **523** |

### Sales

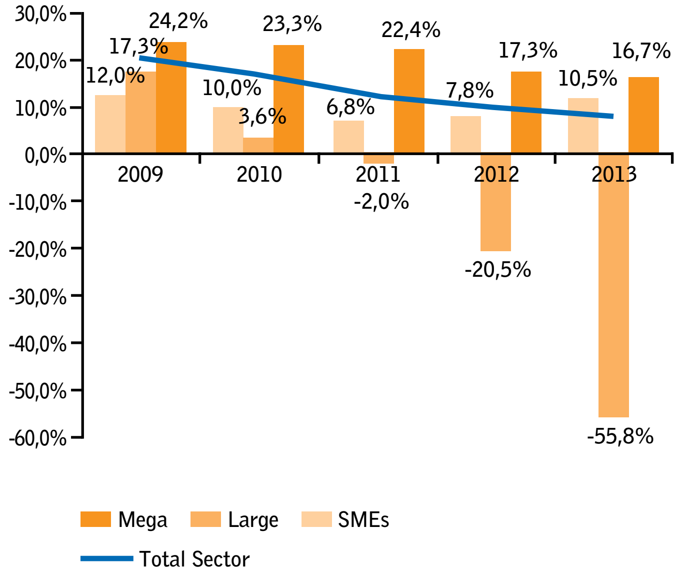



| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -9,6 | -1,3 | 37,7 | 130,0 | 158,1 |
| Large | -166,4 | -89,7 | -55,8 | -38,0 | 40,0 |
| SMEs | 5.8 | -23,7 | -30,5 | 22,5 | 53,3 |
| **Total Sector** | **-170,2** | **-114,7** | **-48,6** | **114,5** | **251,4** |

- The decrease in operations and inelasticity of the sector's expenses have led to a decline in EBITDA by 77%.
- In the last three years, the sector presents negative profit before tax with the Mega company negatively affecting the general picture and presenting the worst performance.

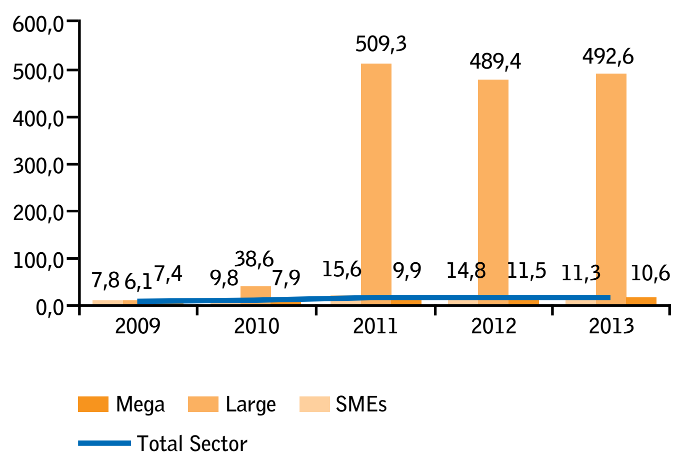
 

## EBITDA Margin




- EBITDA margin steadily decreases and only SMEs show signs of recovery in 2013.
- As a total, the sector records a decrease in profit margins from 19,1% in 2009 to 6,2% in 2013.

## EV/EBITDA




- The Mega company of the sector presents steadily higher investment interest versus the other companies.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 171 | 165 | 204 | 280 |
| Large | -45 | -9 | 9 | -27 |
| SMEs | 63 | 71 | 76 | 74 |
| **Total Sector** | **189** | **227** | **289** | **327** |

- Positive cash flows of the Mega company dominate the general picture.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -50 | -37 | -38 | 15 |
| Large | -7 | -4 | -16 | -11 |
| SMEs | -54 | -20 | -19 | -45 |
| **Total Sector** | **-111** | **-62** | **-73** | **-41** |

- In the last three years, the sector presents significant investment activities.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -217 | -182 | 102 | -240 |
| Large | 18 | -71 | 14 | -17 |
| SMEs | -12 | -44 | -88 | -25 |
| **Total Sector** | -211 | -297 | 28 | -281 |

- In the last two years, the sector has preceded with repaying its loans.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| Spotlighters | Illuminators |
|---|---|
| Represent:<br>**6%** of the total companies of the sector,<br>**2%** of the total sales of the sector,<br>**6%** of the total borrowings of the sector. | Represent:<br>**10%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers** | **Moonlighters** |
| Represent:<br>**69%** of the total companies of the sector,<br>**27%** of the total sales of the sector,<br>**26%** of the total borrowings of the sector. | Represent:<br>**15%** of the total companies of the sector,<br>**63%** of the total sales of the sector,<br>**64%** of the total borrowings of the sector. |

## CONCLUSIONS
## Building Materials & Fixtures Sector

- Steadily positive working capital of the sector's companies within the five year period under survey.
- Higher equity versus borrowings, which decreased within the period under survey, mainly due to the leading company of the sector. 70% of loans are long-term.
- Substantial decrease in sales (-29%) of the sector and, therefore, decrease in EBITDA (-77%) within the five years under survey.
- In the last three years, the sector records losses before tax. In particular, in 2013, only some SMEs record profit before tax.

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# Chemicals Sector

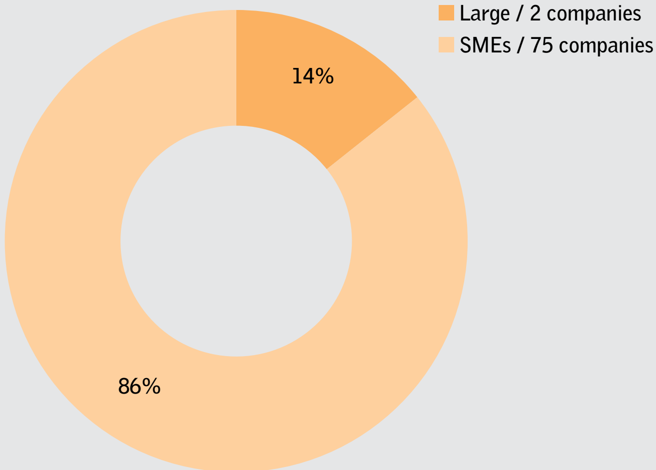
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

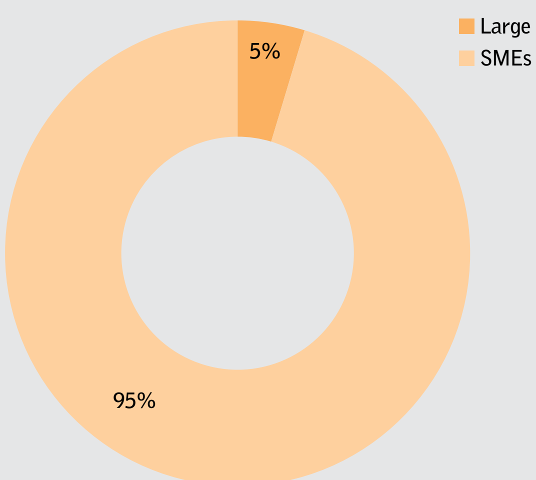
- **77** companies represent over **76%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 75 companies represent 86% of the sector's total sales in 2013.

### Headcount 2013




- 95% of the sector's headcount are employed in SMEs.

## Sector Characteristics

- The sector with significant exports.
- The sector presents better performance versus the other sectors of the Greek Economy. The sector records increase in working capital, retains its profitability and decreases its loan burdening.
- Almost 1/4 of the total chemical production worldwide is consumed for production of other chemicals.
- Demand for the sector's products is linked to performance and developments of the related sectors; therefore, the companies distribute a wide range of products to more than one sector in order to offset the risks regarding negative performance of such sectors.
- The companies, whose products are distributed to the sectors of defensive character record better stamina.
- The international trend towards developing environmentally friendly products and successful efforts made by the sector for the purposes of increasing the access to foreign markets are factors that will of determine the future prospects of the sector.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector presents homogeneity, since the majority of companies of different categories present similar financial characteristics. |
| **Does a small number of companies dominate the sector?** | There is no small number of companies dominating the sector, while two companies of the sector represent only 14% of the sector's total sales. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector differs from the general total, since it finances its operations through equity versus bank loans, records increase in sales and achieves higher profit margins. |
| **Has the sector overcome the economic crisis?** | Given the current economic conditions, it seems that the sector has overcome the consequences of the crisis, recording increase in sales of 6% in 2013 versus 2012 and increase in operating profits of 5,3% and in profits before tax by 46%. |
| **How hard was it for the sector to face the crisis?** | The sector does not seem to have strongly experienced the economic crisis, recording marginal losses in profit margins, reducing debt and positive cash flows from operating activities over the five years. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector followed inversely proportionate course versus the Greek Economy, recording increases of almost 24% in 2013 compared to 2009, while the Greek Economy recorded losses of nearly 21%. |
| **What is the financial performance of the sector's SMEs?** | Almost all the sectors companies are classified as SMEs with the overall market share of approximately 86%. The analysis indicates that these companies present positive performance regarding most financial ratios and prove to be more resistant, maintaining low levels of loan burdening. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Given the high dispersion of the companies and relatively satisfactory performance of the companies recording small market share, no such link has arisen. |
| **What are the prospects for the sector?** | The way the sector's companies respond to the effects of the recession will be a significant advantage to reversing the general economic downturn.<br>The international trend towards developing environmentally friendly products and successful efforts made by the sector for the purposes of increasing the access to foreign markets are factors that will of determine the future prospects of the sector. |

## CONDENSED FINANCIAL DATA

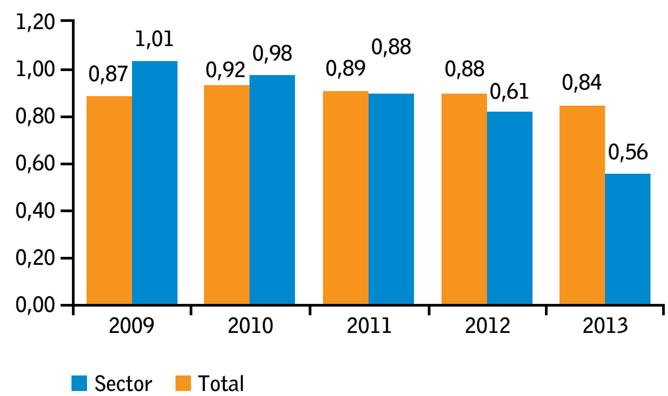
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 266 | 250 | 249 | 246 | 242 |
| Current Assets | 684 | 672 | 693 | 739 | 685 |
| **Total Assets** | **950** | **921** | **942** | **985** | **927** |
| **Equity** | **414** | **396** | **315** | **296** | **281** |
| Long-term Loan Liabilities | 59 | 59 | 89 | 107 | 108 |
| Other Long-term Liabilities | 38 | 39 | 56 | 54 | 47 |
| **Total Long-term Liabilities** | **97** | **98** | **145** | **161** | **154** |
| Short-term Loan liabilities | 174 | 181 | 188 | 184 | 177 |
| Other Short-term Liabilities | 265 | 246 | 294 | 343 | 315 |
| **Total Short-term Liabilities** | **439** | **427** | **482** | **527** | **492** |
| **Total Liabilities** | **536** | **526** | **627** | **688** | **646** |
| **Total Equity and Liabilities** | **950** | **921** | **942** | **985** | **927** |
| Working Capital | 245 | 245 | 211 | 212 | 193 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.083 | 1.022 | 1.038 | 958 | 871 |
| EBITDA | 84 | 80 | 76 | 83 | 76 |
| EBIT | 67 | 56 | 53 | 61 | 58 |
| EBT | 41 | 28 | 25 | 39 | 39 |
| EAT | 26 | 20 | 16 | 26 | 28 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,6 | 0,6 | 0,9 | 1,0 | 1,0 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,6 | 1,4 | 1,4 | 1,4 |
| EV/EBITDA | 7,0 | 7,4 | 7,2 | 6,6 | 6,9 |
| EBITDA Margin | 7,7% | 7,8% | 7,4% | 8,6% | 8,7% |

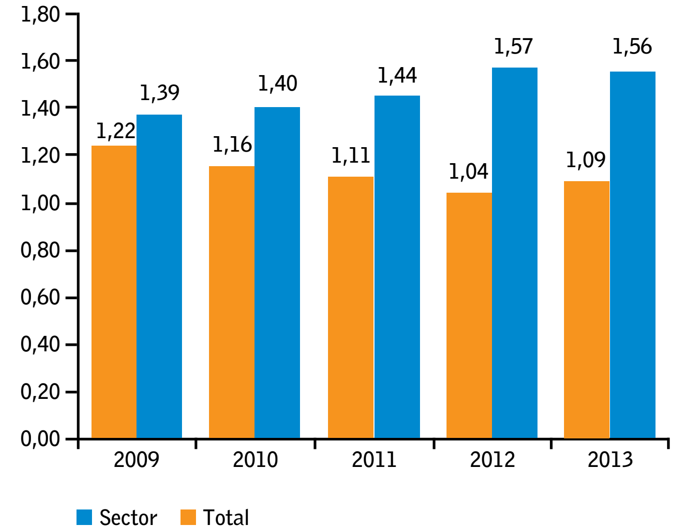
### Loan Liabilities / Equity




- The sector steadily decreases its loan burdening and in 2012 and 2013 records lower loan burdening than that of the general total.
- The ratio improves in the last two years due to significant increase in equity in line with decrease in loan liabilities (by approximately 18% versus 2009).

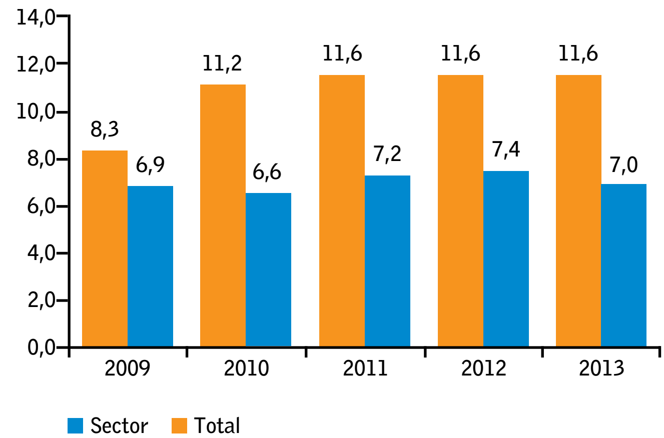
 | 

**Current Assets / Short-term Liabilities**



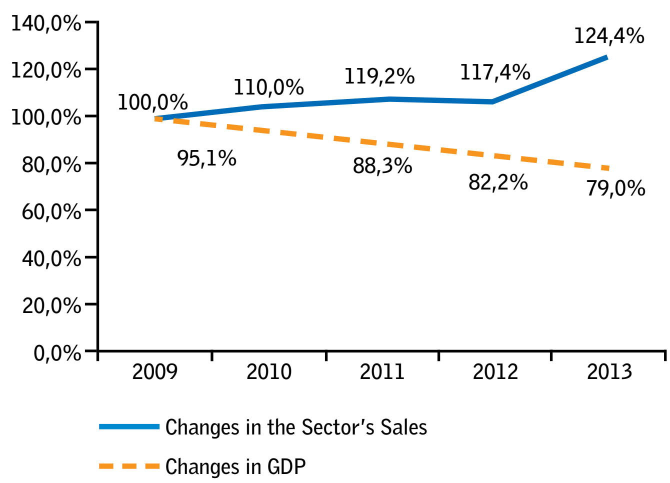

- The ratio presented by the sector not only remains stable versus the general total, but is also constantly increasing.
- The sector's working capital is steadily positive, which, coupled with significant increase in equity, indicate the sector's good financial position in terms of liquidity.

**EV/EBITDA**



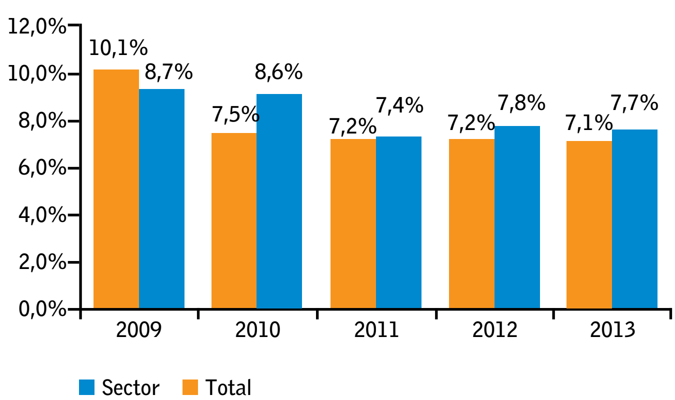

- The sector presents particularly high investment interest versus the general total due to its on-going profitability as well as relatively low loan burdening.

**Changes in the sector's Sales and GDP (benchmark year 2009)**




- The sector substantially differs from the other sectors of the Greek Economy, recording increases in turnover of approximately 24% versus losses of 21%, recorded by the Greek Economy in 2013 compared to 2009.

**EBITDA Margin**




- The sector's companies record marginally higher profit margins than those of the general total.
- Despite the adverse economic environment, the sector presents increase in turnover and EBITDA by 24,4% and 10,2% respectively, while profits before tax increase by 5%.
- In spite of recording satisfactory profitability, the sector's companies presented decrease in EBITDA margin of approximately 1%, thus indicating problems in their ability to manage operating expenses and absorbing price changes in raw materials.

# SECTOR ANALYSIS

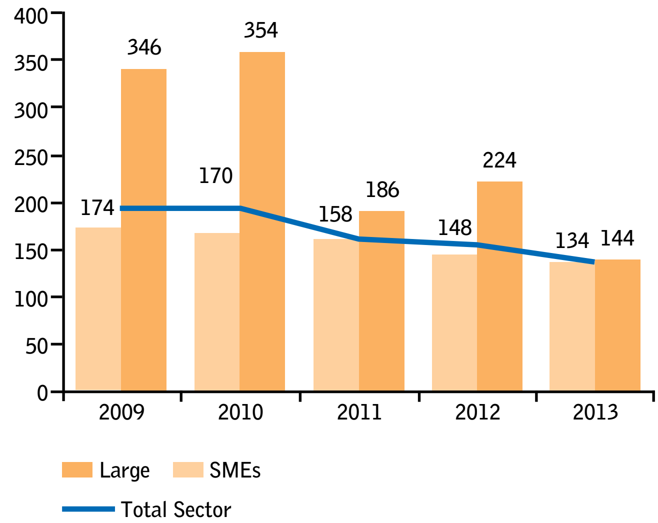
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 78 | 79 | 31 | 37 | 42 |
| SMEs | 167 | 166 | 180 | 175 | 151 |
| **Total Sector Working Capital** | **245** | **245** | **211** | **212** | **193** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 89 | 87 | 42 | 46 | 45 |
| SMEs | 330 | 338 | 358 | 350 | 325 |
| **Total Sector Working Capital** | **419** | **426** | **399** | **396** | **370** |

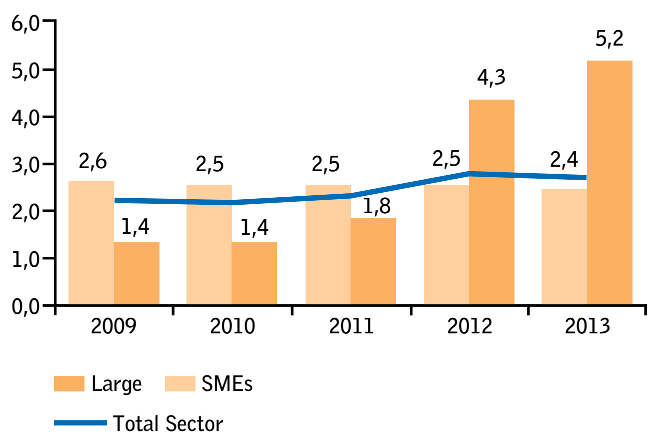
** Borrowings are not included*

### Average Collection Period of Receivables




- The average collection period of receivables, recorded by the Large companies, is not indicative, given that one company of the category records a period of over one year, while the other company – of five months.
- SMEs steadily improve the average collection period of liabilities.

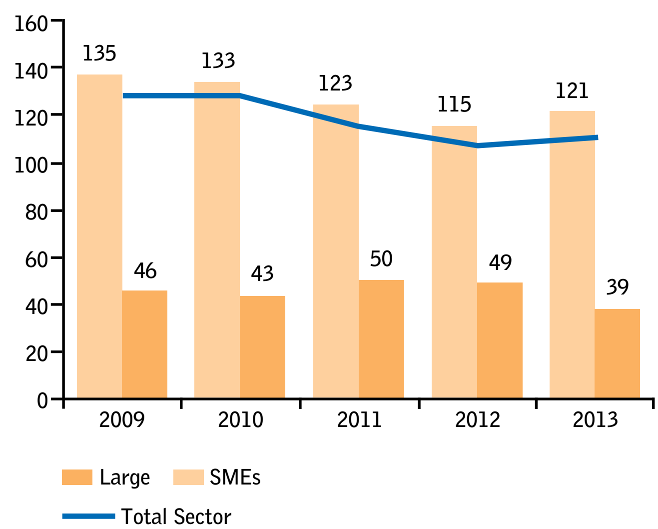
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- All the companies of the sector present steadily positive working capital within the entire period under survey and maintain positive working capital including loan liabilities.
- SMEs present stability in respect of the particular ratio, however, recording higher needs for financing than the Large companies.
- Decrease in short-term liabilities, performed by one of two Large companies of the sector within the last two years places the ratio at extremely high levels.

### Average Period of Paying Liabilities




- The sector presents higher average period of collecting receivables than paying liabilities, with more intense problems being recorded by the Large companies of the sector.

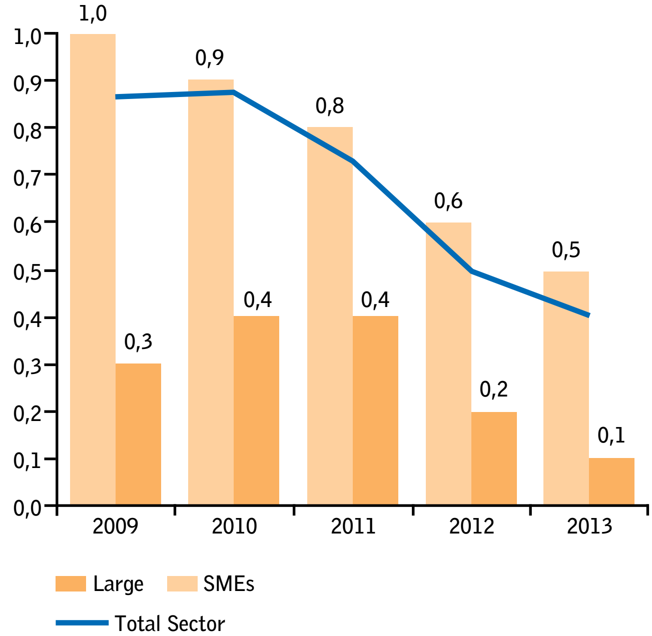
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 9 | 14 | 16 | 17 | 13 |
| SMEs | 160 | 182 | 220 | 234 | 229 |
| **Total Sector** | **169** | **196** | **236** | **252** | **242** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 1 | 1 | 1 | 1 | 1 |
| SMEs | 18 | 20 | 20 | 15 | 15 |
| **Total Sector** | **19** | **22** | **21** | **16** | **15** |

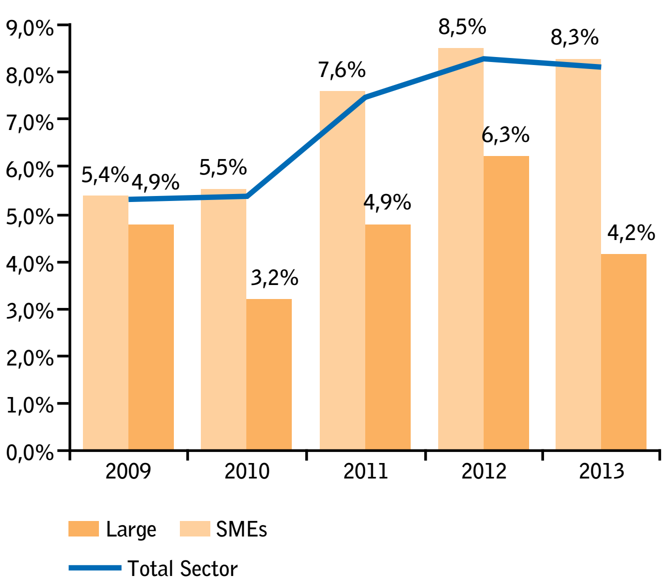
- The sector presents a 30% decrease in net borrowings within the five year period, with financial costs increasing by 27% due to maintaining relatively high short-term liabilities (75% of total loans).
- The decrease in net borrowings is attributable to SMEs that decreased their total borrowings and to the Large companies that increased their cash available.

### Net Borrowings / Equity



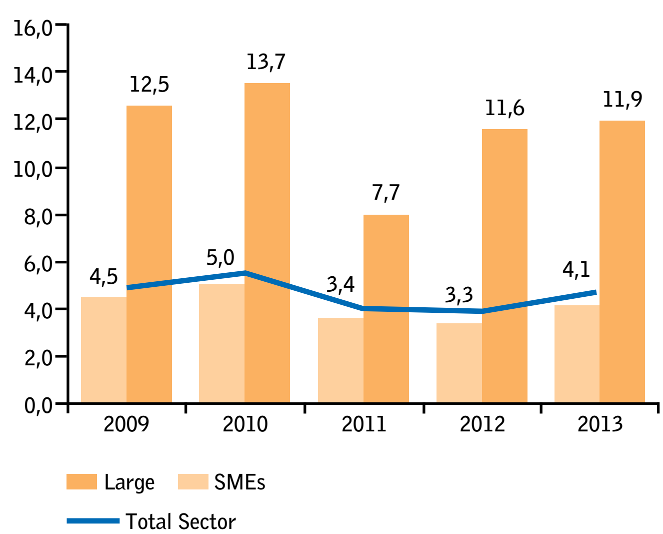

- The sector seems to finance its operations through equity, holding borrowings at low levels versus equity.
- The increase in equity by 47% within the five year period has significantly decreased the ratio in question from 2009 to 2013.

### Average Borrowing Interest Rate




- In 2013, SMEs borrow at almost double rates compared to the Large companies due to particularly high short-term borrowings.

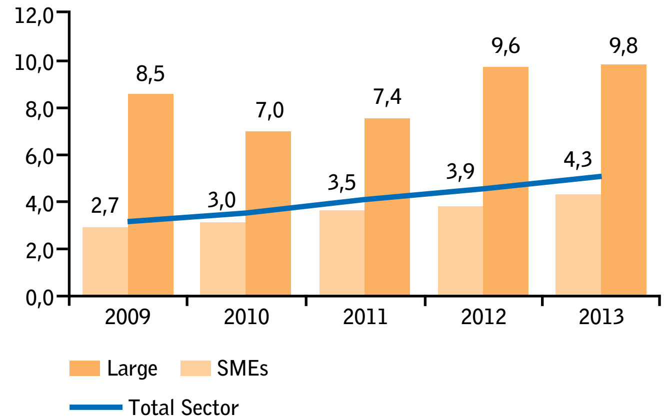
### EBITDA / Financial Expenses




- Despite the increases in costs of financing, the sector steadily more than covers its financial expenses through operating profits.
- As far as the performance of SMEs in the ratio is concerned, it shall be taken into account that they borrow at steadily higher rates within the five year period.

### Sales / Total Borrowings




- The sector's sales steadily cover its total borrowings, with SMEs recording the worst performance due to the highest loan liabilities.
- The ratio records increasing tendencies from 2011 onwards due to the increase in sales.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 7 | 5 | 8 | 2 |
| *(percentage)* | 5% | 4% | 6% | 1% |
| SMEs | 54 | -22 | 72 | 86 |
| *(percentage)* | 6% | -2% | 9% | 12% |
| **Total Sales of the Sector** | **61** | **-16** | **80** | **87** |
| ***(percentage)*** | **6%** | **-2%** | **8%** | **10%** |

- Despite the effects of the recession, the sector records positive tendencies, presenting an increase in turnover of 24% within the five year period.
- SMEs record higher increases in turnover, standing at 26%, versus the Large companies that present increases of approximately 17%.

## Sales - Profitability

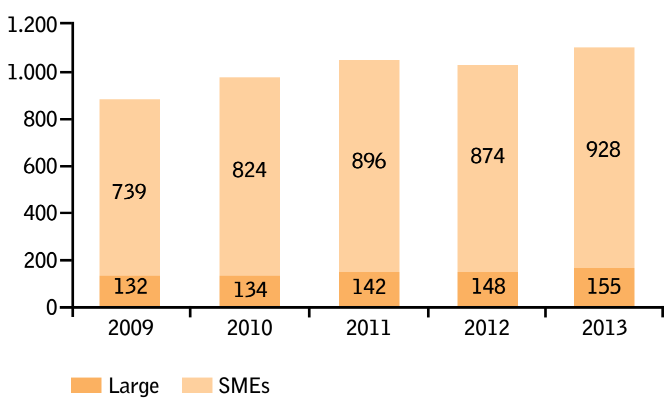
| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 155 | 148 | 142 | 134 | 132 |
| SMEs | 928 | 874 | 896 | 824 | 739 |
| **Total Sector** | **1.083** | **1.022** | **1.038** | **958** | **871** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 8 | 13 | 7 | 8 | 9 |
| SMEs | 76 | 67 | 69 | 75 | 66 |
| **Total Sector** | **84** | **80** | **76** | **83** | **76** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 5,0 | 7,6 | 0,8 | 1,6 | 5,0 |
| SMEs | 36,1 | 20,8 | 24,0 | 37,8 | 34,3 |
| **Total Sector** | **41,1** | **28,3** | **24,7** | **39,4** | **39,3** |

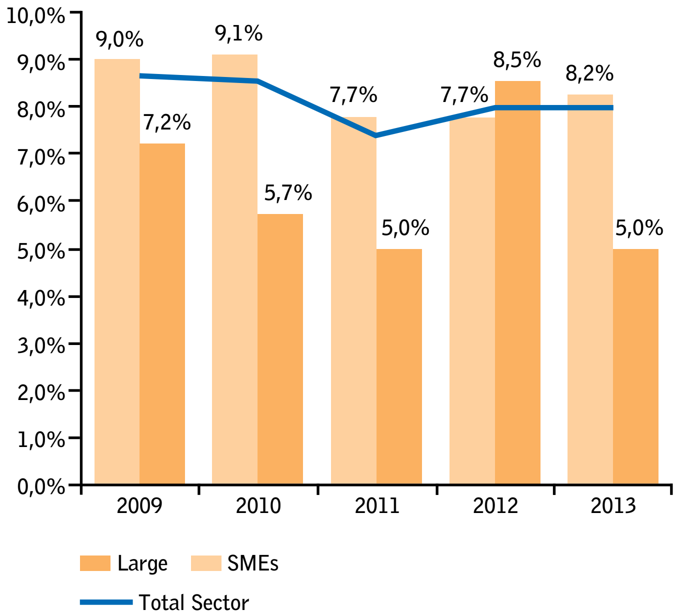
- The increase in turnover is combined with the increase in operating profits and profits before tax, which, in 2013, exceed those recorded in 2009.
- Large companies record worse performance and, despite a stable increase in sales, present stable profits before tax due to their inability to limit the increase in operating expenses to the extent that could allow them to increase their profitability.

### Sales



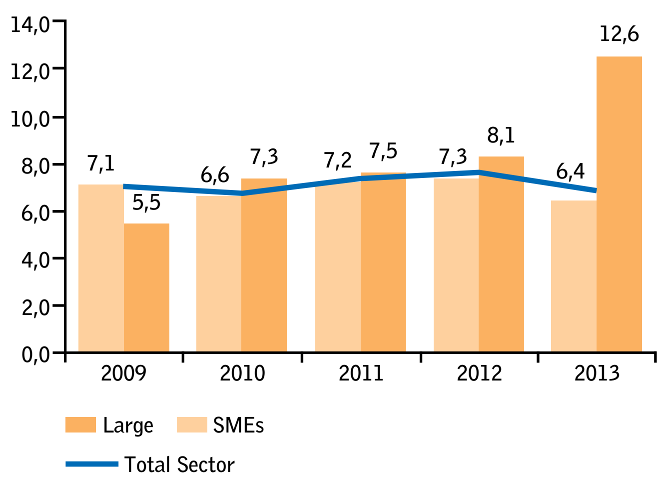

 

### EBITDA Margin




- The sector records steady EBITDA margin, not exceeding 7,8%, from 2011 onwards, which, however, is higher than that recorded by the general total.
- In 2013, SMEs present profit margins almost 3% higher than those presented by Large companies, which reach the levels of 2011 in 2013.

### EV/EBITDA




- SMEs present steady investment interest.
- In 2013, the decrease in operating profits reduces investment attractiveness of the Large companies.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 8 | -38 | 9 | 4 |
| SMEs | 84 | 68 | 58 | 44 |
| **Total Sector** | **93** | **30** | **67** | **48** |

- The sector records positive cash flows from operating activities within the period under survey, which, in 2013, almost double versus 2009.
- In 2012, cash flows from operating activities recorded by the Large companies are generated by one of two companies of the category.
- SMEs shape the generally positive picture on annual basis.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -0,3 | -1 | -3 | -2 |
| SMEs | -32 | -23 | -23 | -22 |
| **Total Sector** | **-33** | **-24** | **-26** | **-25** |

- In the entire five year period, the sector records relatively steady cash flows from investing activities. Bigger outflows are recorded in 2013, indicating positive outlook.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -2 | 38 | -5 | -2 |
| SMEs | -38 | -41 | -35 | -23 |
| **Total Sector** | **-40** | **-3** | **-39** | **-26** |

- In 2013, the sector's SMEs proceeded with repayments of loans, affecting the total cash outflows from the sector's financing activities.
- Positive cash flows from financing activities recorded by the Large companies in 2012 pertain to the share capital increase conducted by one of two companies of the category.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**30%** of the total companies of the sector,<br>**37%** of the total sales of the sector,<br>**45%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**24%** of the total companies of the sector,<br>**41%** of the total sales of the sector,<br>**25%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**30%** of the total companies of the sector,<br>**14%** of the total sales of the sector,<br>**29%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**16%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |

## CONCLUSIONS
## Chemicals Sector

- The sector presents marginally higher profit margins than those recorded by the general total in the last three years.
- The sector records increasing tendencies, presenting increases in turnover of approximately 24% within the five year period versus losses of 21% recorded by the Greek Economy.
- The total of the companies cover their operations through equity, holding borrowings at low levels versus equity.
- The sector's coverage of loan liabilities from operating profits and sales exceeds the general total.
- The sector presents steadily positive working capital, increasing by 27% in the five year period under survey, which, in line with the increase in sales by 47%, indicates its sound financial performance.
- Positive cash flows from operating activities and coverage of financial expenses through operating profits.
- The Chemicals sector does not seem to have strongly experienced the economic crisis, while its SMEs record significant performance in major financial ratios.

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# Cold Cuts Sector

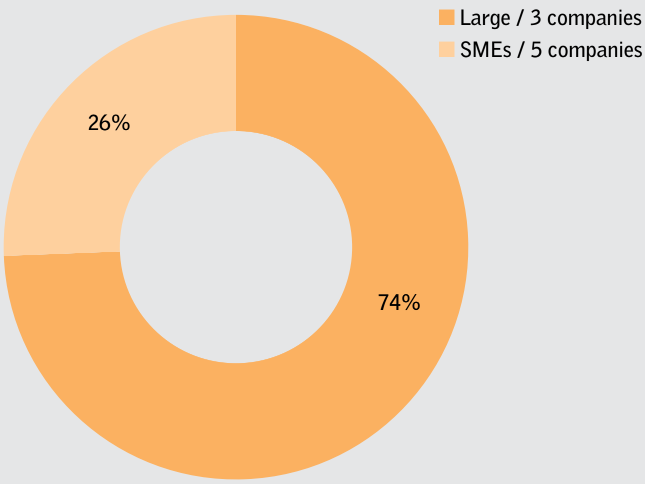
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

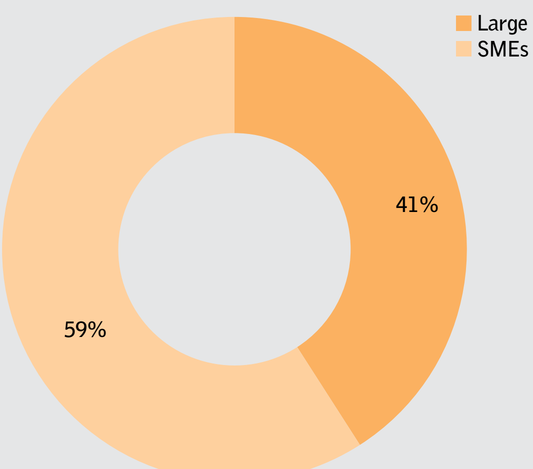
- **8** companies represent over **85%** of the sector's total operations.
- **2** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Μεγάλες:** Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 3 companies represent 70% of the sector's total sales in 2013.

### Headcount 2013




- 59% of the sector's headcount is employed in 5 SMEs.

## Sector Characteristics

- High concentration sector: 8 companies with total sales of approximately € 400 million.
- Low domestic consumption of cold cuts compared to other European countries.
- Decreased turnover levels since 2011, in the context of consumers cutting expenses on basic food products as well as the turn to healthy diet.
- Need for constant improvement of the products quality results in increases of operating costs.
- Large companies and, as a result, all the sector's companies are strongly affected by intense increase in bank loans.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is relative uniformity in the financial characteristics of the sector's companies of the similar size. |
| **Does a small number of companies dominate the sector?** | 3 companies hold 74% of the turnover and employ 41% of headcount. Intense competition with small growth margins. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Generally, the sector follows the overall trends. However, it records particularly high loan burdening and low profit margins. |
| **Has the sector overcome the economic crisis?** | High borrowings prevent crisis exodus. Large companies cannot adjust to the current conditions. |
| **How hard was it for the sector to face the crisis?** | Particularly intense, as arising from the analysis of the Large companies of the sector. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The course of the sector's development equals that of the Greek Economy within the five year period. |
| **What is the financial performance of the sector's SMEs?** | SMEs present relative stability and record satisfactory financial performance. They increase their market shares and adapt to the new conditions, however experience difficulties in finding financing, further deteriorated by constantly increasing borrowing costs, which within the last three years stand at 22%. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | No link so far. Loan burdening mainly defines the sector's companies viability. |
| **What are the prospects for the sector?** | SMEs can play a significant part in the sector, increasing their market share through expanding their operations in respect of special brand products.<br>Regarding the Large companies of the sector, corporate reorganizations and financing of the new schemes constitute the only possible solution. |

## CONDENSED FINANCIAL DATA

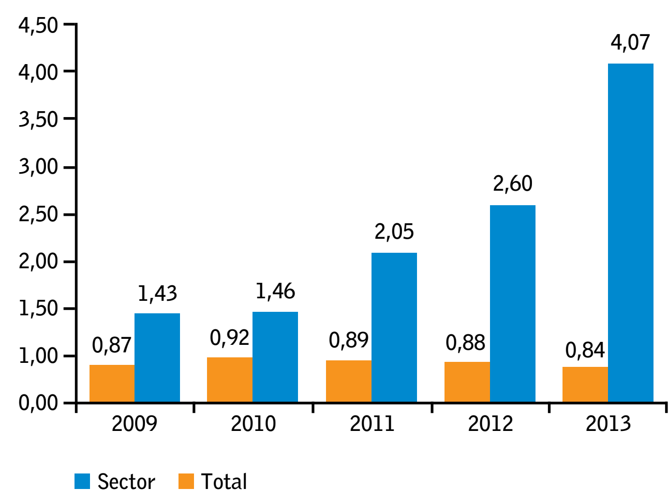
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 233 | 243 | 252 | 252 | 254 |
| Current Assets | 182 | 219 | 223 | 210 | 198 |
| **Total Assets** | **415** | **462** | **475** | **463** | **452** |
| **Equity** | **59** | **91** | **107** | **127** | **136** |
| Long-term Loan Liabilities | 90 | 151 | 140 | 119 | 89 |
| Other Long-term Liabilities | 20 | 21 | 21 | 21 | 20 |
| **Total Long-term Liabilities** | **110** | **172** | **161** | **139** | **108** |
| Short-term Loan liabilities | 152 | 86 | 79 | 67 | 106 |
| Other Short-term Liabilities | 94 | 113 | 128 | 130 | 101 |
| **Total Short-term Liabilities** | **246** | **199** | **207** | **196** | **207** |
| **Total Liabilities** | **356** | **371** | **368** | **336** | **316** |
| **Total Equity and Liabilities** | **415** | **462** | **475** | **463** | **452** |
| Working Capital | -64 | 20 | 15 | 14 | -9 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 371 | 379 | 373 | 391 | 405 |
| EBITDA | 20 | 25 | 17 | 42 | 47 |
| EBIT | -8 | 13 | 2 | 23 | 28 |
| EBT | -27 | -5 | -15 | 10 | 17 |
| EAT | -28 | -9 | -17 | 6 | 10 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 4,1 | 2,6 | 2,1 | 1,5 | 1,4 |
| Current Assets/ Short-term Liabilities | 0,7 | 1,1 | 1,1 | 1,1 | 1,0 |
| EV/EBITDA | 13,9 | 12,0 | 18,0 | 7,1 | 6,7 |
| EBITDA Margin | 5,5% | 6,7% | 4,6% | 10,7% | 11,6% |

### Loan Liabilities / Equity




- Loan liabilities to equity ratio fluctuates over the average level and records an increasing course, since the sector is not in position to repay its loans. The ratio further deteriorates given accumulated losses and impairments, burdening the equity.

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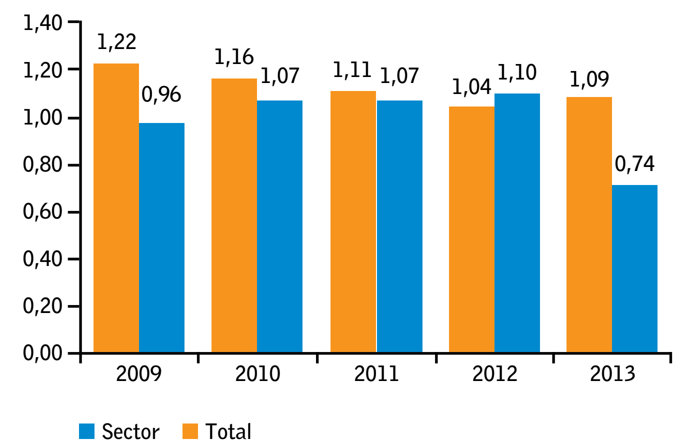
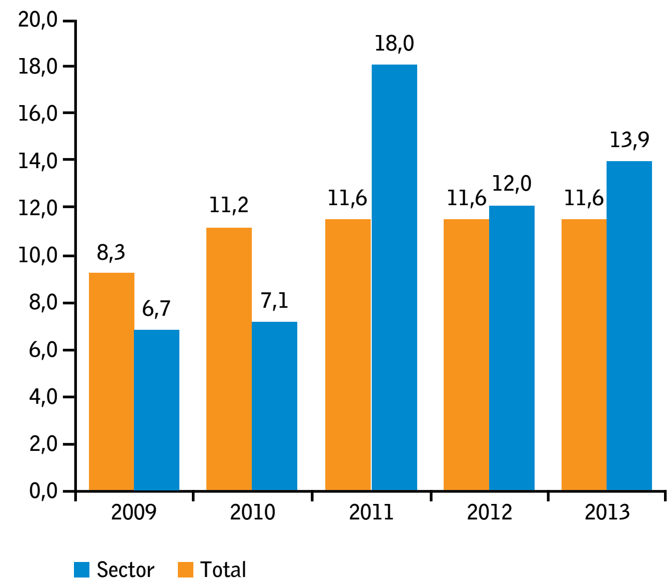
### Current Assets / Short-term Liabilities



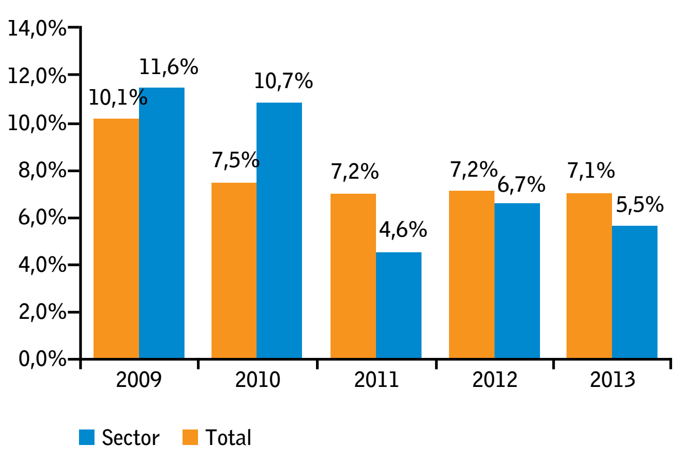

- Marginally positive working capital of the sector's companies till 2012 inclusively, while in 2013 the working capital is recorded negative, reflecting constantly increasing difficulties faced by the sector in financing its operations.

### EV/EBITDA



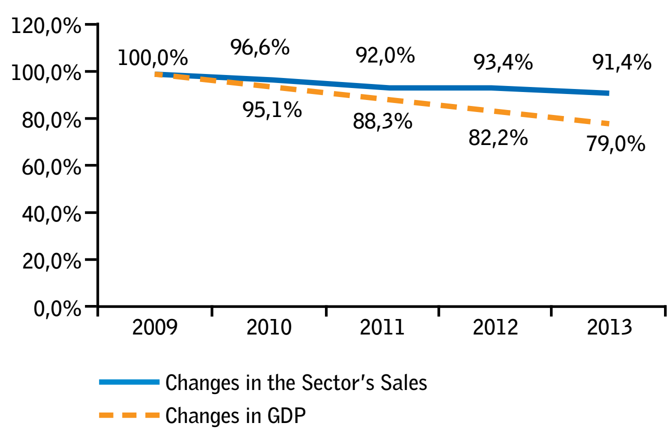

- From 2011 onwards, the sector's EV/EBITDA ratio has been burdened and exceeds the general total, reflecting the constantly decreasing investors' interest in the sector. The ratio is burdened due to a drastic decrease in equity (-57%) within the period under survey.

### EBITDA Margin




- The sector's EBITDA margins have been significantly burdened, reflecting its inability to adjust to the new market conditions.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales reflect the overall negative changes in GDP.

# SECTOR ANALYSIS

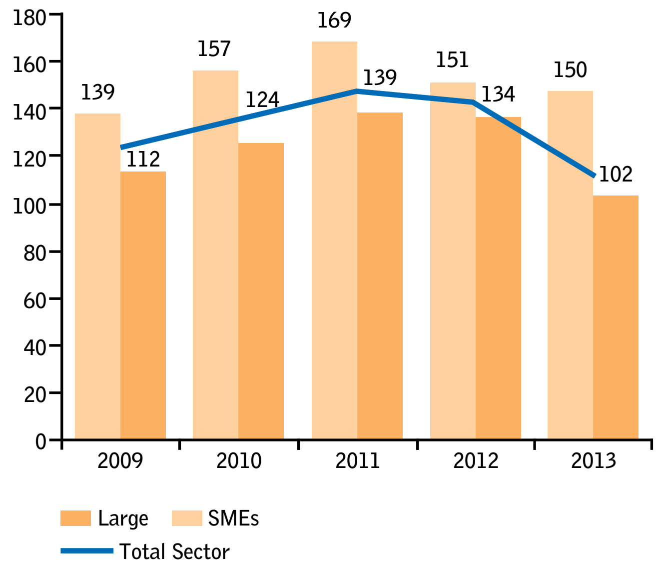
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -79 | -2 | -3 | -6 | -30 |
| SMEs | 15 | 22 | 18 | 20 | 21 |
| **Total Sector Working Capital** | **-64** | **20** | **15** | **14** | **-9** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 54 | 73 | 64 | 52 | 68 |
| SMEs | 34 | 34 | 31 | 29 | 29 |
| **Total Sector Working Capital** | **88** | **106** | **95** | **81** | **97** |

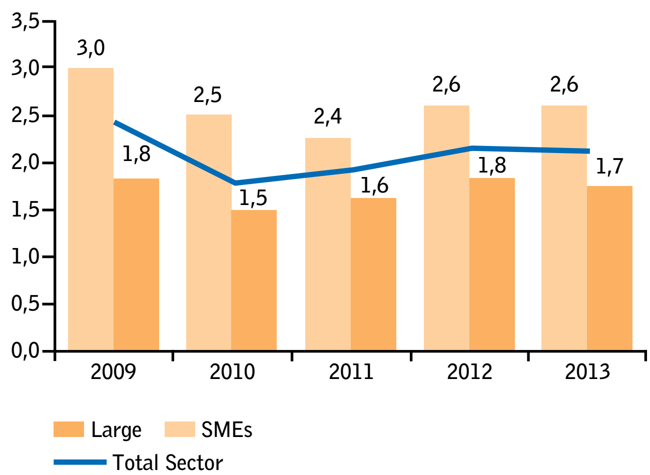
** Borrowings are not included*

### Average Collection Period of Receivables




- Average Collection Period of Receivables is longer in respect of SMEs, while the Large companies collect receivables almost one month faster than SMEs.

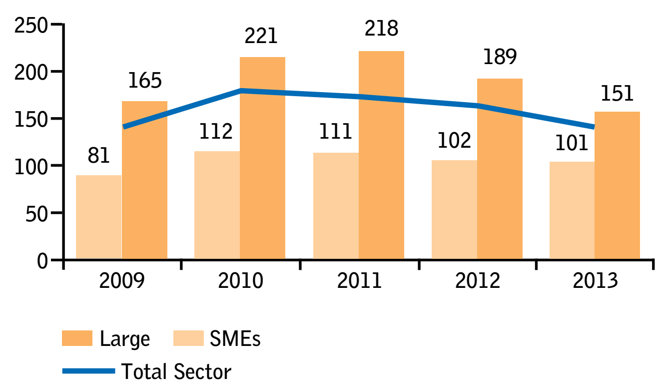
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- Working capital is negative due to reclassification of loan liabilities from long-term to short-term.
- Excluding short-term borrowings, the sector's working capital is positive. The analysis indicates that there is significant need of financing the working capital, due to decline in operations and accumulated losses. As far as SMEs are concerned, another negative factor is disproportion between the days of collecting receivables and paying liabilities.

### Average Period of Paying Liabilities




- The Large companies of the sector are undeniably in a better position regarding negotiations on suppliers' payment time limits. SMEs are under great pressure, since the period of paying liabilities is substantially shorter that the collection period of receivables.

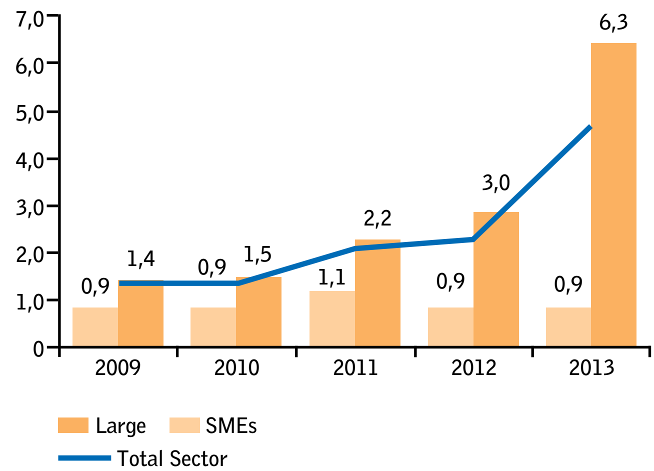
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 197 | 188 | 175 | 144 | 152 |
| SMEs | 26 | 26 | 31 | 26 | 26 |
| **Total Sector** | **223** | **214** | **205** | **170** | **178** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 15 | 16 | 13 | 10 | 10 |
| SMEs | 2 | 2 | 2 | 1 | 1 |
| **Total Sector** | **17** | **18** | **15** | **11** | **12** |

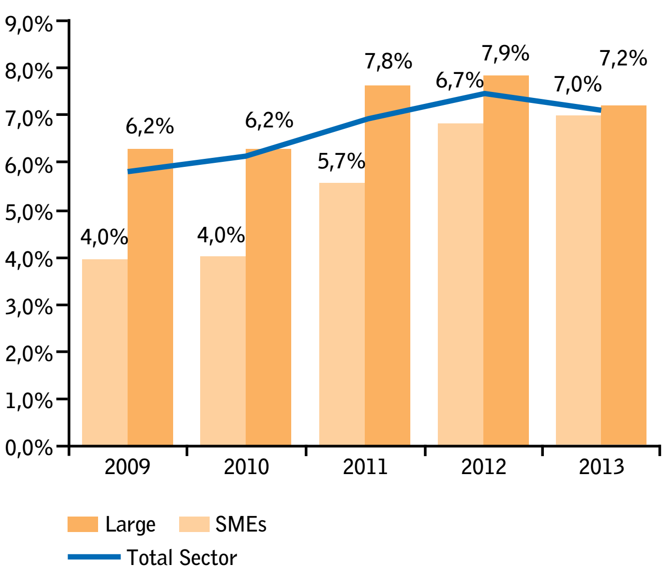
- Steady increase in borrowing within the last three years, with the Large companies constantly raising the necessary capital to cover their operations.
- SMEs borrowings remain stable. The trend indicates inability to find financing from banks.

### Net Borrowings / Equity



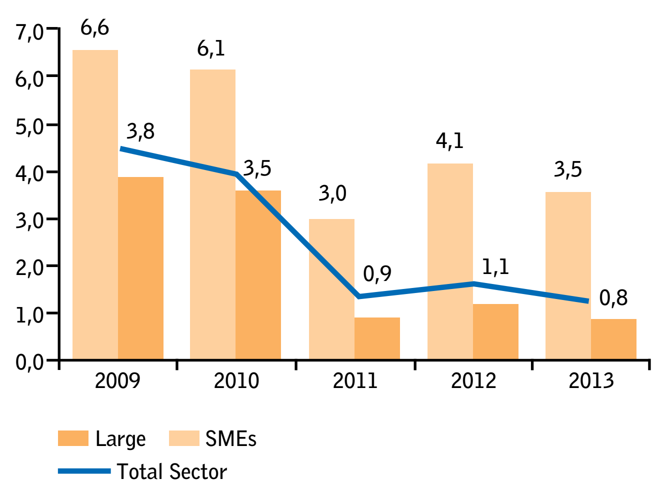

- Large companies present particularly high loan burdening in line with the burdening on their equity. Such levels of borrowings raise the issues of the possibility of repaying bank obligations.
- SMEs seem to have adapted to the current conditions, holding the ratio in question at stable levels.

### Average Borrowing Interest Rate




- Average Borrowing Interest Rate for the Large companies fluctuates at stable levels of approximately 7% within the five years.
- SMEs borrowing costs are at relatively low levels till 2012, while in 2013 they equal the Large companies' costs.

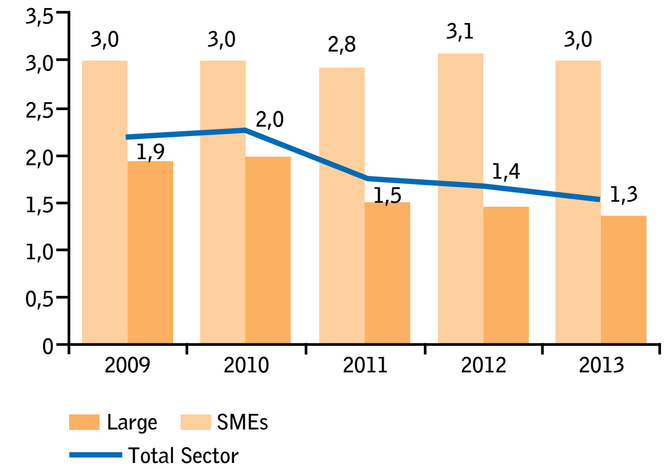
### EBITDA / Financial Expenses




- Changes in sizes indicate significant inability of the Large companies to cover even the interest on their bank loans
- Regarding SMEs, the ratio is burdened due to increase in borrowing costs (from 4% to 7% till 2013).

### Sales / Total Borrowings




- Decline in sales and increase in borrowings burden the relative ratio regarding the Large companies of the sector. SMEs, in contrast, present remarkable stability.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -6 | -1 | -23 | -12 |
| *(percentage)* | -2% | -0,2% | -8% | -4% |
| SMEs | -2 | 6 | 5 | -1 |
| *(percentage)* | -2% | 7% | 5% | -2% |
| **Total Sales of the Sector** | **-8** | **6** | **-18** | **-14** |
| ***(percentage)*** | **-2%** | **2%** | **-5%** | **-3%** |

- Constant decrease in the Large companies' turnover. SMEs slightly benefit from this fact.

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 13 | 17 | 12 | 35 | 39 |
| SMEs | 8 | 9 | 5 | 7 | 8 |
| **Total Sector** | **20** | **25** | **17** | **42** | **47** |

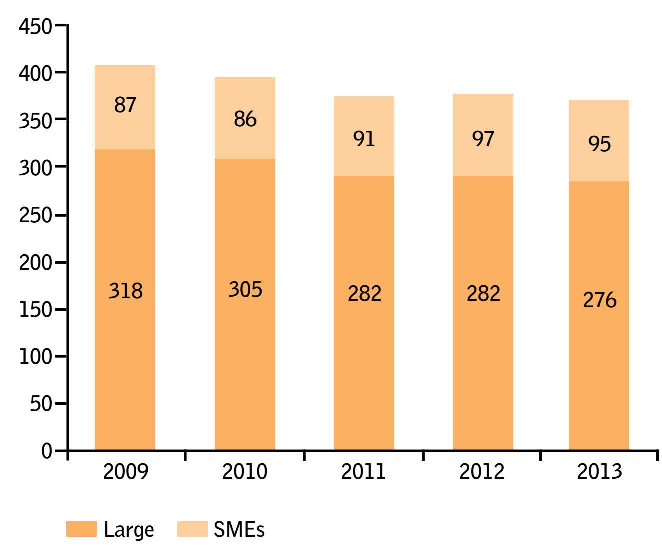
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 276 | 282 | 282 | 305 | 318 |
| SMEs | 95 | 97 | 91 | 86 | 87 |
| **Total Sector** | **371** | **379** | **373** | **391** | **405** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -30,0 | -9,2 | -15,6 | 8,9 | 13,0 |
| SMEs | 3,3 | 3,8 | 0,7 | 0,9 | 3,9 |
| **Total Sector** | **-26,7** | **-5,4** | **-14,9** | **9,8** | **16,8** |

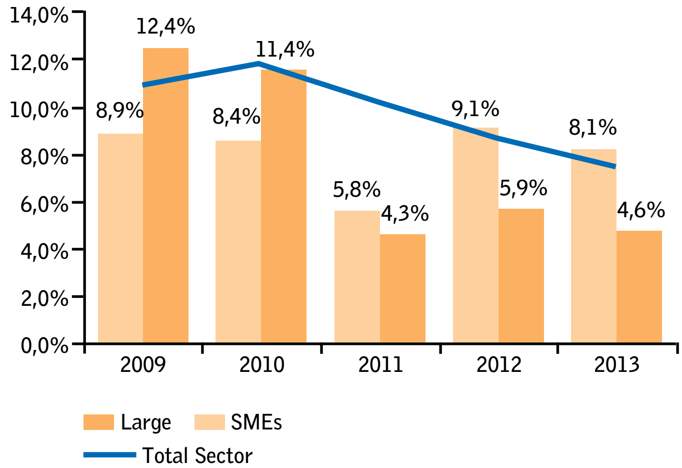
- Large companies do not seem to adapt to the decrease in turnover which presses their profit margins.
- On the contrary, no substantial changes have been recorded in the profitability of SMEs, in particular within the last two years. It is worth mentioning that SMEs maintain their turnover and profit margins within the period under survey.

### Sales



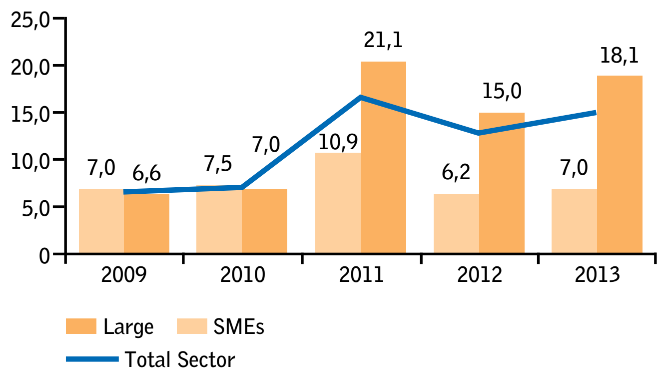

 

### EBITDA Margin




- Operating profitability ratio of SMEs exceeds the relative ratio of the Large companies of the sector from 2011 onwards, reversing the previous years' picture.

### EV /EBITDA




- From 2011 onwards, SMEs have been presenting an obviously better picture due to maintaining market shares and profit margins.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -0,3 | 8 | -5 | 34 |
| SMEs | 7 | 9 | 2 | 6 |
| **Total Sector** | **7** | **17** | **-3** | **40** |

- The sector's cash flows from operating activities remain at low levels.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -3 | -8 | -16 | -18 |
| SMEs | -2 | -1 | -4 | -2 |
| **Total Sector** | **-5** | **-9** | **-19** | **-21** |

- The sector's cash flows from investing activities remain at low levels within four years and in 2013 refer by 60% to the Large companies of the sector.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -1 | 5 | 21 | -17 |
| SMEs | -5 | -4 | 0 | -4 |
| **Total Sector** | **-6** | **1** | **21** | **-21** |

- Relative stability has been recorded regarding cash flows from the sector's financing activities from 2012 onwards.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**14%** of the total companies of the sector,<br>**33%** of the total sales of the sector,<br>**16%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**14%** of the total companies of the sector,<br>**10%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**65%** of the total companies of the sector,<br>**57%** of the total sales of the sector,<br>**81%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**7%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Cold Cuts Sector

- The sector is characterized by high loan burdening on the Large companies.
- Constant decrease in profit margins of the Large companies of the sector.
- Increase in costs of financing regarding the Large companies causes a decrease in their ability to repay the borrowings, which, however, is covered by maintaining stable EBITDA.
- Loan burdening on the Large companies of the sector and their obvious inability to settle their loan obligations substantially limit viability related actions. Reorganization and refinancing of new schemes is the only possible solution as far as the Large companies of the sector are concerned.

 | 

# Commodity Metals Sector

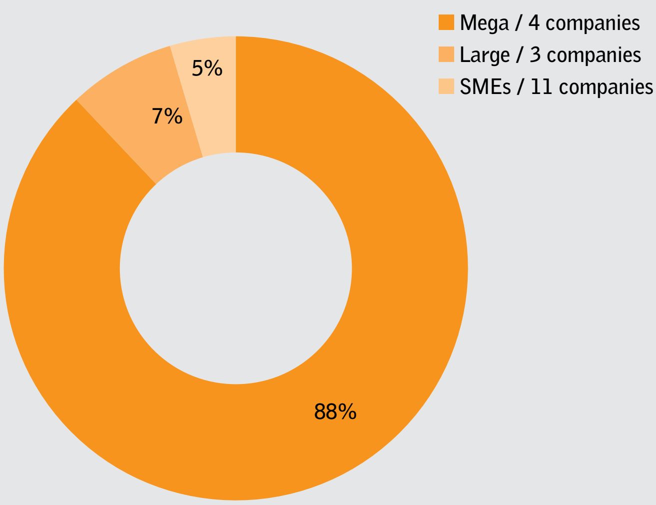
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

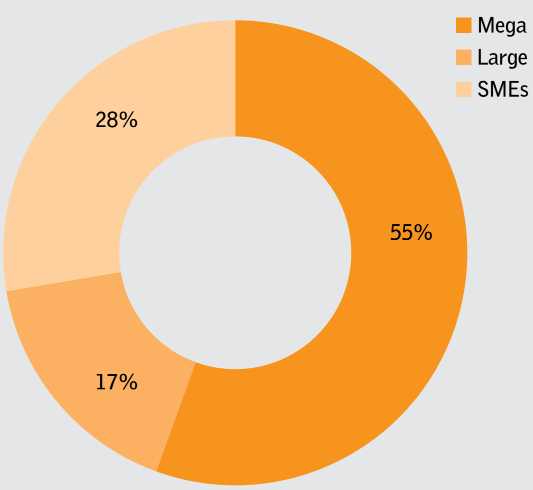
- The term Commodity Metals includes the global trade dominant metals with a particular market capitalization such as Aluminum, Nickel, Copper, Tin, Zinc, Lead and their most significant alloys.
- **18** companies represent over **92%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 4 companies represent 88% of the sector's total sales in 2013.

### Headcount 2013




- 55% of the sector's headcount are employed in 4 Mega companies.

## Sector Characteristics

- The sector's products are stock market products affected by global economic conditions.
- The average price of commodity metals increased from 2009 to 2013, headed by Tin (64%), Copper (42%), Lead (24%) and Zinc (15%). The price of Aluminum presented slighter increase of approximately 11%.
- During 2013, the average price of commodity metals continued to decline versus 2012, excluding the price of Lead (+ 4%) and Tin (+ 5%).
- The biggest decreases were recorded in the average price of Nickel (-14%), followed by the Aluminum (-9%) and Copper (-8%). The sector has benefited during the economic crisis by increasing demand from the emerging countries as a result of construction activities.
- The resistances of the sector to the economic downturn seem to bend, affected by the global decline in demand and the deep crisis of the construction industry.
- The sector with small profit margins due to high operating costs.
- The sector that had low loan interest rates from the beginning of the crisis till 2011 inclusively. The borrowing costs increases in 2011 and 2013 regarding Mega companies.
- The sector that was particularly burdened following the energy costs increases in Greece, thus affecting profitability ratios of Greek production units as well as exports profitability.
- Operating cost problems are also faced by other production units globally, mainly regarding Aluminum, resulting in the units' closure, which is expected to have a positive impact on the price of Aluminum due to increased demand.
- High concentration of the sector's sales in 4 companies.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector is not characterized by uniformity, while Mega companies present better resistance to market pressure mainly due to exports, while Large companies do not quickly adapt to the market demands, thus recording losses. |
| **Does a small number of companies dominate the sector?** | 4 Mega companies of the sector perform 88% of sales in 2013 and employ over 50% of headcount, thus affecting almost the total of the sector's ratios. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Although the sector's contribution to the total stands at 3%, it presents particularly low profit margins and low loan burdening. |
| **Has the sector overcome the economic crisis?** | The economic crisis seems to have affected the sector later. The sector still seems to face increase in net borrowings, decrease in sales and profit margins almost in its entirety. The on-going decline in domestic construction activity and the decrease in demand at the global level are problems that the sector will have to address. |
| **How hard was it for the sector to face the crisis?** | Till 2011, the sector presented resistance to the crisis conditions, mainly due to increase in demand arising from emerging markets, and increased its sales and profit margins. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector's course of development was not similar to that depicted by the Greek Economy. The sector presented resistance to the financial crisis conditions, while now, although the Greek Economy shows signs of recovery, the sector faces intense profitability and liquidity problems. |
| **What is the financial performance of the sector's SMEs?** | SMEs perform only 5% of the sector's sales and record losses, positive results before tax and almost zero borrowings, presenting better adjustment to the new market conditions than Large companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | 4 companies of the sector, holding 88% of the market, seem to have better resistance to decrease in demand and average prices of commodity metals in 2013, maintaining stable profit margins. |
| **What are the prospects for the sector?** | Given the changing economic environment, the prices of commodity metals present mixed trends, with the price of Aluminum increasing the prices of Lead and Copper and decreasing the prices of Steel. The eurozone crisis and marginal growth projected in the coming years in Europe will have a further impact on sales of the sector.<br><br>The companies of the sector, export-oriented, given signs of recovery from the markets such as America and India, are expected to keep marginally positive results. In the domestic market, the expected resumption of large road projects may compensate for high energy costs, currently burdening the sector's companies in Greece. |

# CONDENSED FINANCIAL DATA

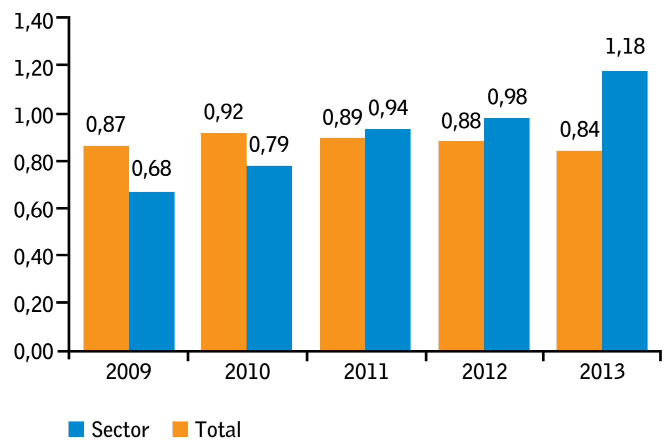
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 2.759 | 2.769 | 2.800 | 2.717 | 2.720 |
| Current Assets | 2.038 | 2.124 | 2.456 | 2.353 | 2.029 |
| **Total Assets** | **4.798** | **4.893** | **5.255** | **5.070** | **4.749** |
| **Equity** | **1.675** | **1.950** | **2.109** | **2.219** | **2.260** |
| Long-term Loan Liabilities | 1.448 | 675 | 825 | 735 | 827 |
| Other Long-term Liabilities | 440 | 329 | 390 | 326 | 333 |
| **Total Long-term Liabilities** | **1.888** | **1.004** | **1.215** | **1.061** | **1.160** |
| Short-term Loan liabilities | 535 | 1.246 | 1.158 | 1.010 | 703 |
| Other Short-term Liabilities | 700 | 693 | 773 | 781 | 626 |
| **Total Short-term Liabilities** | **1.235** | **1.938** | **1.932** | **1.791** | **1.329** |
| **Total Liabilities** | **3.123** | **2.943** | **3.146** | **2.851** | **2.489** |
| **Total Equity and Liabilities** | **4.798** | **4.893** | **5.255** | **5.070** | **4.749** |
| Working Capital | 803 | 186 | 524 | 562 | 700 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 3.805 | 4.500 | 4.794 | 4.119 | 3.360 |
| EBITDA | 118 | 157 | 190 | 240 | 131 |
| EBIT | -43 | -31 | 21 | 70 | -31 |
| EBT | -172 | -164 | -89 | -2 | -101 |
| EAT | -248 | -166 | -92 | -11 | -121 |

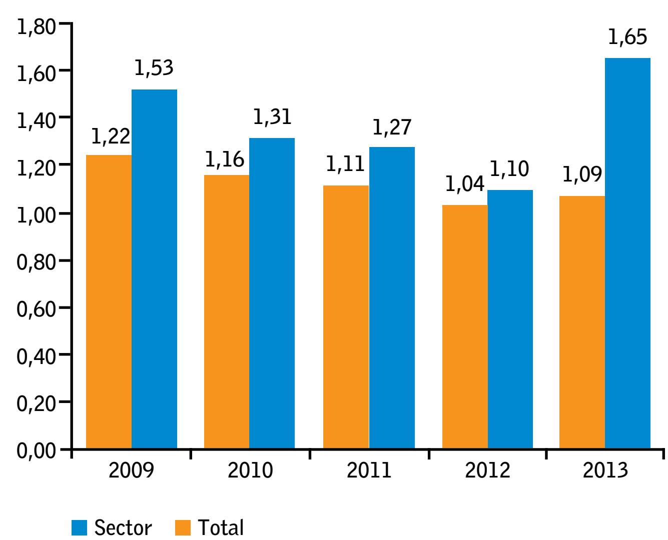
| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,2 | 1,0 | 0,9 | 0,8 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,7 | 1,1 | 1,3 | 1,3 | 1,5 |
| EV/EBITDA | 29,2 | 23,4 | 20,1 | 15,2 | 27,4 |
| EBITDA Margin | 3,1% | 3,5% | 4,0% | 5,8% | 3,9% |

### Loan Liabilities / Equity




- Till 2010, the sector's ratio was lower than the total, while in 2013 the combination of increased loan burdening and losses incurred in 2012 and 2013 increased the ratio, which exceeded the total.

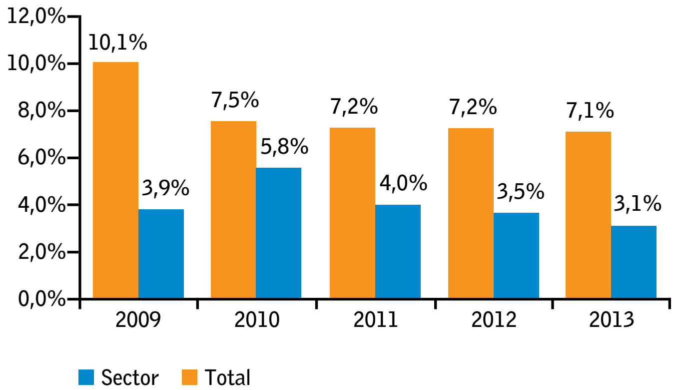
### Current Assets / Short-term Liabilities




- The sector marginally exceeds the total in 2009 – 2012, while in 2013 it is substantially higher than the total.

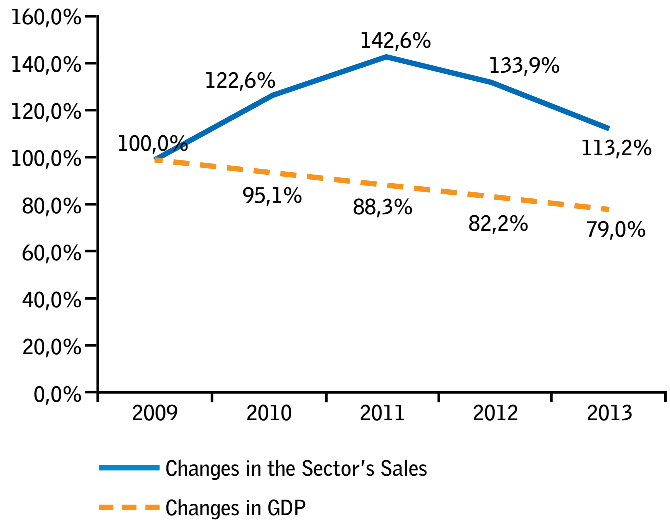
 

### EBITDA Margin



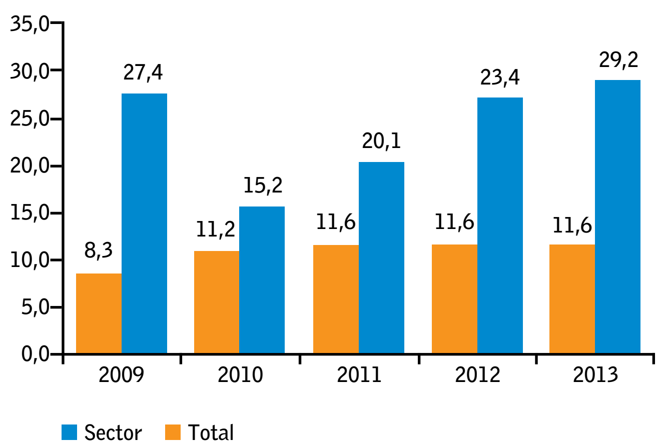

- Particularly low EBITDA Margin of the sector as compared to the total and no significant variations within the five year period, excluding 2010, when the increase in prices of metals, sometimes doubled, benefited the sector and Mega companies in particular.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Between 2010 and 2012 the sector increased its sales, unlike the Greek Economy that recorded huge losses. The financial crises began to affect the sector in 2013 onwards, when increases in sales are at lower levels that those recorded in 2010.

### EV/EBITDA




- The sector presents low investing interest as compared to the total within the five year period.

## SECTOR ANALYSIS

### Working Capital

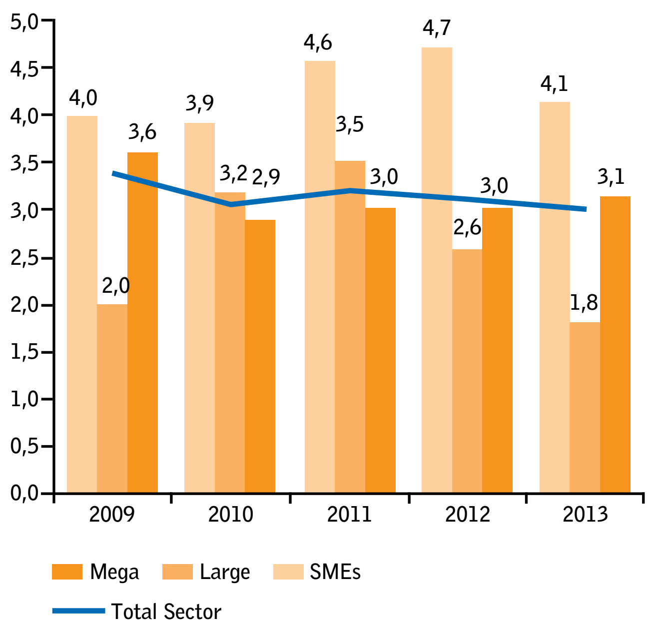
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 615 | 25 | 219 | 354 | 498 |
| Large | 62 | 22 | 157 | 60 | 75 |
| SMEs | 127 | 138 | 148 | 147 | 127 |
| **Total Sector Working Capital** | **803** | **186** | **524** | **562** | **700** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.100 | 1.136 | 1.314 | 1.164 | 1.113 |
| Large | 101 | 138 | 204 | 244 | 138 |
| SMEs | 137 | 157 | 165 | 163 | 153 |
| **Total Sector Working Capital** | **1.338** | **1.431** | **1.682** | **1.572** | **1.404** |

** Borrowings are not included*

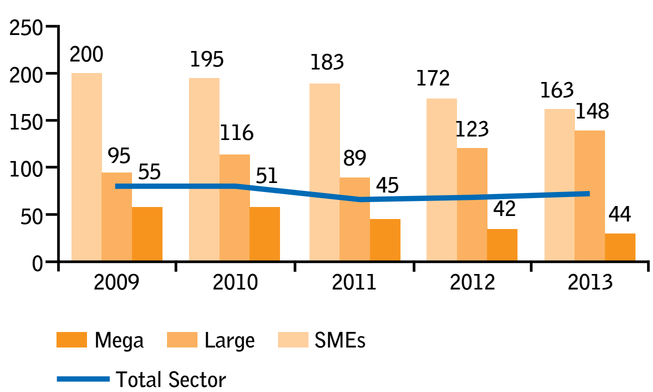
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

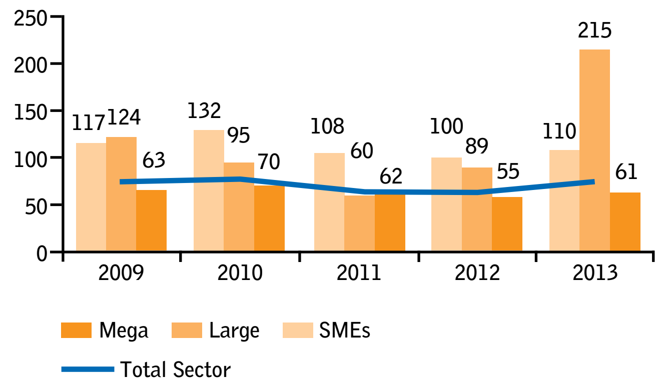
- Despite the financial crisis, the sector's working capital remains positive regarding all the categories of the companies.
- Excluding the amount of loan liabilities, transferred to short-term liabilities', from the burdening on the working capital, additional reasons for the burdening were the decrease in inventory value due to lower valuation of commodity metals and the decreased balance of trade receivables due to decrease in sales.
- SMEs record lower financing needs than the other companies of the sector.

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is higher regarding SMEs, exceeding 5 months within the period under survey.
- The Average Collection Period of Receivables regarding Mega companies that marginally exceeds one month affects the sector's total.

### Average Period of Paying Liabilities




- The Average Collection Period of Receivables is shorter than the Average Period of Paying Liabilities regarding Mega companies within the entire five year period, while regarding the other companies of the sector it is longer and as far as SMEs are concerned, stands at 2 months.

## Borrowings

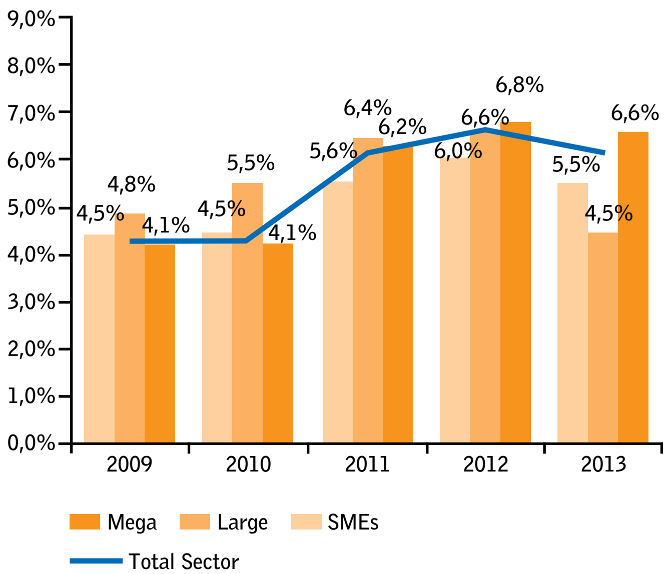
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.402 | 1.372 | 1.366 | 1.128 | 1.048 |
| Large | 384 | 363 | 332 | 296 | 248 |
| SMEs | -12 | -11 | 4 | 4 | 22 |
| **Total Sector** | **1.773** | **1.724** | **1.703** | **1.428** | **1.318** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 101 | 103 | 90 | 51 | 48 |
| Large | 18 | 25 | 23 | 18 | 14 |
| SMEs | 2 | 3 | 3 | 3 | 3 |
| **Total Sector** | **120** | **131** | **116** | **71** | **65** |

- Net borrowings of Mega and Large companies have increased within the five year period by 34% and 55% respectively.
- From 2012 onwards, SMEs maintain zero net borrowings due to positive results and big repayments of loans.

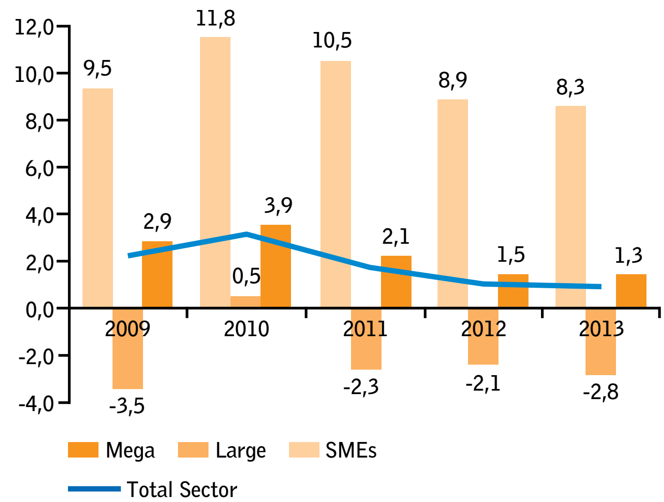
 | 

### Average Borrowing Interest Rate



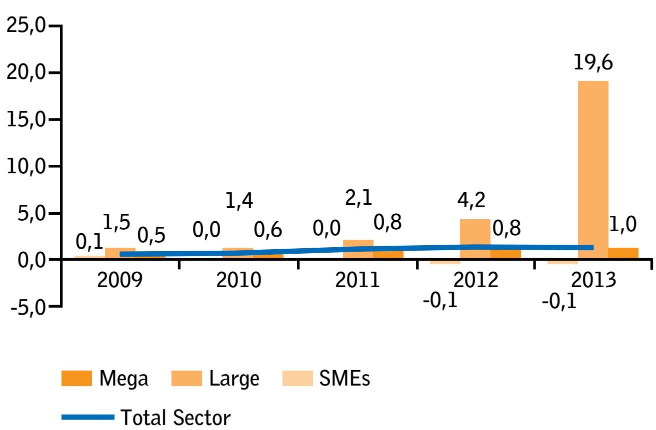

- The Average Borrowing Interest Rate for SMEs as a result of their low net borrowings is almost steadily low and reduced in 2013 to 5,5%.
- It is worth mentioning that in 2013, Large companies of the sector borrow funds at lower interest rate than the other companies of the sector.

### EBITDA / Financial Expenses



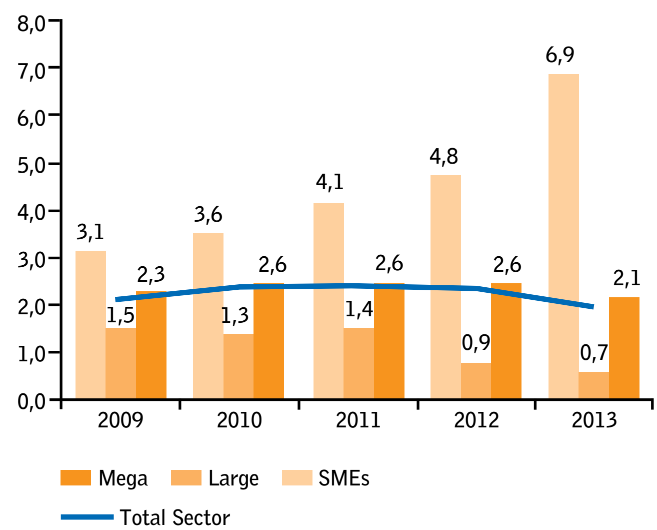

- Covering financial expenses from operating profits seems particularly high regarding SMEs.
- As far as Mega companies are concerned, the decrease in the ratio by 53% from 2009 to 2013 is mainly due to the losses incurred by the sector.

### Net Borrowings / Equity




- Particularly high ratio for Large companies of the sector in 2013 as a result of drastic decrease in equity due to incurred losses.

### Sales / Total Borrowings



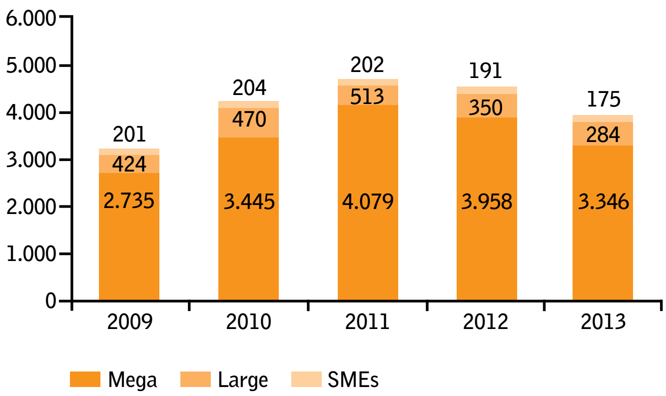

- Large companies record lower ratio than the other companies of the sector, while from 2012 to 2013 their total borrowings exceed the total of their sales.
- In 2013, there was completed the process of refinancing a part of the existing loan liabilities of the Large companies, totally amounting to approximately € 590 million.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 3.346 | 3.958 | 4.079 | 3.445 | 2.735 |
| Large | 284 | 350 | 513 | 470 | 424 |
| SMEs | 175 | 191 | 202 | 204 | 201 |
| **Total Sector** | **3.805** | **4.500** | **4.794** | **4.119** | **3.360** |

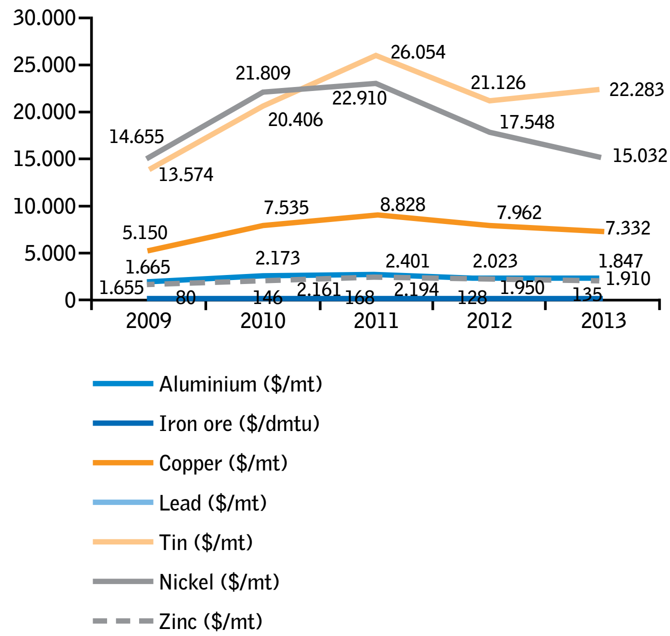
### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -612 | -121 | 634 | 711 |
| *(percentage)* | -15% | -3% | 18% | 26% |
| Large | -66 | -163 | 43 | 46 |
| *(percentage)* | -19% | -32% | 9% | 11% |
| SMEs | -16 | -11 | -2 | 2 |
| *(percentage)* | -8% | -5% | -1% | 1% |
| **Total Sales of the Sector** | **-694** | **-294** | **675** | **759** |
| ***(percentage)*** | **-15%** | **-6%** | **16%** | **23%** |

- Doubling of the average prices of metals in 2010, as well as a further increase by 15% in 2011 have resulted in the actual increase of the sector's sales by approximately 23% and 16% respectively, with Mega and Large companies mainly benefiting from the aforementioned change.

### Annual Average Price of Commodity Metals




- Taking into account the relative prices of commodity metals that presented increasing trends till 2011 inclusively and given the fact that the average annual exchange rate of the dollar against the euro didn't show great variation, Large companies presented volume growth for the same period. In contrast, Mega companies, taking into account the average price of commodity metals in 2013, seem to record sales volume almost at the same levels as those recorded in 2009.

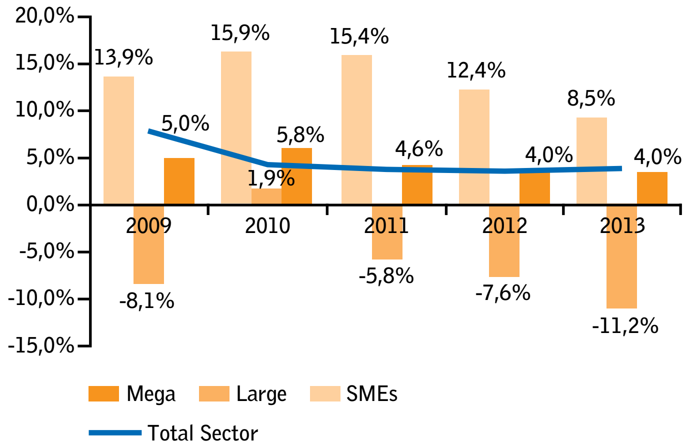
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 135 | 160 | 188 | 198 | 137 |
| Large | -32 | -27 | -30 | 9 | -34 |
| SMEs | 15 | 24 | 31 | 32 | 28 |
| **Total Sector** | **118** | **157** | **190** | **240** | **131** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -119,3 | -103,6 | -45,9 | 0,5 | -55,2 |
| Large | -56,5 | -68,5 | -58,3 | -19,3 | -55,5 |
| SMEs | 3,6 | 7,8 | 15,1 | 17,0 | 9,6 |
| **Total Sector** | **-172,2** | **-164,4** | **-89,1** | **-1,8** | **-101,1** |

- The sector records losses before tax within the entire five year period, with SMEs retaining at least diluted earning before tax.

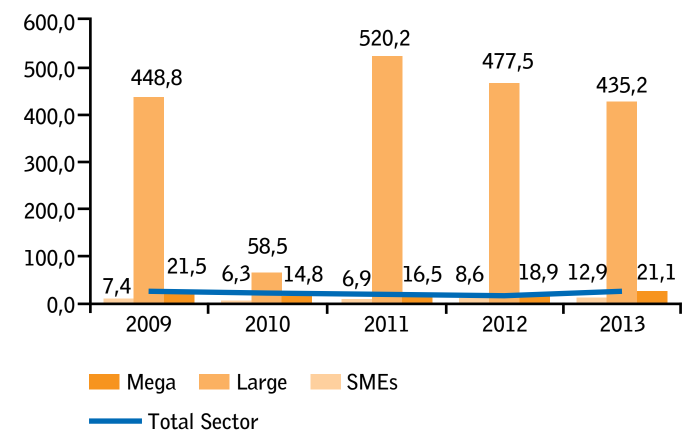
 

### EBITDA Margin




- Steadily higher EBITDA Margin for SMEs than that recorded by the other companies. Regarding Mega companies, the margin remains virtually unchanged within the five year period, while regarding Large companies it remains negative due to increased operating expenses.

### EV/EBITDA




- Mega companies and SMEs present higher investing interest that Large companies.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 118 | 134 | 21 | 35 |
| Large | -13 | -13 | -25 | -96 |
| SMEs | 18 | 36 | 15 | 26 |
| **Total Sector** | **124** | **158** | **10** | **-35** |

- Increase in positive cash flows for Mega companies within the five year period, affecting the sector's total. Mega companies of the sector focused on better management of inventory, reserved credit policy and expanding payment conditions.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -167 | -126 | -173 | -117 |
| Large | -1 | -10 | -6 | 2 |
| SMEs | -4 | -19 | -8 | -6 |
| **Total Sector** | **-172** | **-155** | **-188** | **-121** |

- The total of the sector performs investments within the five year period, with Mega companies recording increase in investing outflows within the four year period of approximately 43% in order to further decrease operating costs.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 210 | -130 | 30 | 161 |
| Large | 11 | 7 | 10 | 110 |
| SMEs | -28 | -11 | -14 | -12 |
| Total Sector | 193 | -134 | 27 | 259 |

- In 2010 and 2011, the sector issued loans, while in FY 2013 mainly Mega companies were refinanced.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**28%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**61%** of the total companies of the sector,<br>**88%** of the total sales of the sector,<br>**99%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**11%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Commodity Metals Sector

- Particularly low profit margin of the sector as compared to the total within the period under survey.
- The sector's working capital remains positive within the five year period.
- Increase in sales in 2011, also attributable to the increase in the average prices of commodity metals.
- Stable financing of the sector's companies at interest rate over 5,5% in the period 2011 - 2012, with Mega companies being financed in 2013 at interest rate exceeding 6,6%.
- Despite the financial crisis, the sector has stable investing outflows within the five year period.

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# Computer Services Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

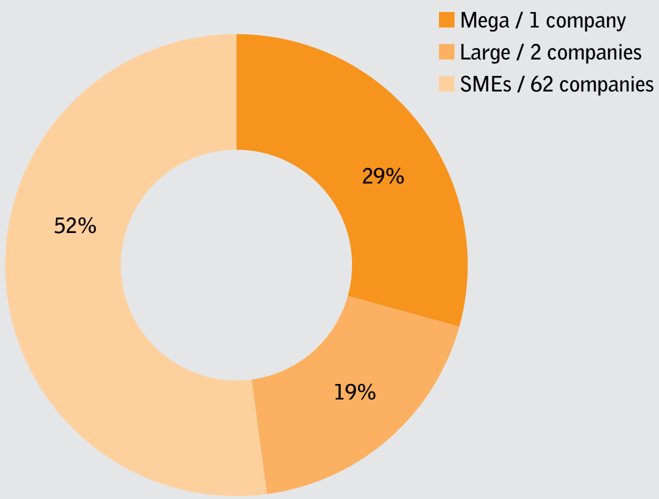
## Sector Structure

- **65** companies represent **60%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

## Sector Characteristics

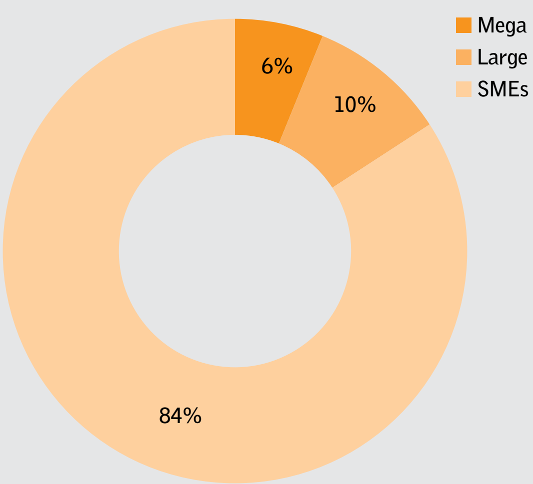
- The sector is characterized by intense competition in the fast changeable technological environment.
- The need to adopt new technologies requires constant investing activities.
- Economic recession discourages investment in IT projects, both from the private and public sector, negatively affecting the sales and profitability of the sector's companies.
- The sector significantly depends on internationalization and development of foreign technologies and less – on development and design of new products (private labels).

### Sales 2013

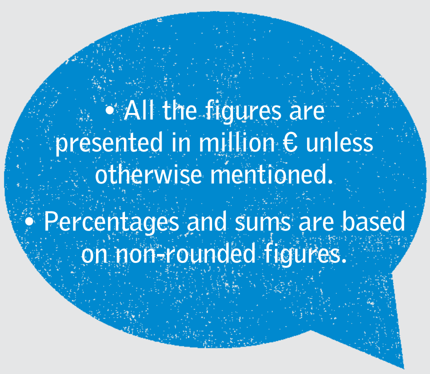



- 1 company represents 29% of the total sector's sales in 2013.

### Headcount 2013




- 84% of the sector's headcount are employed by 62 SMEs.




 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | Most companies belonging to the same category are characterized by relative homogeneity regarding their financial performance. |
| **Does a small number of companies dominate the sector?** | Only three companies perform 48% of the sector's sales, affecting the total of its financial ratios. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | In 2013, Computer Services sector records higher loan burdening than that of the general total as well as higher profit margins, by 2% exceeding those recorded by the general total. |
| **Has the sector overcome the economic crisis?** | In 2013, for the second consecutive year, the sector managed to achieve satisfactory increase in EBITDA margin despite constant decline in sales, while also increasing its loan burdening. |
| **How hard was it for the sector to face the crisis?** | The sector was adversely affected by the crisis, with reduction of the total market by 17% and increase in total borrowings by 10% as well as increase in short-term loans reaching 58%. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector follows the decreasing tendencies recorded by the Greek Economy, however, recording some improvement in the last two years. |
| **What is the financial performance of the sector's SMEs?** | Despite high costs of financing, SMEs record steady profit margins and manage to cover the costs of their financing. However, strong fragmentation of sales is recorded, making it impossible to come to sound conclusions. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | The Mega company, holding 29% of the market, records better financial performance, while two Large companies, holding 19% of the market, present high short-term borrowings and inability to generate operating profits (EBITDA) that can adequately cover the costs of financing. |
| **What are the prospects for the sector?** | Improvement in the business environment, as recorded in the surveys, is expected to positively affect the IT market, but nonetheless, investments of public institutions, financial sector and telecommunications are key market variables.<br>The outlook for the sector pertains to development and design of new products (private labels) that could make the sector competitive not only in the domestic market, but also abroad, mainly regarding SaaS (Sofware-as-a-service / Cloud services), through penetration of broadband and VDSL.<br>Furthermore, provision of outsourcing services and the sector's expansion regarding products and services, more adjusted to the needs of the specific business environment of the domestic market, can result in further investments of both - the private sector and the public sector – that will increase the sector's sales. |

# CONDENSED FINANCIAL DATA

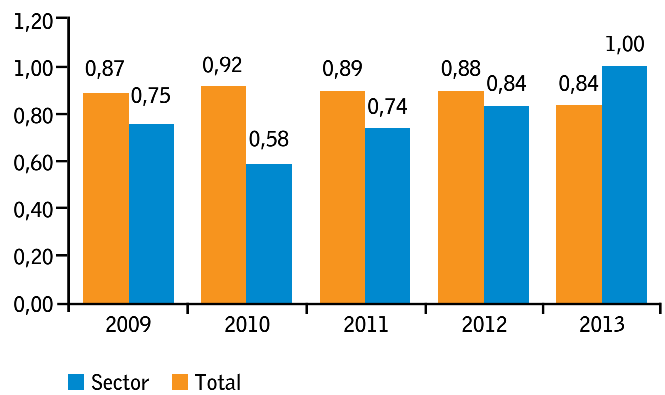
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 486 | 468 | 513 | 468 | 403 |
| Current Assets | 829 | 823 | 903 | 891 | 951 |
| **Total Assets** | **1.315** | **1.291** | **1.416** | **1.359** | **1.354** |
| **Equity** | **393** | **434** | **514** | **543** | **475** |
| Long-term Loan Liabilities | 88 | 91 | 115 | 152 | 163 |
| Other Long-term Liabilities | 68 | 66 | 61 | 62 | 58 |
| **Total Long-term Liabilities** | **156** | **157** | **176** | **214** | **221** |
| Short-term Loan liabilities | 305 | 271 | 266 | 162 | 194 |
| Other Short-term Liabilities | 461 | 429 | 460 | 440 | 465 |
| **Total Short-term Liabilities** | **766** | **700** | **725** | **602** | **658** |
| **Total Liabilities** | **922** | **857** | **902** | **816** | **880** |
| **Total Equity and Liabilities** | **1.315** | **1.291** | **1.416** | **1.359** | **1.354** |
| Working Capital | 63 | 122 | 178 | 289 | 293 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.006 | 1.025 | 1.034 | 1.068 | 1.214 |
| EBITDA | 98 | 68 | 77 | 103 | 104 |
| EBIT | 40 | 2 | 14 | 55 | 61 |
| EBT | 5 | -49 | -14 | 44 | 52 |
| EAT | -12 | -62 | -33 | 24 | 31 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,0 | 0,8 | 0,7 | 0,6 | 0,8 |
| Current Assets/ Short-term Liabilities | 1,1 | 1,2 | 1,2 | 1,5 | 1,4 |
| EV/EBITDA | 6,5 | 9,4 | 9,5 | 7,0 | 6,5 |
| EBITDA Margin | 9,7% | 6,7% | 7,4% | 9,6% | 8,6% |

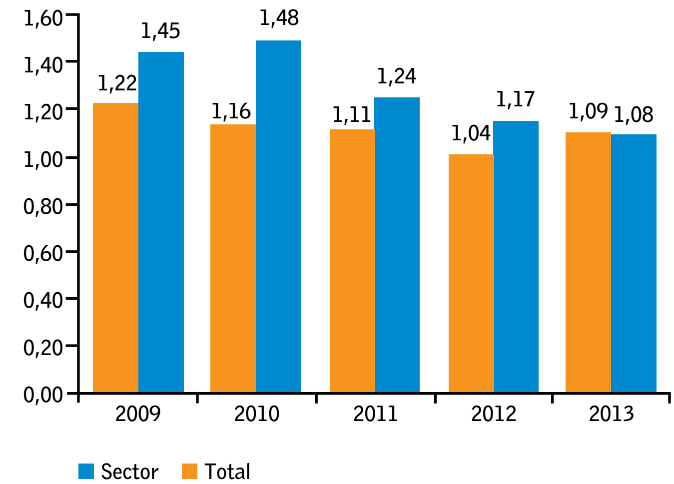
### Loan Liabilities / Equity




- The sector presented low loan burdening versus the general total in the four year period, while in 2013 its performance recorded a drastic change due to accumulated loses, resulting in decrease in equity thus the ratio approached the single measurement unit.

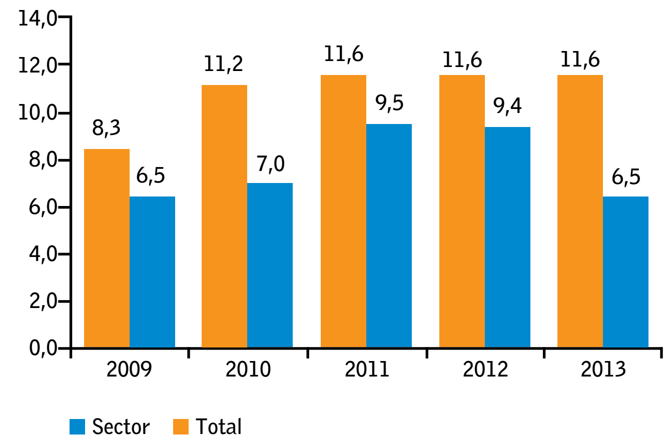
 

### Current Assets / Short-term Liabilities



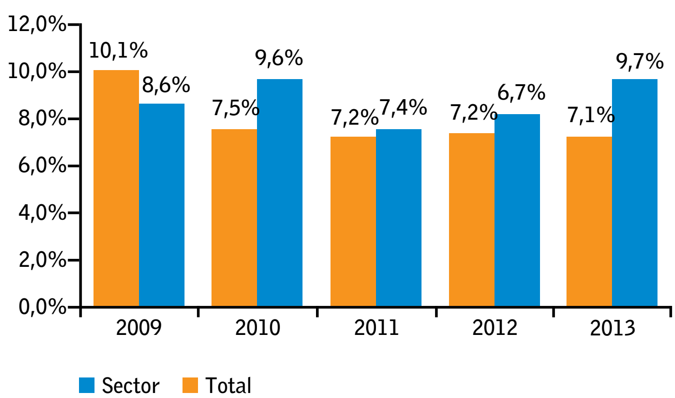

- In the period 2009 – 2012, the sector recorded better results than the general total, while in 2013 the sector's total borrowings remained stable and a particularly high increase in short-term liabilities by 58% form the working capital at marginally positive levels.

### EV/EBITDA



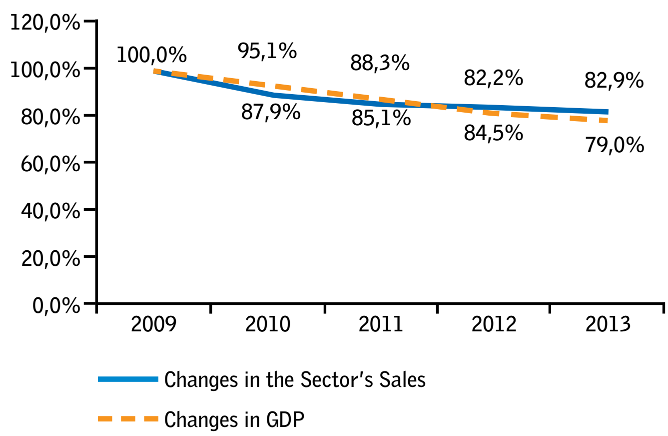

- Decreased EBITDA of the sector within the two year period 2011 and 2012 reduce its investment interest, which, however, remains at higher levels than those recorded by the general total.

### EBITDA Margin




- The sector's profit margin differentiates from than of the general total and is mainly affected by the profit margin recorded by Mega and Large companies of the sector. A significant decrease recorded in 2011 is due to one of the Large companies, which, given the operational reorganization, presented high operating losses despite the increase in sales of 43%.
- Moreover, the second Large company of the sector, which proceeded with writing off non-recoverable receivables in 2012, presented operating losses, maintaining the profit margin of the total sector at low levels.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Almost within the entire five year period, the sector follows the course recorded by the Greek Economy.

## SECTOR ANALYSIS

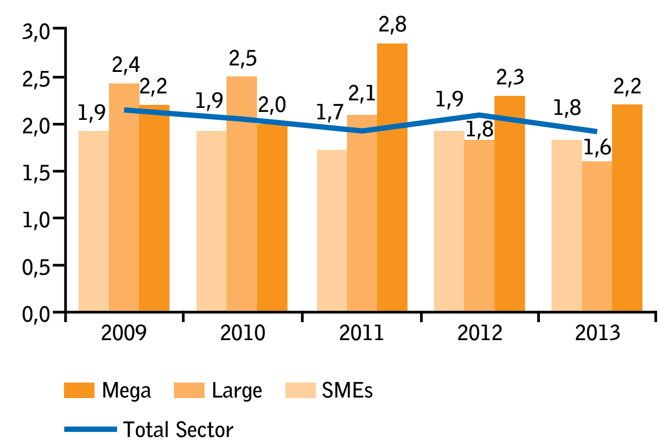
### Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 61 | 92 | 103 | 94 | 99 |
| Large | -57 | -50 | -28 | 60 | 94 |
| SMEs | 58 | 81 | 103 | 134 | 100 |
| **Total Sector Working Capital** | **63** | **122** | **178** | **289** | **293** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 91 | 101 | 130 | 103 | 124 |
| Large | 55 | 67 | 97 | 91 | 108 |
| SMEs | 222 | 225 | 217 | 257 | 255 |
| **Total Sector Working Capital** | **368** | **393** | **443** | **451** | **487** |

** Borrowings are not included*

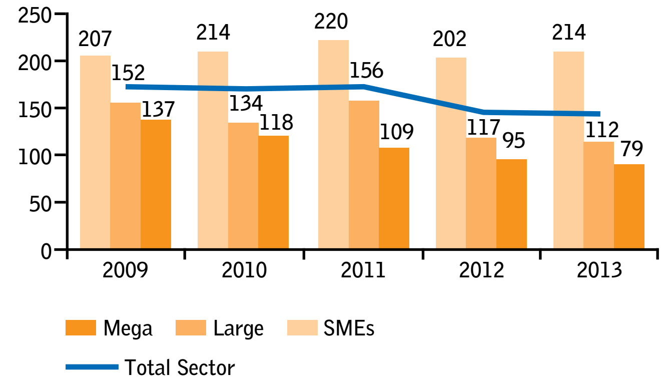
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

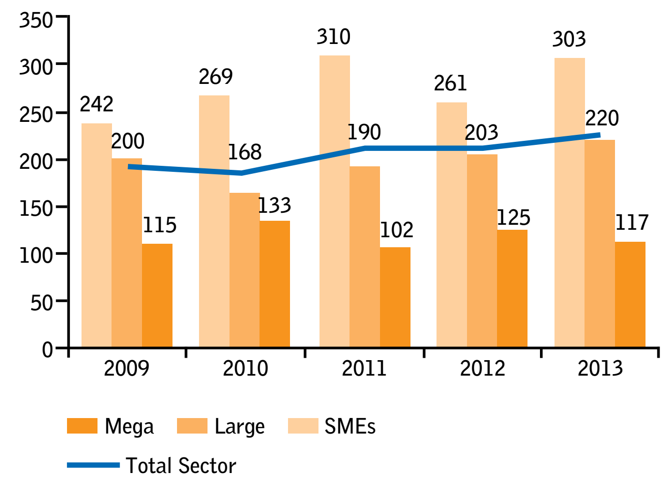
- Only the Large companies of the sector present negative working capital given their postdated borrowings recorded within the last three year period.
- Given the fragmentation of the market share for SMEs, it is difficult to make sound conclusions regarding their financing needs, with the ratio remaining marginally stable within the five years.

### Average Collection Period of Receivables




- The average collection period of receivables is steadily lower in respect of the Mega and the Large companies of the sector, while in 2013, for SMEs, it exceeds 7 months.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily exceeds the average collection period of receivables regarding the total of the sector's companies. As far as the Large companies are concerned, in 2013, their financing from suppliers (collection-payment period balance) stands at approximately 4 months.

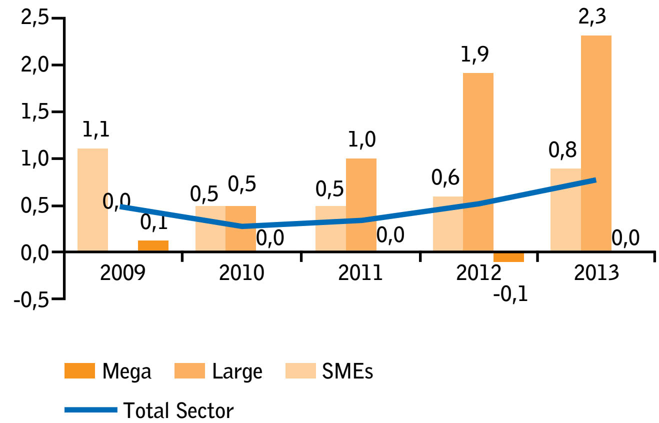
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 3 | -13 | 1 | -6 | 11 |
| Large | 92 | 95 | 99 | 53 | -2 |
| SMEs | 144 | 126 | 119 | 126 | 198 |
| **Total Sector** | **239** | **208** | **219** | **174** | **207** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 2 | 2 | 2 | 1 | 2 |
| Large | 8 | 8 | 7 | 4 | 3 |
| SMEs | 14 | 16 | 15 | 12 | 14 |
| **Total Sector** | **23** | **25** | **24** | **17** | **18** |

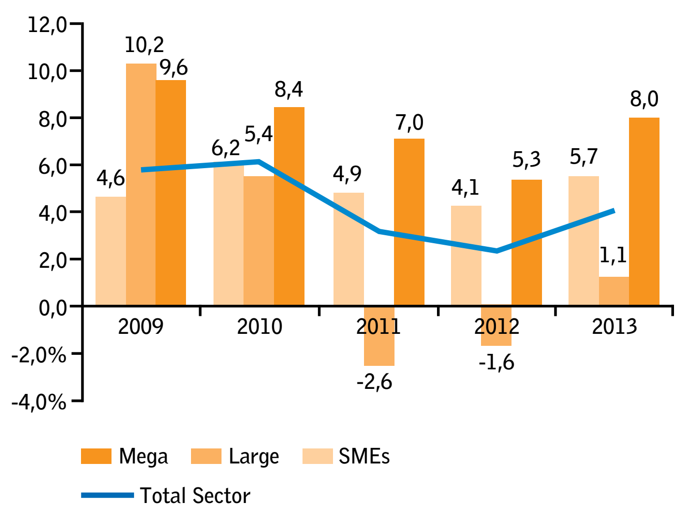
- Within the last three year period, SMEs record a marginal increase in loan burdening, while the Mega company maintains its borrowings at almost zero level and the Large companies, after doubling the loan burdening in 2011, keep it stable.

### Net Borrowings / Equity



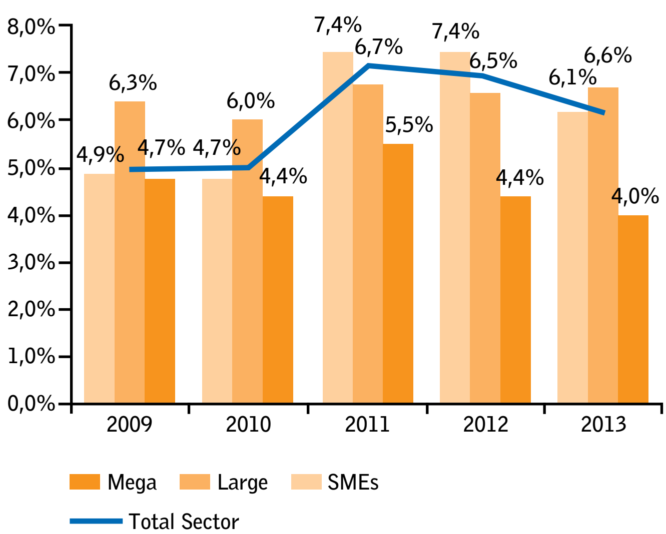

- Large companies of the sector record high loan burdening, while given the increase in equity, SMEs manage to relatively decrease the ratio within the last four year period.

### EBITDA / Financial Expenses




- Operating profits are sufficient in order to cover financial expenses of SMEs and the Mega company of the sector, while Large companies record zero coverage in 2011 – 2012 due to over borrowings and lack of operating profits.

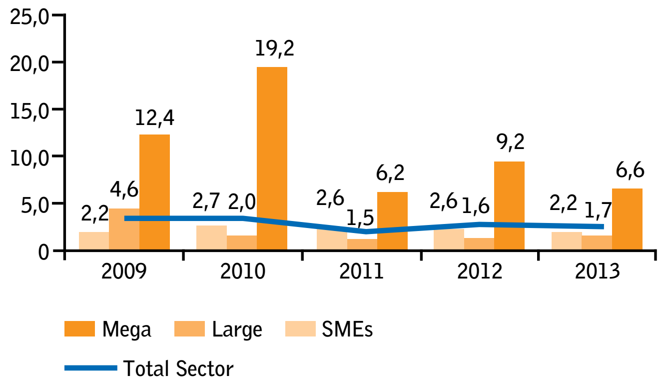
### Average Borrowing Interest Rate




- As expected, Large companies recorded high average borrowing rates within the last three year period, given their high level of short-term borrowings. The average borrowing interest rates in respect of the Mega company are hardly indicative given its low or zero financing. Decrease in financial costs recorded by SMEs within the last three year period is regarded as a particular positive factor.

**Sales / Total Borrowings**




- SMEs and Large companies present doubtful potential to repay their loans, while the ratio follows the course recorded by the general total.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 12 | -24 | -24 | -71 |
| *(percentage)* | 4% | -8% | -7% | -18% |
| Large | -4 | 4 | 20 | -20 |
| *(percentage)* | -2% | 2% | 12% | -11% |
| SMEs | -27 | 12 | -30 | -56 |
| *(percentage)* | -5% | 2% | -5% | -9% |
| **Total Sales of the Sector** | **-19** | **-8** | **-34** | **-147** |
| ***(percentage)*** | **-2%** | **-1%** | **-3%** | **-12%** |

- In the five year period, the sector records decrease in sales of 17%, while the Mega company of the sector records losses standing at 27%.
- Decreases in sales of the Large companies in the domestic market were balanced, as a total, through increases in sales in foreign markets, recorded by one of the two companies.

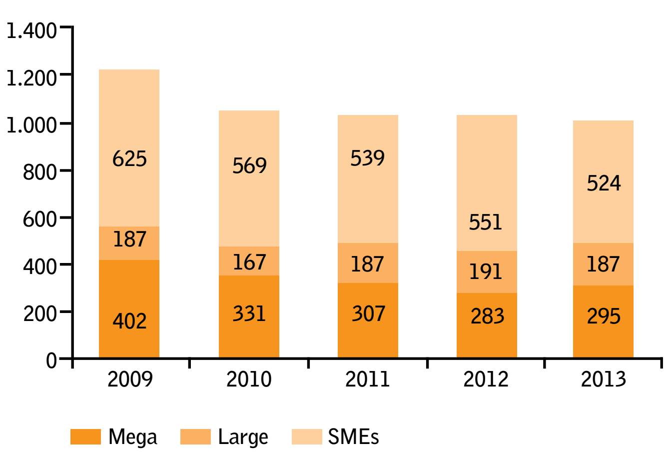
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 295 | 283 | 307 | 331 | 402 |
| Large | 187 | 191 | 187 | 167 | 187 |
| SMEs | 524 | 551 | 539 | 569 | 625 |
| **Total Sector** | **1.006** | **1.025** | **1.034** | **1.068** | **1.214** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 12 | 9 | 13 | 9 | 15 |
| Large | 8 | -5 | -11 | 20 | 26 |
| SMEs | 77 | 64 | 75 | 74 | 64 |
| **Total Sector** | **98** | **68** | **77** | **103** | **104** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1,6 | 1,1 | 5,8 | 4,5 | 7,7 |
| Large | -18,4 | -50,2 | -31,6 | 8,9 | 18,4 |
| SMEs | 21,9 | 0,4 | 12,2 | 30,5 | 25,9 |
| **Total Sector** | **5,1** | **-48,7** | **-13,6** | **43,9** | **52,0** |

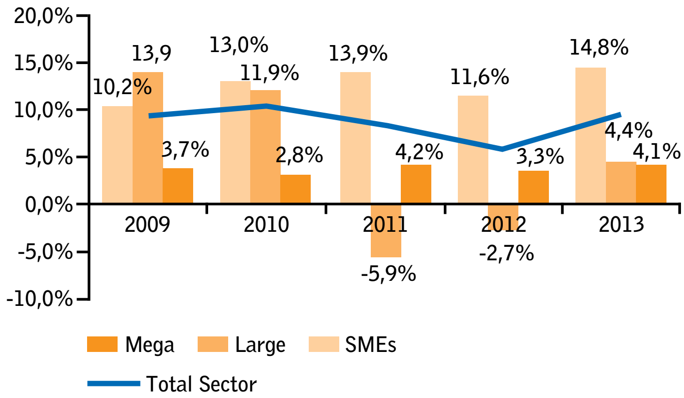
**Sales**




- The Mega company and SMEs record profits before tax, while the Large companies present high losses before tax in the last three years due to operational reorganization and high projected bad receivables.

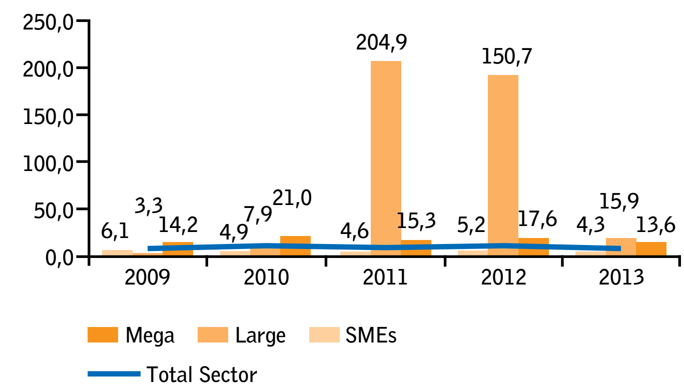
 

### EBITDA Margin




- SMEs record steadily high profit margins, while the Large companies of the sector present losses that stand almost at 10% within the five year period. The sector's SMEs come out as more efficient in managing their expenses, taking advantage of their small size.

### EV/EBITDA




- The Mega company of the sector and SMEs present steadily high investment interest, while the Large companies are less attractive from investment point of view as they record operating losses and high borrowings in 2011 - 2012.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 13 | 31 | 8 | 26 |
| Large | -3 | 3 | -0,4 | 6 |
| SMEs | 67 | 51 | 94 | 54 |
| **Total Sector** | **76** | **85** | **101** | **87** |

- The Mega company and SMEs record steadily positive cash flows from operating activities, while the Large companies present inability to generate positive operating cash flows.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -16 | -8 | -9 | -13 |
| Large | 1 | -4 | -3 | -3 |
| SMEs | -63 | -45 | -61 | -38 |
| **Total Sector** | **-77** | **-57** | **-72** | **-53** |

- SMEs present high investing activities within the five year period.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 0,4 | -29 | 27 | -12 |
| Large | -0,1 | -3 | -8 | -16 |
| SMEs | 3 | -5 | -35 | -14 |
| Total Sector | 3 | -37 | -16 | -41 |

- The sector's companies steadily repay their borrowing, thus improving loan liabilities till 2012, while in 2013 the performance is stable.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**13%** of the total companies of the sector,<br>**3%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**21%** of the total companies of the sector,<br>**12%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**45%** of the total companies of the sector,<br>**52%** of the total sales of the sector,<br>**80%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**21%** of the total companies of the sector,<br>**33%** of the total sales of the sector,<br>**14%** of the total borrowings of the sector. |

## CONCLUSIONS
### Computer Services Sector

- The sector records higher profit margins than those presented by the general total in 2013, increasing its loan burdening versus equity and improving its investment interest.
- In the three year period 2011 –2013, Large companies record high short-term borrowings, which, coupled with zero EBITDA, cast doubt on their ability to repay their loans.
- SMEs present steadily higher profit margins as well as high net borrowings, which, given the high fragmentation of sales, makes it difficult to make sound conclusions regarding their financing needs.

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# Construction Sector

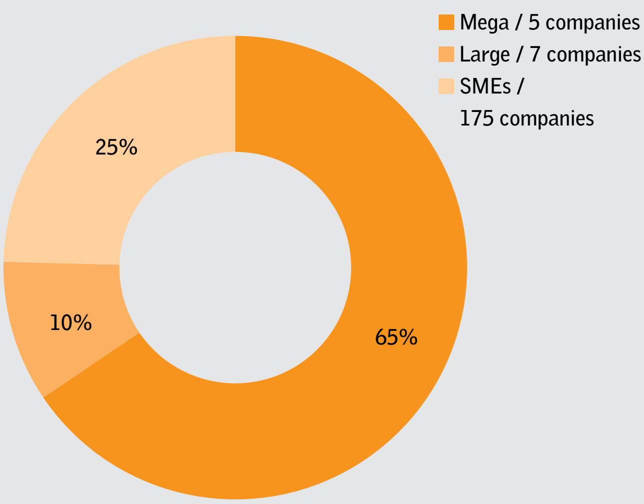
ΣΥΝΟΠΤΙΚΗ ΧΡΗΜΑΤΟΟΙΚΟΝΟΜΙΚΗ ΠΑΡΟΥΣΙΑΣΗ 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

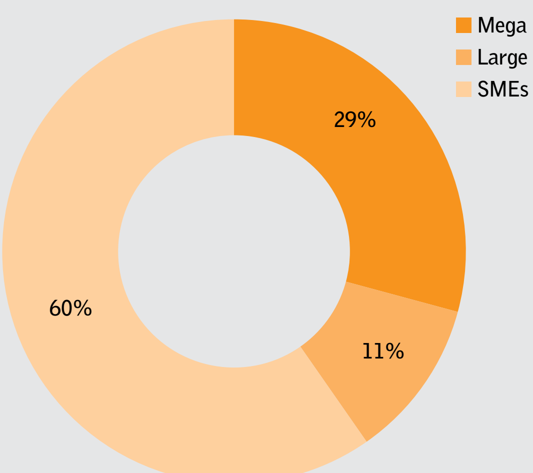
- **187** companies represent **90%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 5 Mega companies represent 65% of the sector's total sales in 2013. A large number of SMEs (175 companies hold 25% of the sector's operations).

### Headcount 2013




- 60% of the sector's headcount are employed by 175 SMEs.

## Sector Characteristics

- A sector that plays a significant part in the country's economy.
- Within the last years, cuts in public investment plans and reduction in public tenders have led to a decrease in construction activity regarding public projects. Moreover, the economic downturn has also adversely affected private sector construction activity.
- Decrease in sales has significantly affected the companies' profit margins and working capital.
- Revenue from construction works in Greece and abroad records decreases till 2012 and a slight recovery in 2013 due to restart of big road construction public projects.
- Suppliers and the credit limits provided by them significantly contribute to the sector's financing.
- The sector's SMEs steadily record lower needs for financing within the five year period 2009 - 2013.
- When bank borrowings are recorded, financial issues regarding the working capital are particularly intense. Cost of financing remains increased while the bank margins have not recorded recovery yet.
- Decreased liquidity is another significant issue due to negative conditions prevailing in the public sector resulting in delays in repayments for the public works.

• All the figures are presented in million € unless otherwise mentioned.
• Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the sizes of the companies under survey and the projects they undertake. |
| **Does a small number of companies dominate the sector?** | 5 Mega companies hold 65% of turnover and employ 29%of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The construction sector is one of the most important sectors of the Greek Economy; therefore, the course of its development followed the downward trend of the Greek economy over the past five years. |
| **Has the sector overcome the economic crisis?** | The crisis has adversely affected the sector. The results have been burdened starting from 2008. In 2013, the crisis has not been overcome yet. However, starting new large public road projects has generated hope. |
| **How hard was it for the sector to face the crisis?** | The sector was extremely negatively affected by the crises starting from 2008, resulting in decreases in liquidity and intense reduction in the number of public investment plans and large-scale private investments. It was difficult to obtain financing due to delay in the public sector's payments coupled with decrease in bank lending and strict criteria imposed by financial institutions. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector presents weak performance and follows the downturn trend recorded by the Greek Economy in the last five years. The construction sector reached its peak in 2006, when it contributed 7.8% to the country's GDP. In particular, in the period 2009-2011, the sector recorded a drastic reduction in the companies' results, thus creating disruptions in the sector's operations, leading to the companies' downgrading to lower ranks, bankruptcy, closure of some companies and generally gradual reduction in the number of companies. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance. They are not under major pressure and are not at disadvantage either in terms of bank financing or credit limits received from their suppliers in relation to other categories of the sector's companies. This fact, coupled with a relative increase in activity in 2013, can potentially strengthen the sector's companies in the short term and shows prospects of recovery. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be so much linked to the size as to financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | In 2013, constant changes in tax legislation created a particularly uncertain environment in which the reduction of liquidity prevents new investment. Restarting major road projects in late 2013, gives a new perspective to the economy, given domestic added value, employment growth and direct provision of liquidity in the market.<br>On this basis, certain issues are to be addressed, such as delayed public sector's payments, intense competition and large discounts, delays in launching new projects and proper financing of public works.<br><br>Despite these problems, the sector expects recovery, taking advantage of investment opportunities related to construction regarding infrastructure, such as ports, marinas, airports, resorts, energy networks and renewable sources of energy, while it is important that there are significant resources available from co-financed European Projects intended for investments in road projects, railways, telecommunications and subway construction.<br><br>The Multiannual Financial Framework for the period 2014 - 2020 makes provisions for directing funds to the Greek economy through a national plan approved by the European Commission, which will be available from the Structural and Investment Funds of the EU and which is expected to contribute to economic growth and boost employment, especially at a time when bank credits are extremely limited. |

## CONDENSED FINANCIAL DATA

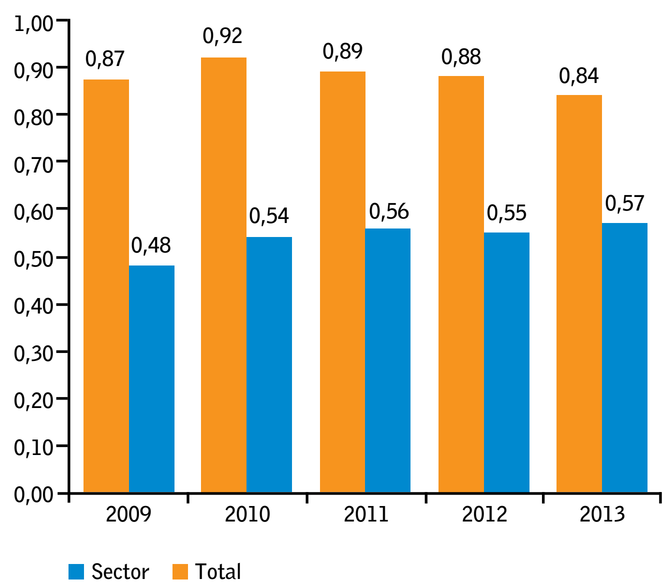
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 14.741 | 15.037 | 15.116 | 14.331 | 13.254 |
| Current Assets | 9.134 | 8.822 | 8.679 | 9.963 | 9.517 |
| **Total Assets** | **23.875** | **23.859** | **23.795** | **24.294** | **22.771** |
| **Equity** | **11.482** | **11.422** | **11.677** | **12.209** | **12.047** |
| Long-term Loan Liabilities | 4.415 | 3.563 | 3.964 | 4.210 | 3.643 |
| Other Long-term Liabilities | 1.893 | 1.909 | 1.532 | 1.266 | 999 |
| **Total Long-term Liabilities** | **6.308** | **5.472** | **5.496** | **5.476** | **4.641** |
| Short-term Loan liabilities | 2.129 | 2.676 | 2.549 | 2.338 | 2.124 |
| Other Short-term Liabilities | 3.956 | 4.290 | 4.074 | 4.271 | 3.958 |
| **Total Short-term Liabilities** | **6.085** | **6.965** | **6.623** | **6.609** | **6.082** |
| **Total Liabilities** | **12.392** | **12.437** | **12.119** | **12.085** | **10.723** |
| **Total Equity and Liabilities** | **23.875** | **23.859** | **23.795** | **24.294** | **22.771** |
| Working Capital | 3.049 | 1.857 | 2.056 | 3.354 | 3.435 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 5.447 | 5.184 | 6.095 | 6.774 | 7.963 |
| EBITDA | 615 | 553 | 759 | 771 | 895 |
| EBIT | 226 | 139 | 312 | 455 | 605 |
| EBT | -224 | -72 | -197 | 102 | 388 |
| EAT | -356 | -129 | -280 | -55 | 222 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,6 | 0,5 | 0,6 | 0,5 | 0,5 |
| Current Assets/ Short-term Liabilities | 1,5 | 1,3 | 1,3 | 1,5 | 1,6 |
| EV/EBITDA | 25,8 | 28,9 | 21,5 | 22,0 | 17,8 |
| EBITDA Margin | 11,3% | 10,7% | 12,4% | 11,4% | 11,2% |

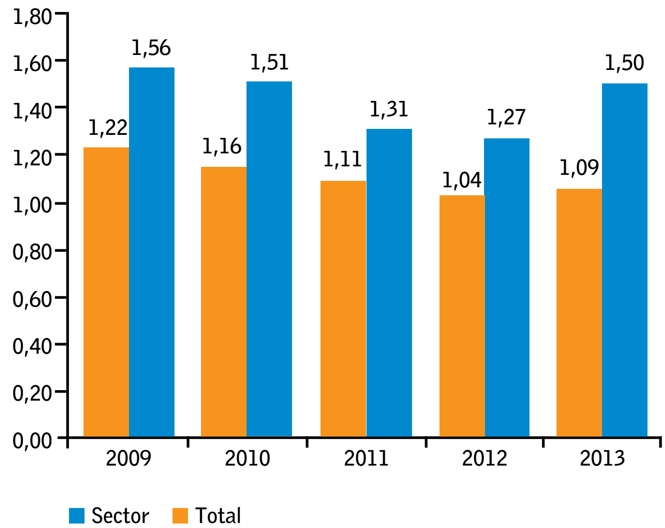
### Loan Liabilities / Equity




- Loans to equity ratio remained almost at the same levels within the entire five year period, recorded under the general total average. The sector's loan liabilities, at average, stand at half of equity.

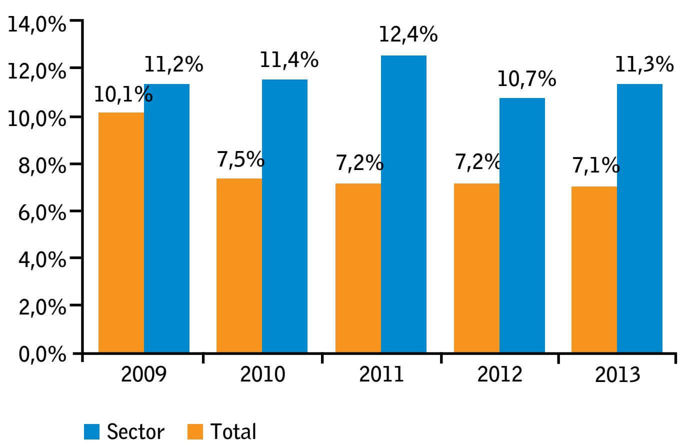
 | 

### Current Assets / Short-term Liabilities



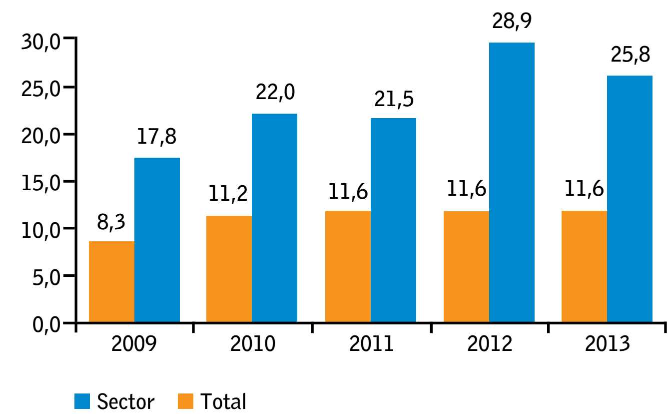

- The sector's companies presented positive working capital within the five year period 2009 – 2013, exceeding the general total. In particular, in 2013, the working capital increases versus 2012, on one hand, due to decreases in short-term liabilities (also taking into account reclassifications of long-term and short-term borrowings) and, on the other hand, to increases in current assets.

### EBITDA Margin



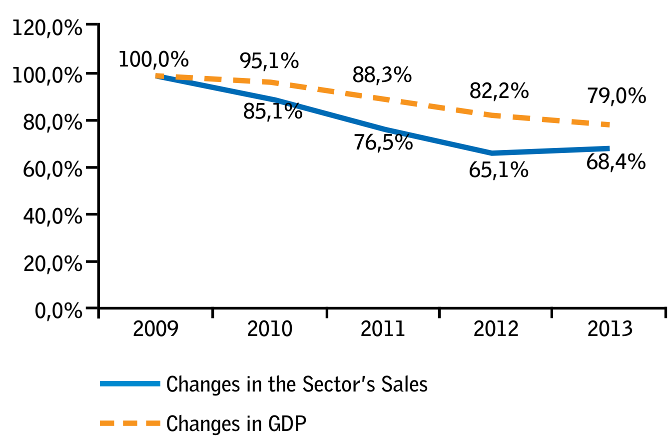

- The sector's EBITDA margin fluctuates from 10,7% to 12,4% within the five year period. The general total records the levels lower than those recorded by the sector. In 2013, the margin stood at 11,3%, increased by 0,6% versus 2012. The increase is due to the increases in sales by 5%, following successive losses recorded in the four year period 2009-2012.

### EV/EBITDA




- The general total presents more investment interests than the sector. EBITDA presented significant losses within the last five year period (31% losses versus 2009). The increase in EBITDA recorded in 2013 indicates the reversal of the general conditions prevailing in the sector, since investments have started.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Greater changes in the sector's sales in respect of changes in GDP. The downturn trend, recorded by the sector in the last five year period reflects the adverse conditions recorded by the Greek Economy.

# SECTOR ANALYSIS

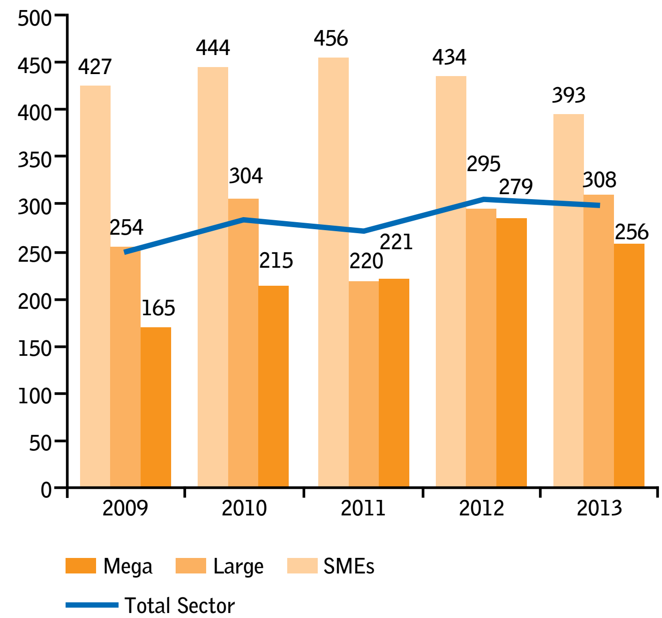
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 2.222 | 1.602 | 1.368 | 1.785 | 1.768 |
| Large | 137 | -316 | -227 | 263 | 307 |
| SMEs | 690 | 571 | 916 | 1.307 | 1.360 |
| **Total Sector Working Capital** | **3.049** | **1.857** | **2.056** | **3.354** | **3.435** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 3.153 | 3.039 | 2.764 | 3.038 | 2.626 |
| Large | 473 | -53 | 22 | 403 | 517 |
| SMEs | 1.551 | 1.547 | 1.819 | 2.251 | 2.416 |
| **Total Sector Working Capital** | **5.178** | **4.533** | **4.605** | **5.692** | **5.559** |

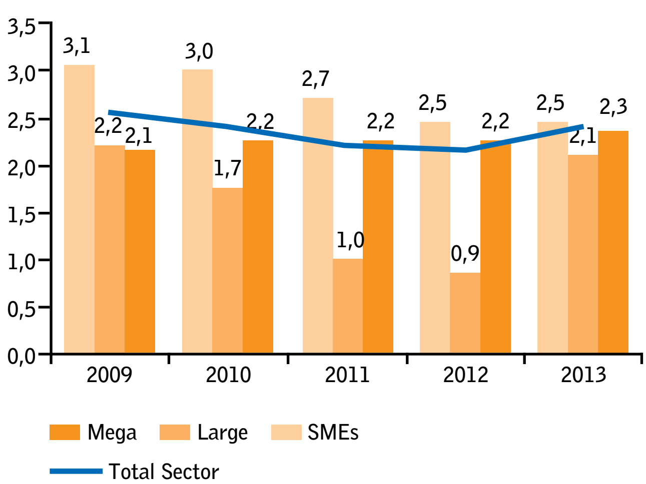
** Borrowings are not included*

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the size of the sector's companies, with SMEs significantly falling behind the Mega and the Large companies in 2009 - 2013. The sector records particularly high average collection period of receivables, which approximates one year.

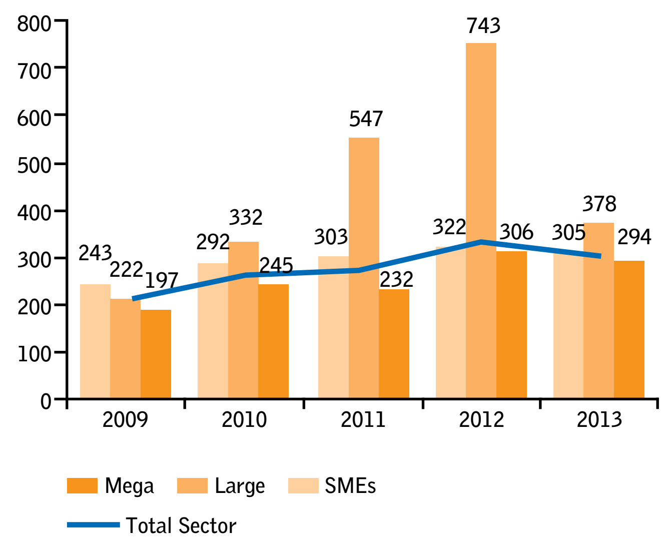
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- The sector's positive working capital is mainly formed thanks to the Mega companies, that hold approximately 73% of the sector's working capital. The working capital has also benefited from the contribution made by the Large companies, participating in the exploitation of the road network.
- SMEs steadily present smaller needs for financing than the other companies of the sector and exceed the general total within the five year period 2009 – 2013.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily fluctuates over 9 months, with the Large companies of the sector steadily recording more favorable margins in respect of repaying their suppliers. The only exception was recorded in 2009, when SMEs presented more favorable margins regarding suppliers' repayments. In particular, in 2011-2012 the ratio significantly increased due to the increase in liabilities (less bank liabilities), while in 2013 the ratio is recorded approximately at the levels of 2010.

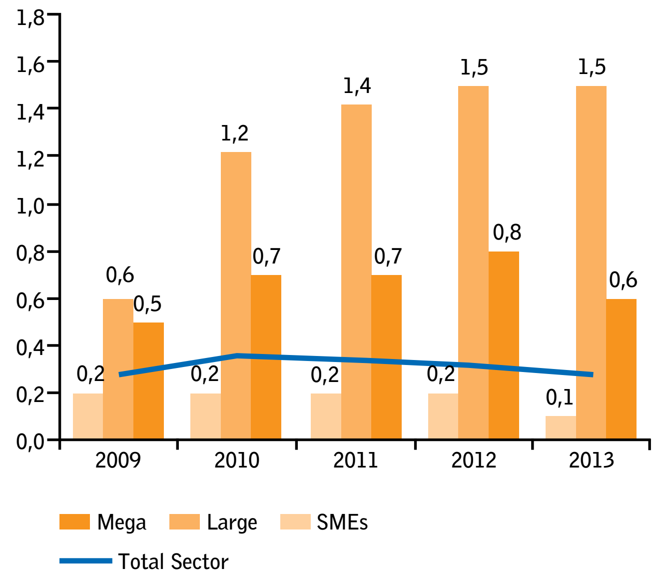
 

## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.803 | 2.226 | 2.121 | 1.956 | 1.447 |
| Large | 1.406 | 1.178 | 1.191 | 1.249 | 673 |
| SMEs | 1.144 | 1.164 | 1.359 | 1.530 | 1.735 |
| **Total Sector** | **4.353** | **4.567** | **4.671** | **4.735** | **3.855** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 194 | 209 | 183 | 129 | 115 |
| Large | 153 | 158 | 129 | 91 | 52 |
| SMEs | 103 | 110 | 122 | 98 | 101 |
| **Total Sector** | **449** | **477** | **435** | **318** | **269** |

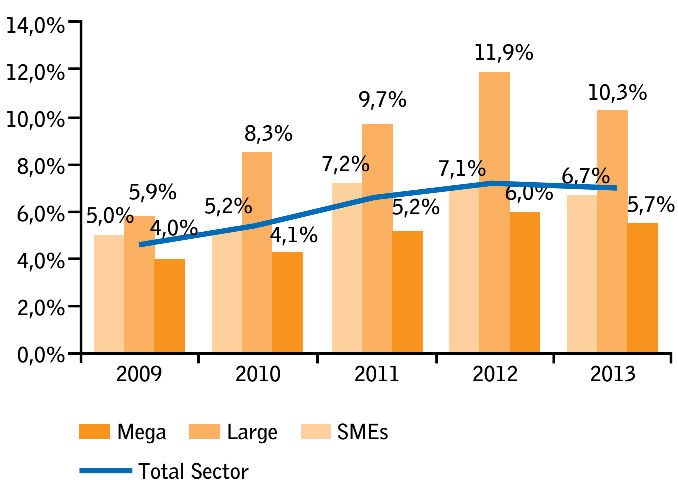
### Net Borrowings / Equity




- Large companies of the sector record a substantial increase in their net borrowings within the last five year period. SMEs also record high borrowings (compared to their turnover), decreasing within the entire five year period.
- Mega companies of the sector increased their borrowings till 2012 inclusively, while in 2013, the companies belonging to this category proceeded with decreasing their net borrowings.

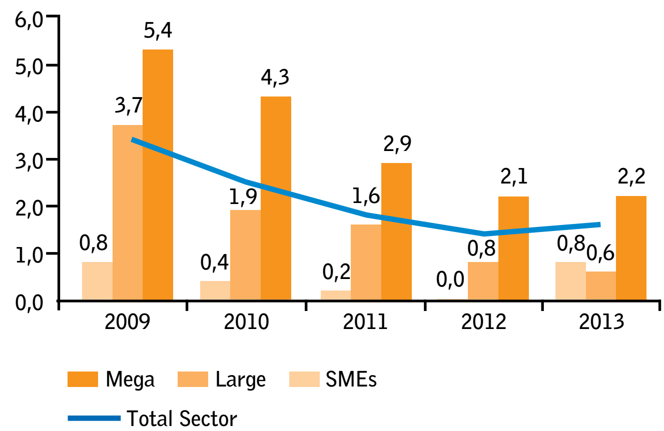
- SMEs record low loan burdening (compared to equity) regarding the relative ratio, since it does not exceed 0,2 within the entire five year period. Regarding the Large companies of the sector, loan burdening increases from 2010 onwards. In 2012, Mega companies burdened their borrowings, while in 2013 they proceeded with decreasing their net borrowings. It is to be noted that despite constant losses, Mega companies retain their equity at the same levels.

### Average Borrowing Interest Rate




- The average borrowing interest rate of the sector steadily increases from 4,7% in 2009 to 7,5% in 2012 and stands at 7% in 2013.
- Borrowing costs are lower for Mega companies, while Large companies borrow at the highest rates within the five year period.

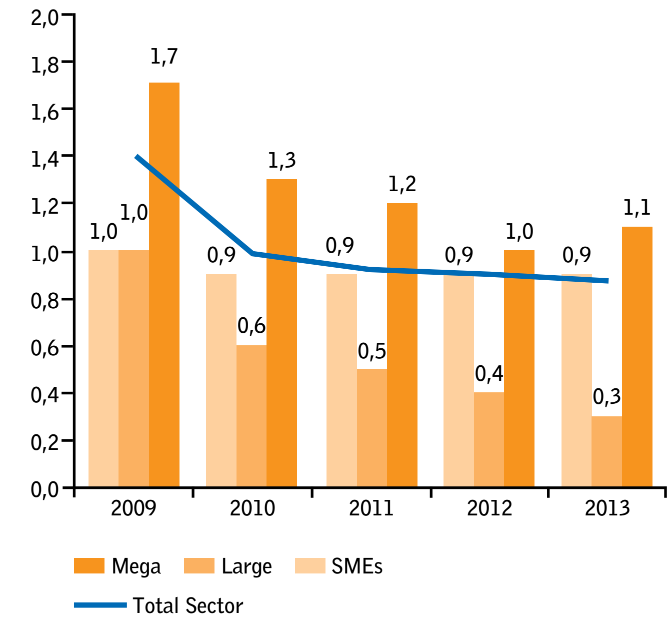
### EBITDA / Financial Expenses




- The increases in the cost of financing coupled with the decrease in operating profits have resulted in decreased ability of the companies to cover the cost of their financing through their operating profits.
- Regarding the Large companies, it shall be taken into account that they steadily borrow at higher interest than the other companies of the sector within the entire five year period.

### Sales / Total Borrowings




- Mega companies of the sector record the highest rates, while Large companies record worse performance and SMEs are somehow average.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 169 | -685 | -123 | -650 |
| *(percentage)* | 5% | -17% | -5% | -13% |
| Large | 35 | -102 | -229 | -88 |
| *(percentage)* | 7% | -17% | -27% | -10% |
| SMEs | 60 | -125 | -237 | -451 |
| *(percentage)* | 5% | -9% | -14% | -22% |
| **Total Sales of the Sector** | **264** | **-912** | **-679** | **-1.189** |
| ***(percentage)*** | **5%** | **-15%** | **-10%** | **-15%** |

- The sector's sales record general trends, with the changes in the sales of Mega companies forming the general picture of the sector. Drastic burdening of the results, in particular in the three year period 2010-2012, caused serious disruptions to the sector's operations. Recession and its direct effect on investments led to significant losses recorded by the sector from 2009 onwards. It is to be noted that signs of recovery became visible in 2013, since turnover increased by approximately 5%.

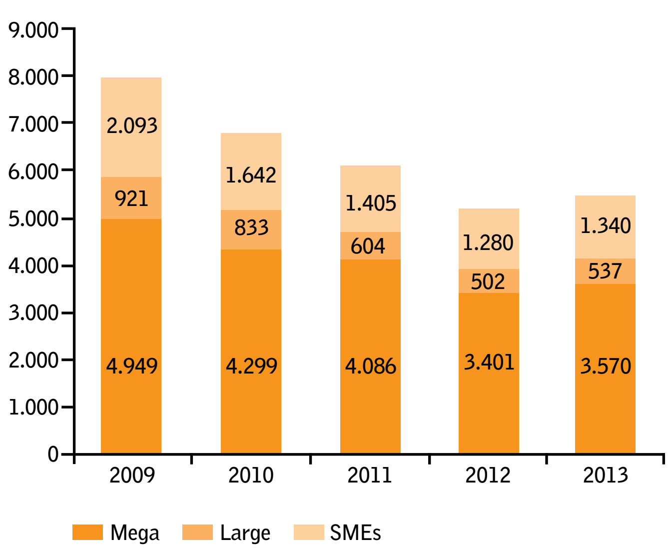
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 3.570 | 3.401 | 4.086 | 4.299 | 4.949 |
| Large | 537 | 502 | 604 | 833 | 921 |
| SMEs | 1.340 | 1.280 | 1.405 | 1.642 | 2.093 |
| **Total Sector** | **5.447** | **5.184** | **6.095** | **6.774** | **7.963** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 433 | 432 | 531 | 553 | 623 |
| Large | 95 | 119 | 206 | 176 | 192 |
| SMEs | 87 | 2 | 22 | 41 | 80 |
| **Total Sector** | **615** | **553** | **759** | **771** | **895** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -18,1 | 278,0 | 158,7 | 246,4 | 399,7 |
| Large | -32,2 | -102,8 | -58,9 | -8,2 | 15,5 |
| SMEs | -173,9 | -246,8 | -297,2 | -136,0 | -27,3 |
| **Total Sector** | **-224,2** | **-71,7** | **-197,4** | **102,3** | **388,0** |

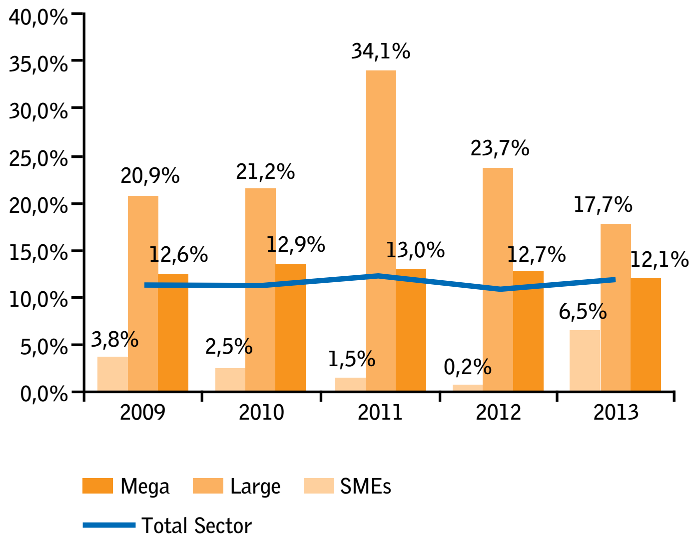
### Sales




- While EBITDA is presented as positive (however, recording losses versus 2009), the sector records significant losses before tax, mainly due to increased financial costs. The highest losses before tax are recorded by SMEs (almost 80% of the total losses recorded by the sector). Substantial decreases in EBT recorded by the Mega companies are due to impairments/writes off performed in 2013, as well as to decreases in income from dividends within 2013.

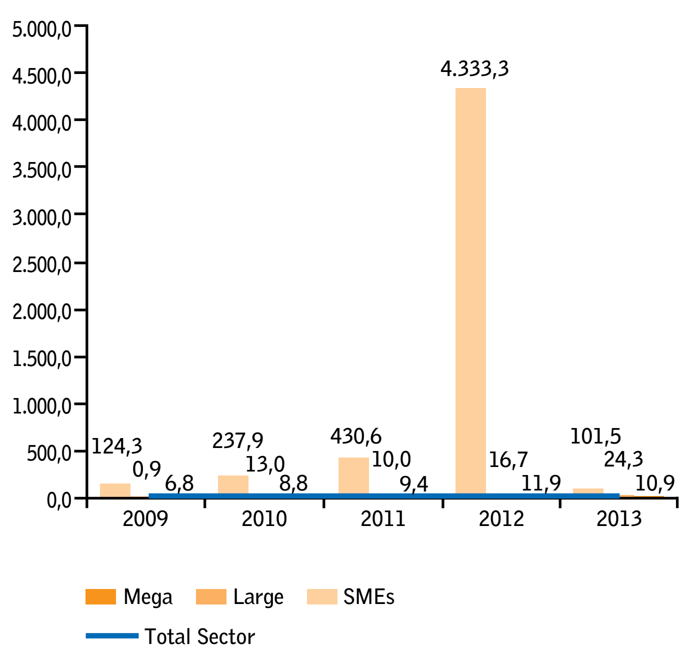
 

## EBITDA Margin




- Large companies of the sector retain steadily higher EBITDA margin than the other categories of the companies within the entire five year period, even higher than the general total. The respective margin recorded by the Mega companies does not present significant variations within the five year period.

## EV/EBITDA




- Mega companies of the sector steadily present more investment interest, with EV/EBITDA ratio recorded steadily lower in 2009 - 2013. SMEs present the opposite results.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 545 | 102 | 304 | 115 |
| Large | -373 | 258 | 688 | 199 |
| SMEs | 188 | 397 | 388 | 105 |
| **Total Sector** | **360** | **758** | **1.380** | **418** |

- Cash flows from operating activities are significantly increased in 2013 in respect of the Mega companies.
- Large companies present the opposite picture and in 2013, for the first time, record negative cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 6 | -326 | -308 | -455 |
| Large | 99 | -96 | -358 | -632 |
| SMEs | -148 | -156 | -85 | -84 |
| **Total Sector** | **-43** | **-578** | **-750** | **-1.171** |

- Cash flows from investing activities constantly improve regarding Mega companies and Large companies in 2012, with the sector generally presenting low outflows from investing activities versus the relative outflows recorded in the previous years.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -183 | -26 | 3 | 403 |
| Large | 357 | -163 | -260 | 300 |
| SMEs | 3 | -161 | -295 | -49 |
| **Total Sector** | **178** | **-350** | **-552** | **654** |

- The sector's companies proceeded with significant repayments of their loans within the five year period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**10%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**5%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**16%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**54%** of the total companies of the sector,<br>**66%** of the total sales of the sector,<br>**90%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**20%** of the total companies of the sector,<br>**9%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |

## CONCLUSIONS
## Construction Sector

- Decreases in turnover are more significant regarding the Mega companies till 2011 inclusively. In 2013, all the three categories of the sector's companies present improvement in sales.
- Drastic burdening on the results as a result of the crises faced by the Greek Economy. In 2013, the crisis has not been overcome yet, however starting new large public road projects has generated hope.
- Regarding the Mega companies, decrease in turnover has reduced the operating profits. EBITDA margin recorded by the Mega companies remains at relatively the same levels within the five year period. SMEs record decreased EBITDA margin and profit after tax, with direct negative consequences for the working capital versus the other categories of the companies, however, EBITDA improved in 2013.
- High equity that does not present substantial losses. However, this fact shall be considered in line with the need for potential recognition of impairment losses on non-current assets.
- Regarding both – short-term and medium-term plan of actions of the Greek Economy, the public works will be playing a central part in the development prospects of the economy as a basic condition for long-term debt reduction.

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# Containers & Packaging Sector

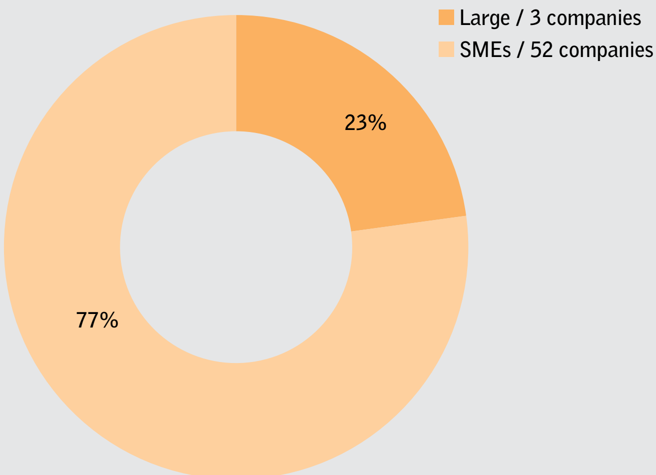
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

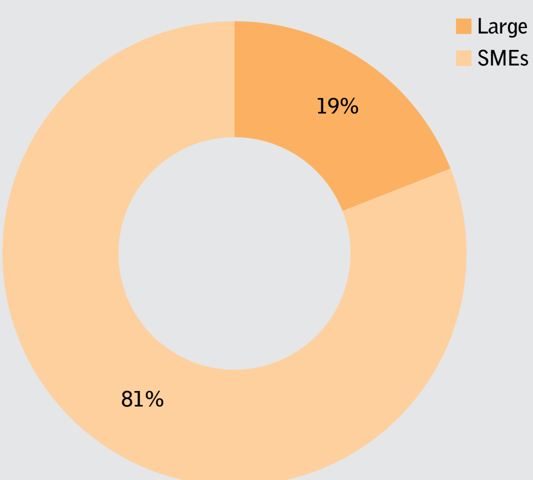
- **55** companies represent over **74%** of the sector's total operations.
- **2** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 52 companies represent 77% of the sector's total sales in 2013.

### Headcount 2013




- 81% of the sector's headcount are employed in SMEs.

## Sector Characteristics

- The sector recording high profit margins and steady increase in sales.
- The sector's performance is directly affected by developments in import-export trade.
- The major disadvantage of the sector's market lies in limited domestic production of raw materials, which causes significant dependence on imports of raw materials, whose prices are subject to substantial fluctuations.
- Recently, the sector has performed significant investments regarding modernization of its production capacity, thus enhancing competitiveness and boosting sales. However, investments in production equipment constantly decrease due to the economic crisis and lack of available capital.
- The sector presents positive working capital and steadily positive cash flows from operating activities.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | Increase in sales, relatively stable profit margins, positive working capital and low loan burdening are the common features recorded by most companies of the sector, reflecting its financial homogeneity. |
| **Does a small number of companies dominate the sector?** | The sector mainly includes SMEs, which represent over 77% of the sector's total operations. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Increase in sales, relatively high profit margins, positive working capital and low loan burdening are the factors that differentiate the sector from the general total. |
| **Has the sector overcome the economic crisis?** | The sector seems to have overcome the crisis, recording increase in sales of 5% in 2013 versus 2012 and increase in operating profits by 13%. |
| **How hard was it for the sector to face the crisis?** | The sector does not seem to have experienced economic crisis, recording marginal losses in profit margin, stable levels of net borrowings and positive cash flows from operating activities within the entire five year period. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records inversely proportional course versus the Greek Economy, recording increases of almost 21% in 2013 versus 2009, while the Greek Company recorded losses of 20%. |
| **What is the financial performance of the sector's SMEs?** | Almost all the sector's companies are classified as SMEs, however holding different market shares. SMEs steadily present smaller needs for financing versus Large companies, while they present smaller investment interest than the Large companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Given high dispersion of the companies, with 77% market share belonging to SMEs, as well as the sector's achieving satisfactory financial performance notwithstanding the companies' sizes, there is no clear link between the market share and viability of a company in the sector. |
| **What are the prospects for the sector?** | The sector's growth is directly linked to development of new and cost and quality competitive products, especially environmentally friendly ones. |

# CONDENSED FINANCIAL DATA

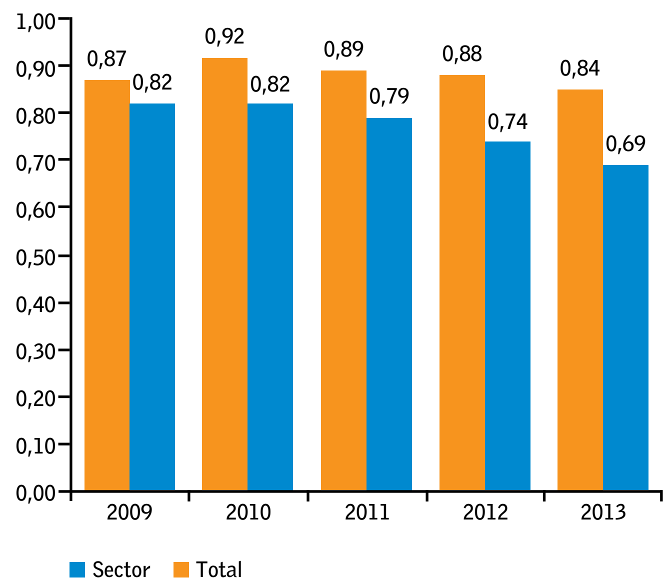
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 441 | 448 | 459 | 467 | 472 |
| Current Assets | 523 | 514 | 539 | 518 | 490 |
| **Total Assets** | **964** | **962** | **998** | **985** | **962** |
| **Equity** | **420** | **415** | **413** | **410** | **413** |
| Long-term Loan Liabilities | 113 | 111 | 122 | 151 | 163 |
| Other Long-term Liabilities | 41 | 38 | 44 | 41 | 46 |
| **Total Long-term Liabilities** | **154** | **149** | **165** | **192** | **209** |
| Short-term Loan liabilities | 175 | 195 | 205 | 186 | 175 |
| Other Short-term Liabilities | 215 | 204 | 215 | 197 | 166 |
| **Total Short-term Liabilities** | **391** | **399** | **420** | **384** | **341** |
| **Total Liabilities** | **544** | **547** | **586** | **575** | **549** |
| **Total Equity and Liabilities** | **964** | **962** | **998** | **985** | **962** |
| Working Capital | 132 | 116 | 119 | 135 | 149 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 778 | 739 | 728 | 679 | 642 |
| EBITDA | 78 | 69 | 68 | 69 | 83 |
| EBIT | 42 | 26 | 25 | 26 | 41 |
| EBT | 16 | 4 | 4 | 6 | 23 |
| EAT | 6 | -1 | -1 | 0,3 | 17 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 0,7 | 0,8 | 0,8 | 0,8 |
| Current Assets/ Short-term Liabilities | 1,3 | 1,3 | 1,3 | 1,4 | 1,4 |
| EV/EBITDA | 8,6 | 9,9 | 10,4 | 9,9 | 8,2 |
| EBITDA Margin | 10,1% | 9,4% | 9,4% | 10,2% | 12,9% |

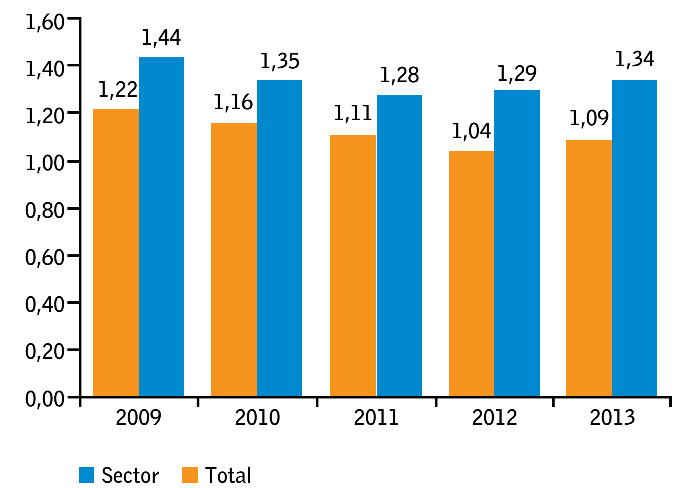
### Loan Liabilities / Equity




- The sector records steadily low borrowings, versus the general total, within the entire five year period.

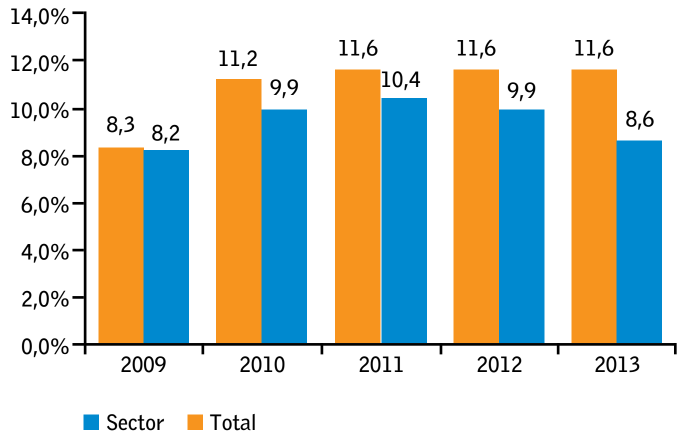
 

### Current Assets / Short-term Liabilities



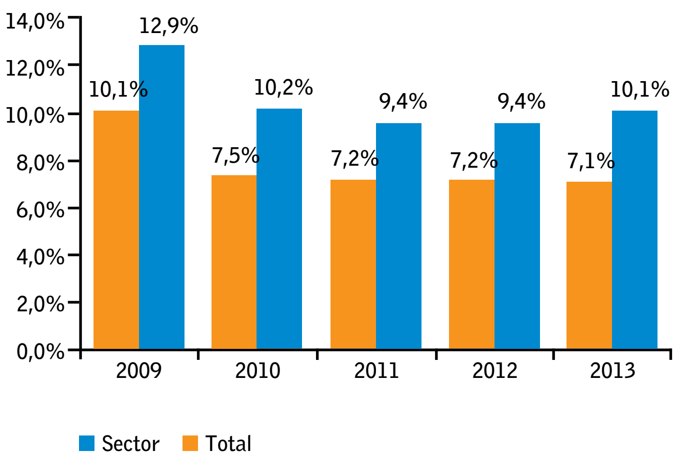

- The ratio is steadily higher than that recorded by the general total within the five year period, without presenting particular changes, indicating tendencies for improvement in the last two years.

### EV/EBITDA



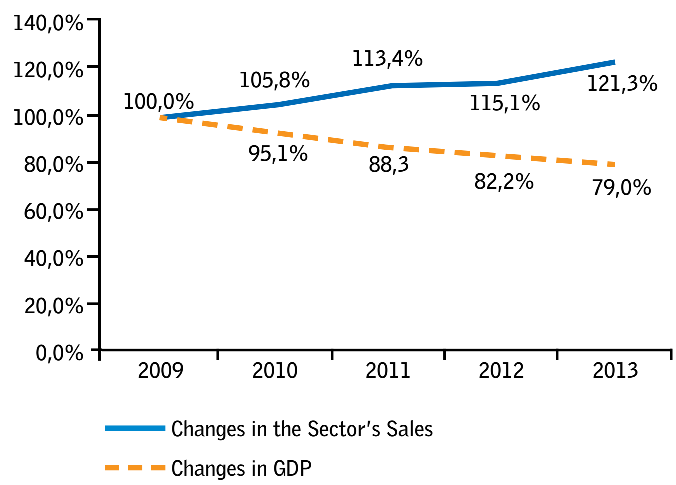

- In the five year period, the sector steadily presents higher investment interest than the general total, retaining relatively stable borrowings and recording satisfactory operating profits.

### EBITDA Margin




- The sector's EBITDA margin is steadily higher than the general total. EBITDA margin stabilizes around 10%, despite constant increase in sales, while changes in raw materials do not allow achieving better profit margins.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector records the course that is inversely proportionate to that of the Greek Economy.
- In 2013, the sector records increases of 21% versus 2009, while the Greek Economy presents losses of approximately 20%.

# SECTOR ANALYSIS

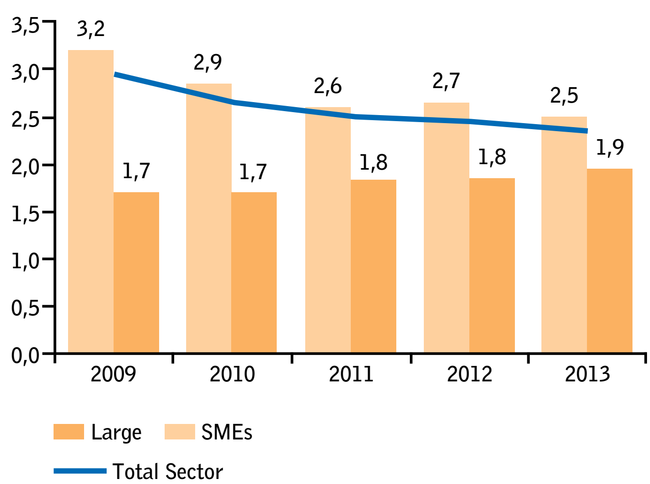
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 22 | 16 | 11 | 10 | 5 |
| SMEs | 110 | 100 | 108 | 125 | 143 |
| **Total Sector Working Capital** | **132** | **116** | **119** | **135** | **149** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 36 | 32 | 31 | 27 | 21 |
| SMEs | 272 | 278 | 293 | 294 | 302 |
| **Total Sector Working Capital** | **308** | **310** | **324** | **321** | **324** |

** Borrowings are not included*

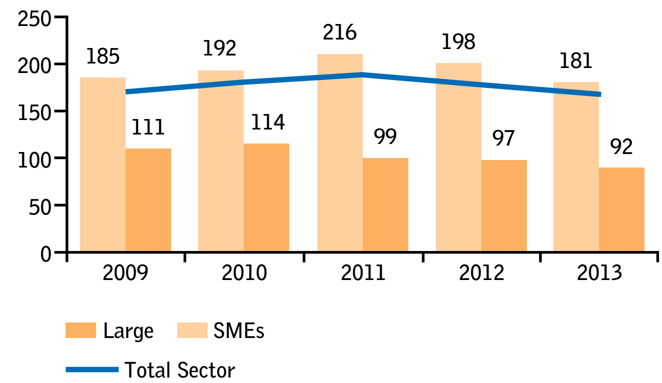
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

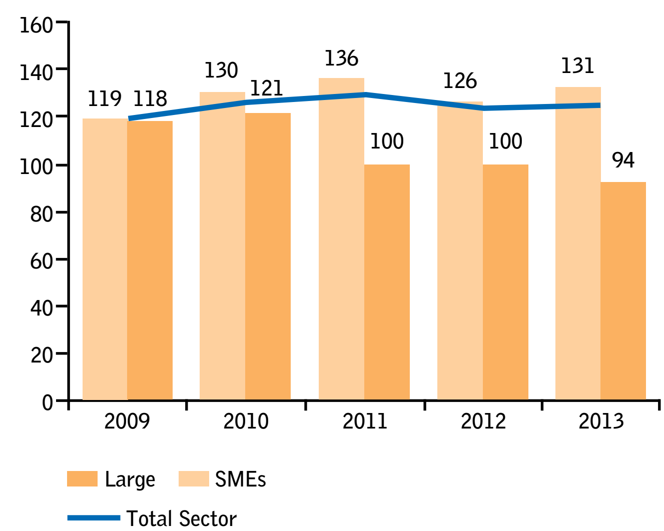
- The sector records steadily positive working capital, while presenting small decreases overtime.
- SMEs steadily record smaller needs for financing.

### Average Collection Period of Receivables




- The average collection period of receivables steadily exceeds 5 months within the five year period, with Large companies recording lower credit limits versus SMEs.

### Average Period of Paying Liabilities




- The sector retains steadily higher average collection period of receivables than average period of paying liabilities, with payment days being at average 2 months shorter than days of collecting receivables.

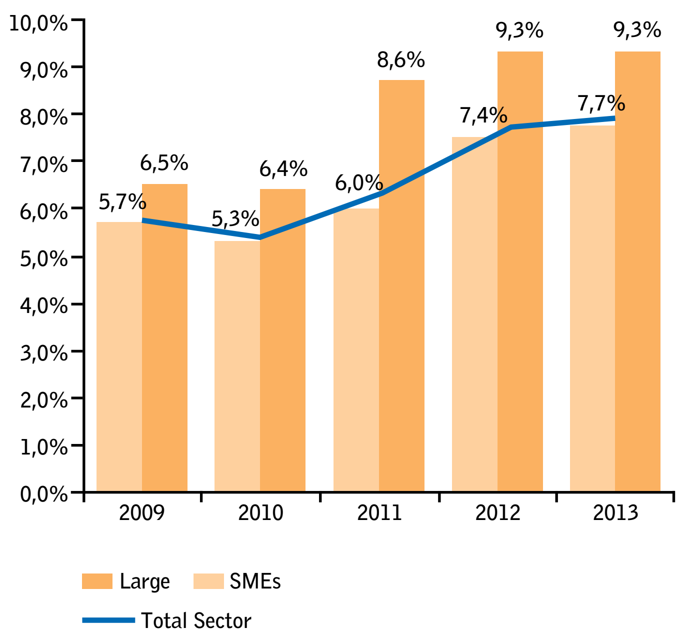
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 39 | 45 | 50 | 50 | 51 |
| SMEs | 213 | 228 | 245 | 224 | 216 |
| **Total Sector** | **253** | **273** | **295** | **274** | **268** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 4 | 5 | 4 | 3 | 3 |
| SMEs | 19 | 20 | 17 | 15 | 16 |
| **Total Sector** | **23** | **24** | **21** | **18** | **20** |

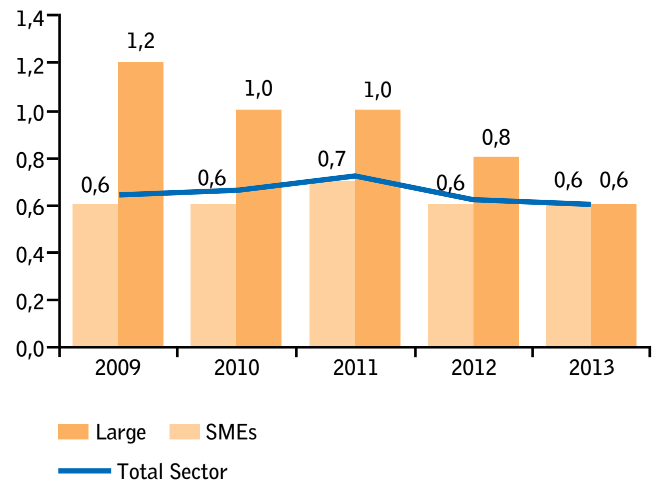
- Within the five year period, the sector presents marginal decrease of 6% in net borrowings. Decrease of 31% in long-term loan burdening is balanced by substantial decrease in cash available by 50%.
- Financial expenses increase as a result of the increase in the sector's costs of financing, while total borrowings do not present substantial changes within the five year period.

### Average Borrowing Interest Rate



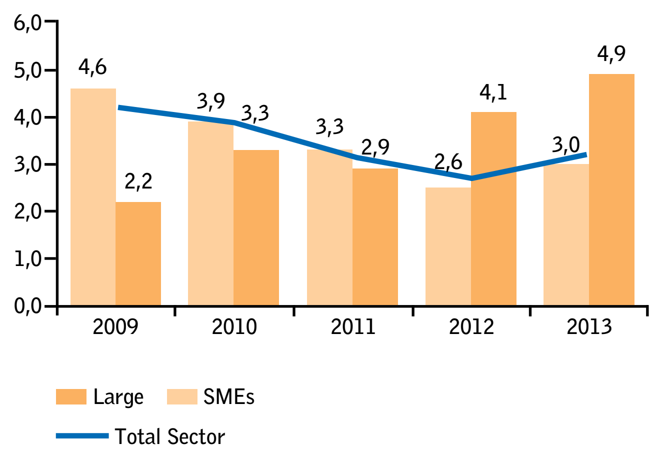

- Large companies of the sector steadily borrow at higher rates, while their borrowings are by approximately € 11 million higher at average per company versus SMEs.

### Net Borrowings / Equity




- SMEs steadily record low loan burdening, while it is to be noted that Large companies constantly decrease loan burdening and the sector, as a total, records very low levels of borrowings.

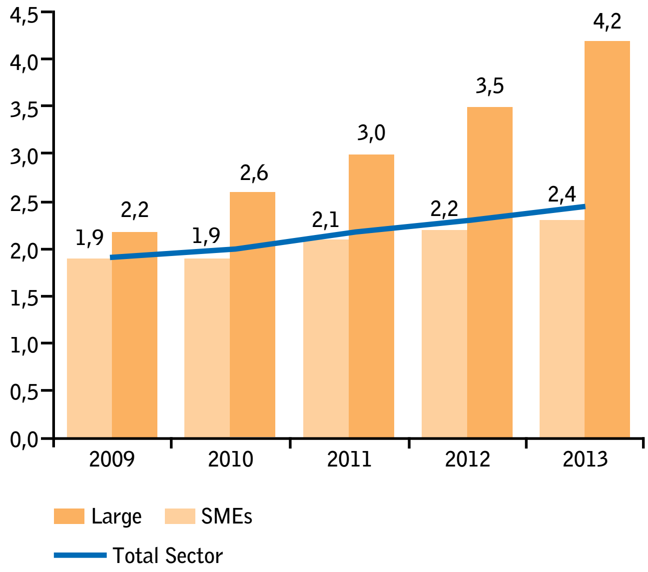
### EBITDA / Financial Expenses




- The sector's companies steadily cover their financial costs through operating profits.
- In 2013, coverage, regarding SMEs, stands at 3 times versus 4,6 times recorded in 2009, while, in contrast, as far as Large companies are concerned, in 2013 the ratio coverage stands at almost 5 times versus 2,2 times in 2009.

### Sales / Total Borrowings

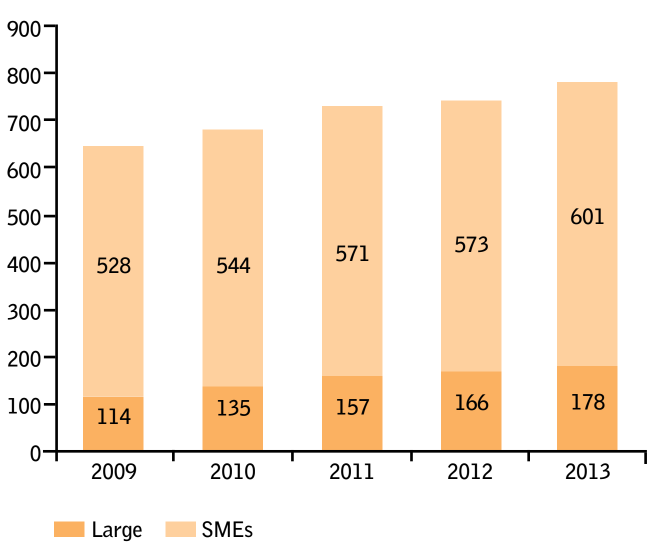



- The sector's companies' sales satisfactorily cover its total borrowings, with the ratio constantly improving regarding both categories of companies.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 178 | 166 | 157 | 135 | 114 |
| SMEs | 601 | 573 | 571 | 544 | 528 |
| **Total Sector** | **778** | **739** | **728** | **679** | **642** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 12 | 9 | 22 | 22 |
| *(percentage)* | 7% | 6% | 16% | 19% |
| SMEs | 28 | 2 | 27 | 16 |
| *(percentage)* | 5% | 0,3% | 5% | 3% |
| **Total Sales of the Sector** | **40** | **11** | **49** | **37** |
| ***(percentage)*** | **5%** | **2%** | **7%** | **6%** |

- The sector's sales present steady increase within the five year period under survey, notwithstanding the recession, with Large companies recording bigger increases than SMEs.

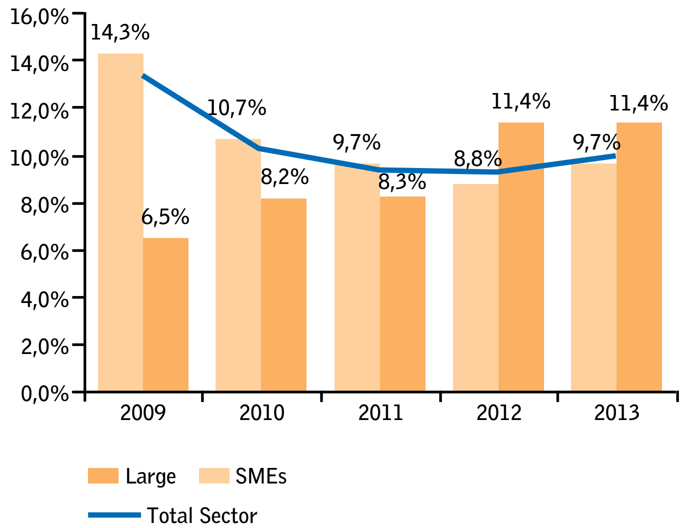
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 20 | 19 | 13 | 11 | 7 |
| SMEs | 58 | 50 | 55 | 58 | 76 |
| **Total Sector** | **78** | **69** | **68** | **69** | **83** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 8,2 | 7,1 | 2,0 | 1,7 | -1,4 |
| SMEs | 7,7 | -2,7 | 1,8 | 4,6 | 24,8 |
| **Total Sector** | **15,9** | **4,4** | **3,9** | **6,3** | **23,5** |

- Apart from the increase in sales, in the period 2009-2013, the sector records profits before tax, indicating substantial resistance potential.

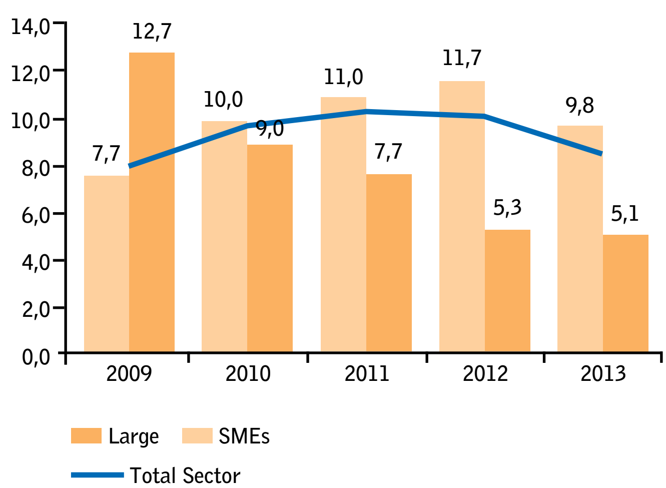
 

### EBITDA Margin




- The sector records relatively stable EBITDA margin.
- Two categories of the sector's companies record inverse developments, with Large companies effectively managing the expenses and achieving better results than SMEs.

### EV/EBITDA




- Large companies record better performance regarding the particular ratio, mainly due to higher profitability.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 15 | 17 | 10 | 6 |
| SMEs | 59 | 53 | 19 | 46 |
| **Total Sector** | **74** | **70** | **29** | **52** |

- Cash flows from operating activities increase from 2011 onwards, while from 2010 to 2013 onwards, SMEs record over € 177 million cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -5 | -6 | -5 | -5 |
| SMEs | -25 | -28 | -32 | -30 |
| **Total Sector** | **-30** | **-34** | **-36** | **-36** |

- Cash outflows from investing activities are slightly reduced within the four year period, while the changes are relatively small.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -10 | -10 | -5 | -0,4 |
| SMEs | -32 | -25 | -19 | -23 |
| **Total Sector** | **-42** | **-35** | **-24** | **-24** |

- Financing activities of the sector are mainly characterized by repayment of the effective loan liabilities.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**20%** of the total companies of the sector,<br>**28%** of the total sales of the sector,<br>**29%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**22%** of the total companies of the sector,<br>**29%** of the total sales of the sector,<br>**7%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**46%** of the total companies of the sector,<br>**37%** of the total sales of the sector,<br>**62%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**12%** of the total companies of the sector,<br>**6%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. |

## CONCLUSIONS
## Containers & Packaging Sector

- Steadily high profit margins versus the general total.
- The sector presents positive working capital within the entire five year period.
- The sector's sales record steady increases within the entire five year period despite the recession, with Large companies presenting increases in sales of 56%.
- Steadily low loan burdening of the sector, with decreases in total borrowings and improvement in equity through profitability.
- Decrease in the sector's cash available, recorded from 2009 to 2013, pertains to SMEs that repay their loans and invest through equity in modernization of their production infrastructures.

# Dairy Products Sector

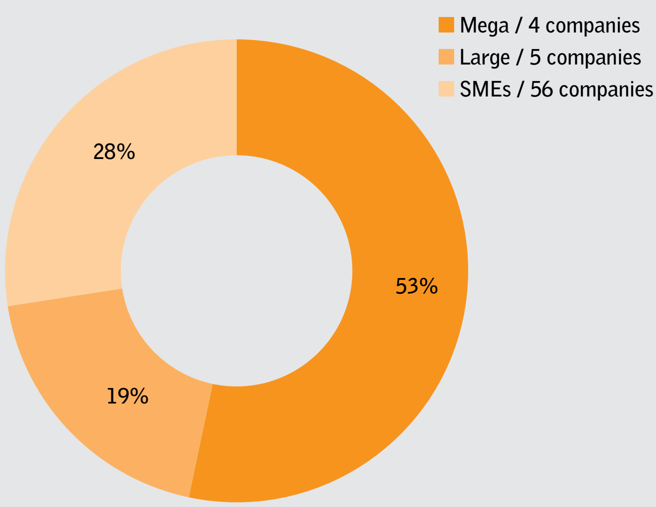
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

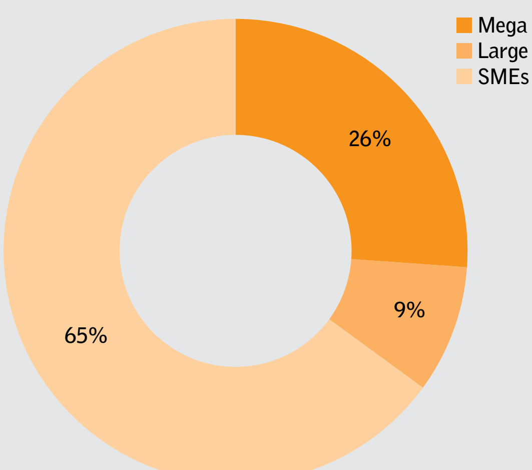
- **65** companies represent over **86%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 4 companies represent over 53% of the sector's total sales in 2013.

### Headcount 2013




- 65% of the sector's headcount are employed in 56 SMEs.

## Sector Characteristics

- The sector includes a substantial number of SMEs, most of which are small and have low production capacity. Large industries have modern equipment and organized distribution network. In contrast, small production units due to lack of resources and general difficulties they face operate on a limited scale and mainly cover the geographical area in which they operate.
- The food segment is under pressure due to reduction in disposable income and increased unemployment among the young people who are the key target group of many dairy products.
- It is regarded as one of the sectors with the greatest competition in Greece, which included Mega companies operating in the food segment, with particularly high borrowings and financial expenses.
- Increasing tendency for export to the new markets, which, however, demands new financing.
- Potential increase in raw materials prices substantially affects the companies' profit margins.
- Slight decrease in sales in 2013 in line with the decrease in the profit margins due to the increase in operating expenses.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The companies substantially differ in respect of their sizes and bank loans. |
| **Does a small number of companies dominate the sector?** | 4 companies hold 53% of turnover and employ 26% of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector differs from the general course of the country's development regarding decrease in sales, however, it presents lower profit margins and higher loan liabilities. |
| **Has the sector overcome the economic crisis?** | The total sales of dairy products category in our country indicate that the market remains relatively stable despite the crisis. In any case, the basic product, i.e. milk, constitutes staple food to the majority of the families. There is an intense tendency for extroversion selected as a solution to the crisis conditions. |
| **How hard was it for the sector to face the crisis?** | Lack of funding to cover investment needs and pressure on profit margins and working capital were the main effect of the crisis. SMEs were adjusted, while Mega companies have not recovered yet because of their high borrowings. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The course of the sector's development is not the same as that of the GDP, however, decreases are recorded. |
| **What is the financial performance of the sector's SMEs?** | SMEs present satisfactory financial performance with high profit margins and proved to be more vulnerable to the financial crisis. A lot of SMEs do not seem to be a deterring factor, since every company of every particular category operates in a different geographical market. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked to the sizes. 56 SMEs presented increased profit and almost double profit margins as compared to Large and Mega companies. |
| **What are the prospects for the sector?** | Unfavorable economic environment seems to have affected the dairy products sector, though the sector's companies display future viability. However, it is to be noted that no significant profit margins are recorded in the domestic market. Dairy products as such are not threatened by other substitutes as they are constant part of the daily diet of Greek consumers. However, some of these products can be easily substituted by others in the same sector, thus shifting the demand from one type of milk to another.<br><br>In contrast, significant growth potential has been recorded abroad, since the demand for Greek dairy products is constantly increasing. It is encouraging for the prospects of the sector in the near future that Mega companies have announced foreign investments.<br><br>Moreover differentiated products that take into account new trends of consumers as well as lowest income should be considered by the companies which already have taken steps in order to retain their market share. |

# CONDENSED FINANCIAL DATA

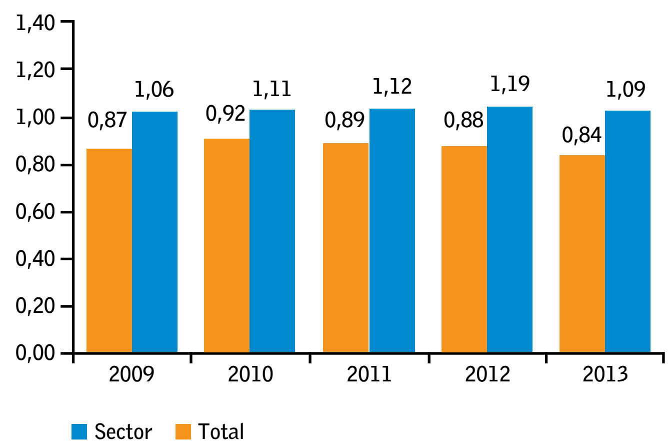
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.326 | 1.365 | 1.363 | 1.312 | 1.210 |
| Current Assets | 1.228 | 1.373 | 1.192 | 1.185 | 1.097 |
| **Total Assets** | **2.554** | **2.738** | **2.556** | **2.497** | **2.307** |
| **Equity** | **857** | **893** | **820** | **798** | **797** |
| Long-term Loan Liabilities | 529 | 498 | 385 | 525 | 534 |
| Other Long-term Liabilities | 168 | 151 | 169 | 147 | 124 |
| **Total Long-term Liabilities** | **697** | **649** | **554** | **672** | **657** |
| Short-term Loan liabilities | 402 | 570 | 530 | 358 | 311 |
| Other Short-term Liabilities | 598 | 626 | 652 | 669 | 542 |
| **Total Short-term Liabilities** | **1.000** | **1.196** | **1.182** | **1.026** | **852** |
| **Total Liabilities** | **1.697** | **1.845** | **1.736** | **1.698** | **1.510** |
| **Total Equity and Liabilities** | **2.554** | **2.738** | **2.556** | **2.497** | **2.307** |
| Working Capital | 228 | 178 | 10 | 158 | 245 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 2.481 | 2.487 | 2.451 | 2.346 | 2.429 |
| EBITDA | 148 | 154 | 154 | 140 | 195 |
| EBIT | 74 | 75 | 58 | 39 | 93 |
| EBT | -16 | -11 | -32 | -49 | 49 |
| EAT | -41 | 37 | -45 | -52 | 25 |

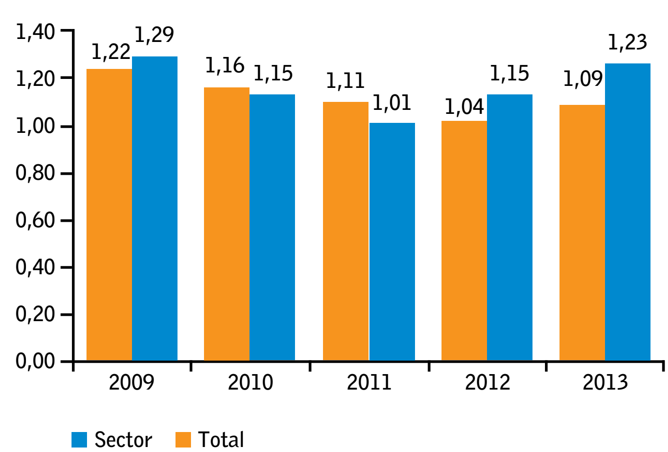
| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/Equity | 1,1 | 1,2 | 1,1 | 1,1 | 1,1 |
| Current Assets/Short-term Liabilities | 1,2 | 1,1 | 1,0 | 1,2 | 1,3 |
| EV/EBITDA | 11,0 | 10,8 | 10,5 | 11,1 | 7,9 |
| EBITDA Margin | 6,0% | 6,2% | 6,3% | 6,0% | 8,0% |

### Loan Liabilities / Equity




- Loan liabilities to equity ratio is steadily higher than one and exceeds the average due to significantly increased loans used by Mega companies. The decrease in the ratio in 2013 pertains to repayment of loans within the year.

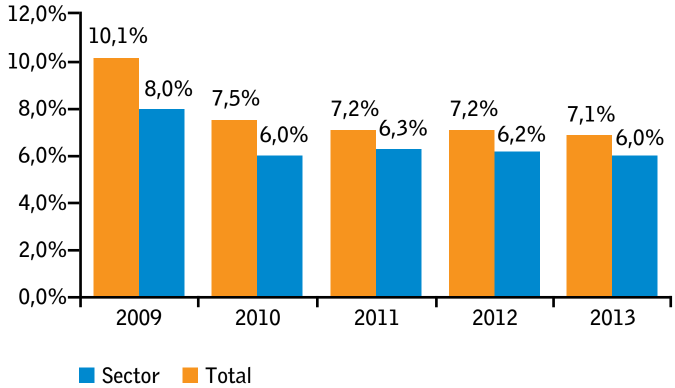
### Current Assets / Short-term Liabilities




- The sector steadily presents positive working capital and exceeds the general total especially within the last two year period.

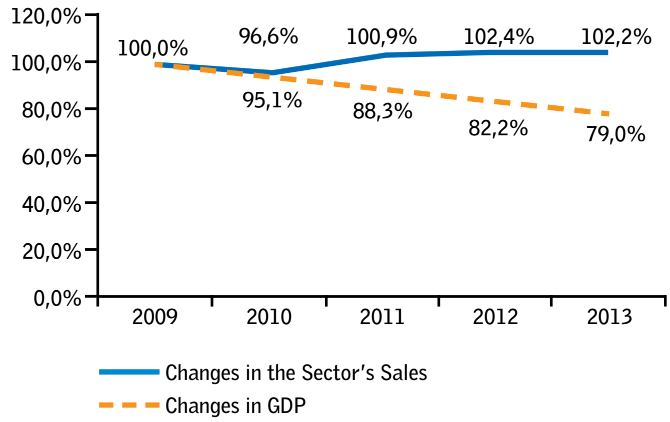
 

### EBITDA Margin



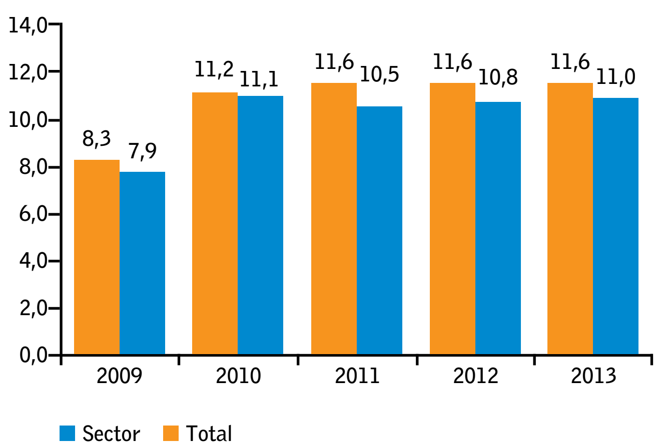

- EBITDA margin decreased by 2% in 2013 versus 2009 and is lower than the general total. The decrease in EBITDA margin reflects the increase in raw materials prices coupled with the stable turnover. Moreover, there should also be taken into account the increase in special brand products and expansion of Mega companies operations abroad.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector's sales present a much better picture than GDP within the five year period. Maintaining turnover at the same levels is mainly due to the sector's expansion abroad.

### EV/EBITDA




- The sector follows the general trend indicating that operating profits have decreased as compared to the past in order to cover invested capital.

## SECTOR ANALYSIS

### Working Capital

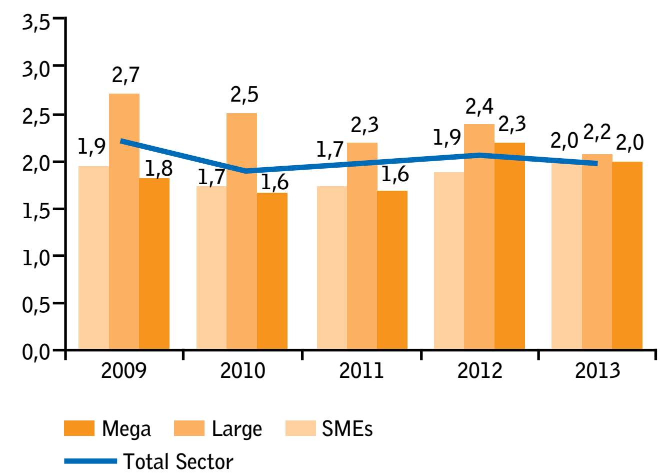
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 89 | 71 | -22 | 116 | 136 |
| Large | 23 | 23 | 14 | 19 | 52 |
| SMEs | 117 | 84 | 18 | 23 | 56 |
| **Total Sector Working Capital** | **228** | **178** | **10** | **158** | **245** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 244 | 368 | 178 | 175 | 178 |
| Large | 166 | 179 | 185 | 177 | 184 |
| SMEs | 221 | 201 | 177 | 165 | 193 |
| **Total Sector Working Capital** | **630** | **747** | **540** | **516** | **555** |

** Borrowings are not included*

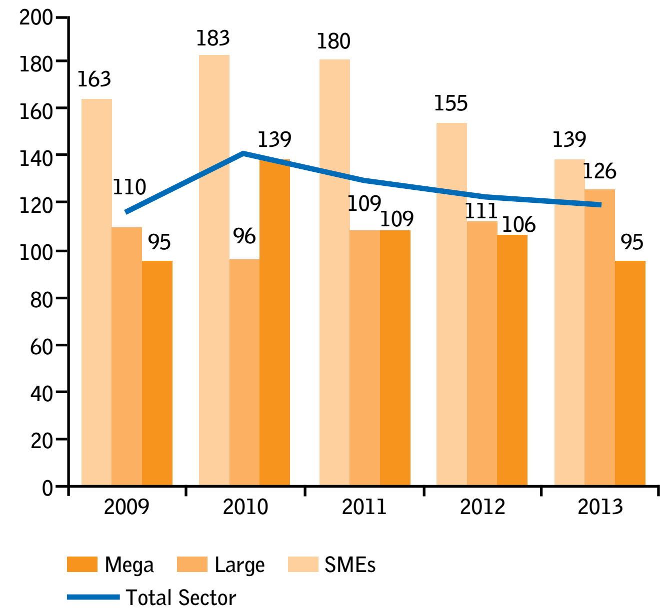
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

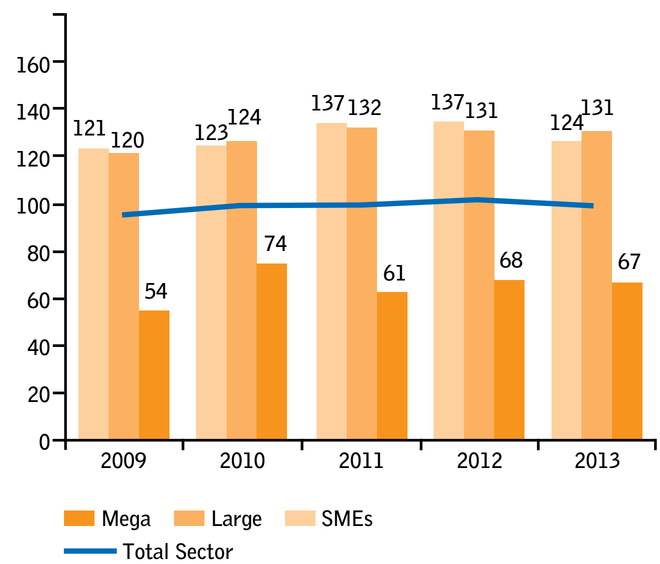
- The sector's working capital is positive within the entire period under survey. The specificity of the sector lies in the fact that customers delay their payments having in many cases the power to negotiate.

### Average Period of Paying Liabilities




- In the same way, the period of paying liabilities substantially differs regarding the two categories, however not as much as in days of collecting receivables.

### Average Collection Period of Receivables




- We have identified intense differentiation in days of collecting receivables regarding Mega companies versus the other companies of the sector. The difference approaches two months reflecting big needs for financing of SMEs.

## Borrowings

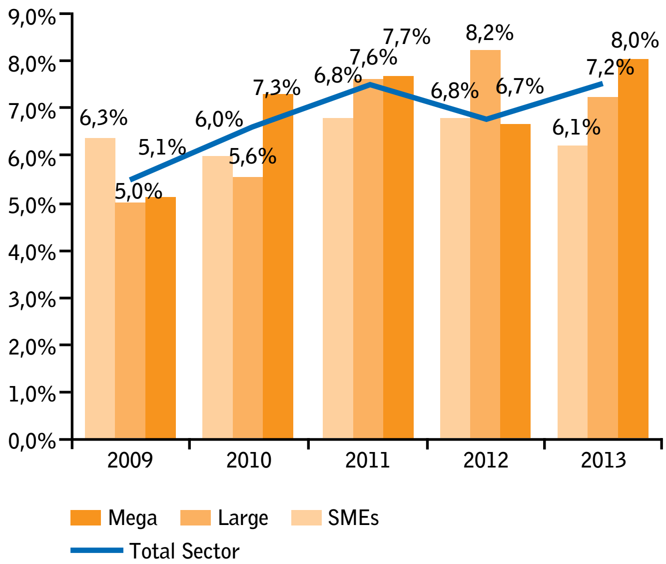
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 457 | 441 | 410 | 348 | 356 |
| Large | 138 | 151 | 168 | 166 | 152 |
| SMEs | 180 | 190 | 223 | 240 | 235 |
| **Total Sector** | **775** | **781** | **801** | **754** | **743** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 49 | 38 | 35 | 31 | 20 |
| Large | 11 | 14 | 14 | 9 | 8 |
| SMEs | 14 | 17 | 18 | 17 | 18 |
| **Total Sector** | **74** | **69** | **67** | **57** | **46** |

- The sector's companies record very high levels of net borrowings. In 2013, 60% of the total borrowings pertain to Mega companies, which within the period under survey increased their net borrowings mainly through turning to foreign operations.
- In contrast, SMEs and Large companies decreased their net borrowing during the same period.

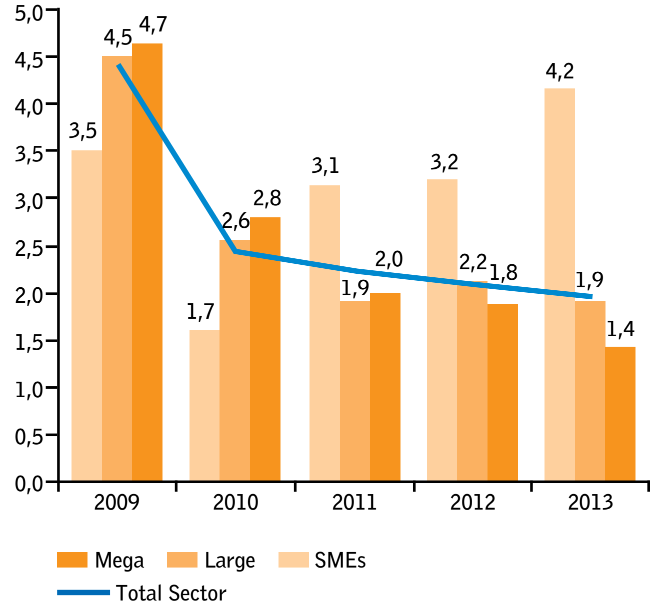
 

### Average Borrowing Interest Rate



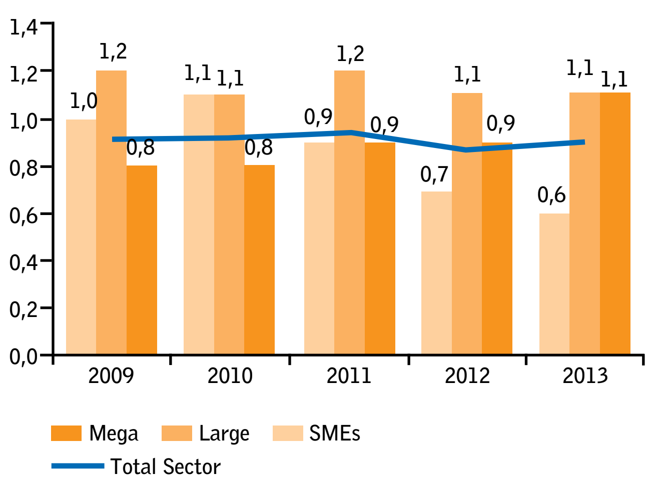

- The Average Borrowing Interest Rate undergoes significant changes within the period under survey. SMEs seem to borrow funds at lower interest rate than Mega and Large companies within the last three year period.
- This fact is due to reclassification of a part of loan liabilities into short-term due to non-compliance with the financial covenants and thus increasing the borrowing costs. In addition, new loans were issued at higher interest rates than before.

### EBITDA / Financial Expenses



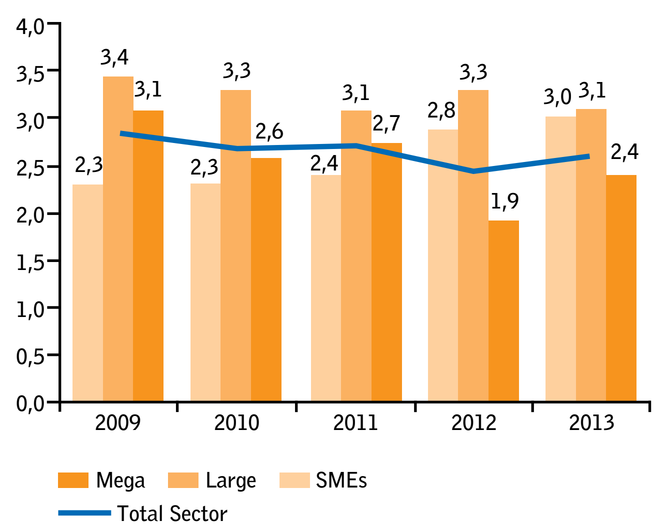

- The decrease in operating profits has decreased the sector's companies potential to cover the costs of financing.
- It is quite remarkable that the relative ratio indicates that SMEs are in a better position given their limited borrowings. Regarding Mega companies, given the increased borrowing costs, the coverage ratio decreased to 1,4 in 2013 versus 4,7 in 2009.
- Our analysis indicates that the decrease in SMEs borrowings and limiting their expenses maintained their profit margins and refinanced their capital needs.

### Net Borrowings / Equity




- The balance between loans and equity undergoes changes within the entire five year period regarding all the categories of the companies, with SMEs displaying decreases and Mega companies – increases.
- The relative ratio in respect of all the categories of the sector's companies fluctuates at particularly high levels, with Large and Mega companies exceeding the SMEs level by 40%.

### Sales / Total Borrowings



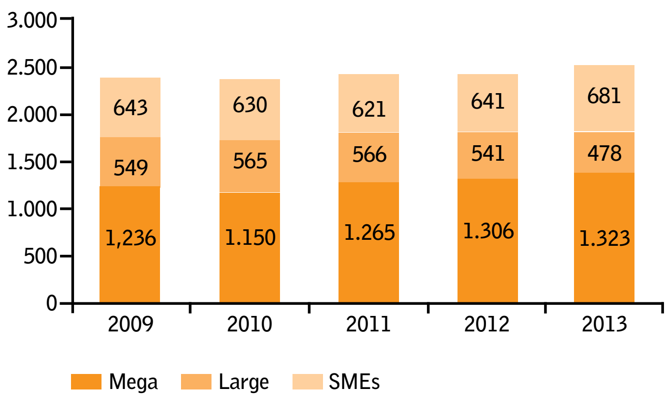

- The ratio presents similar trends, with SMEs presenting improvement in the ratio, thus confirming their adjustability to the new conditions.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.323 | 1.306 | 1.265 | 1.150 | 1.236 |
| Large | 478 | 541 | 566 | 565 | 549 |
| SMEs | 681 | 641 | 621 | 630 | 643 |
| **Total Sector** | **2.481** | **2.487** | **2.451** | **2.346** | **2.429** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 17 | 41 | 114 | -86 |
| *(percentage)* | 1% | 3% | 10% | -7% |
| Large | -63 | -25 | 1 | 16 |
| *(percentage)* | -12% | -4% | 0,1% | 3% |
| SMEs | 40 | 20 | -10 | -13 |
| *(percentage)* | 6% | 3% | -2% | -2% |
| **Total Sales of the Sector** | **-6** | **36** | **105** | **-83** |
| ***(percentage)*** | **0,2%** | **1%** | **4%** | **-3%** |

- A marginal increase in the sector's sales has been recorded in the last three years, however, EBITDA and profit margins are decreasing. The increase in sales mainly pertains to exports. An increase is also recorded in special brand products, which have smaller profit margins, though.

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 67 | 69 | 71 | 87 | 96 |
| Large | 22 | 32 | 26 | 24 | 36 |
| SMEs | 59 | 53 | 57 | 29 | 63 |
| **Total Sector** | **148** | **154** | **154** | **140** | **195** |

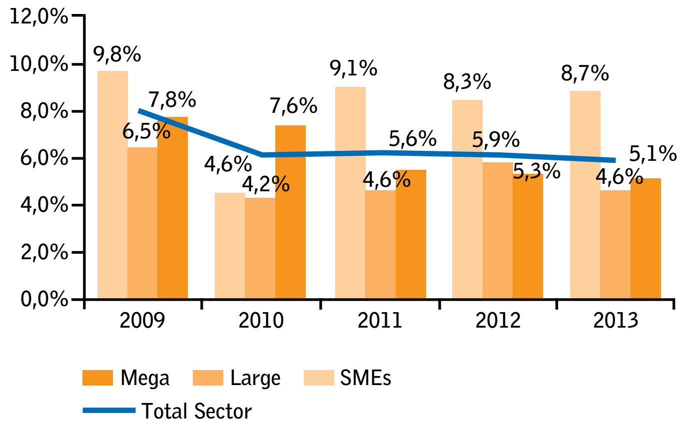
- A decrease in EBITDA in Mega and Large companies and maintaining it at the same levels in SMEs.

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -28,7 | -17,6 | -35,5 | -24,7 | 22,8 |
| Large | -1,9 | 2,1 | -3,6 | -3,2 | 10,1 |
| SMEs | 15,0 | 4,0 | 6,8 | -20,7 | 16,0 |
| **Total Sector** | **-15,6** | **-11,4** | **-32,2** | **-48,6** | **48,9** |

- Mega and Large companies do not record profits while losses steadily increase. Increased borrowing costs also contribute to the current conditions.
- In contrast, SMEs seem to be recovering, while adapting to the new conditions.

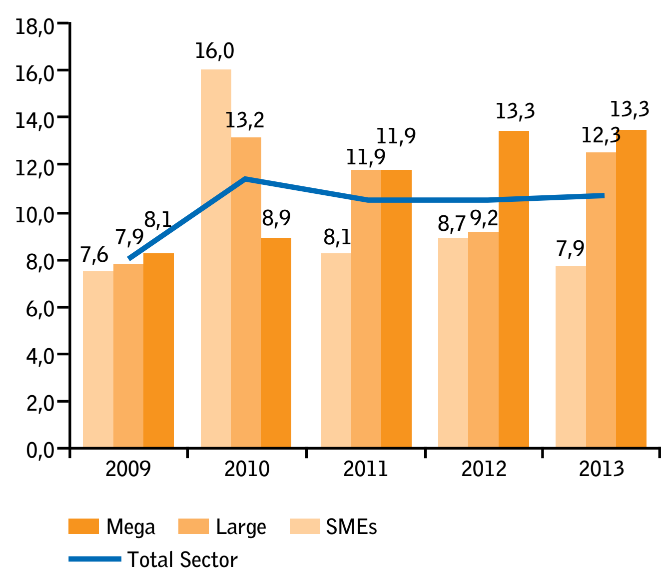
 

### EBITDA Margin




- SMEs maintain stable EBITDA Margin almost within the entire five year period, unlike the other categories of the companies.
- In 2013, EBITDA Margins recorded by Large and Mega companies are almost 4% lower than those recorded by SMEs.
- The ratio remains at satisfactory levels regarding SMEs due to increase in EBITDA.

### EV/EBITDA




- SMEs steadily present more investing interest, with EV/EBITDA presented lower than that recorded by the other categories of the companies except for 2010.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 56 | 33 | -2 | 82 |
| Large | 20 | 26 | 12 | 10 |
| SMEs | 40 | 37 | 36 | 39 |
| **Total Sector** | **115** | **96** | **47** | **130** |

- Cash inflows generated by SMEs remain at the same levels within the four year period.
- Mega companies present a significant improvement in operating cash flows in the last two years.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -44 | -31 | -62 | -97 |
| Large | -6 | -3 | -9 | -12 |
| SMEs | -25 | -24 | -11 | -31 |
| **Total Sector** | **-75** | **-59** | **-82** | **-140** |

- In the last years, Mega and Large companies of the sector proceeded with investments in order to strengthen their presence in the international markets and implement export plans.
- As a total, Mega companies present decreased investing activities versus SMEs that present relative stability.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -47 | 25 | 41 | 55 |
| Large | -11 | -24 | 4 | 3 |
| SMEs | -8 | -2 | -27 | -21 |
| Total Sector | -66 | 51 | 18 | 37 |

- Cash flows from financing activities mainly pertain to refinancing of existing loan liabilities. In 2013, the total of cash flows from financing activities stands at negative amount of € 66 million, reflecting the companies' actions aimed at repayment of substantially high loan liabilities.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**25%** of the total companies of the sector,<br>**41%** of the total sales of the sector,<br>**62%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**26%** of the total companies of the sector,<br>**19%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**36%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**34%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**13%** of the total companies of the sector,<br>**19%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Dairy Products Sector

- The sector retained its sales but not the profit margins that significantly decreased.
- Particularly high borrowing, which actually makes additional financing from borrowed funds very difficult.
- Mega companies seem not to be in position to adjust their operating expenses to the current conditions, since a marginal increase in turnover is observed in line with the decrease in profit margins, while the opposite pertains to SMEs.
- Large companies look problematic, with the decrease in sales, very low profit margins and losses recorded in 2013.
- Positive working capital within the entire five year period for the sector, with loan liabilities playing the major part in shaping the total picture.
- In the last four year period, the sector steadily records losses before tax due to the results presented by Mega companies.

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# Electrical Equipment and Lighting Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

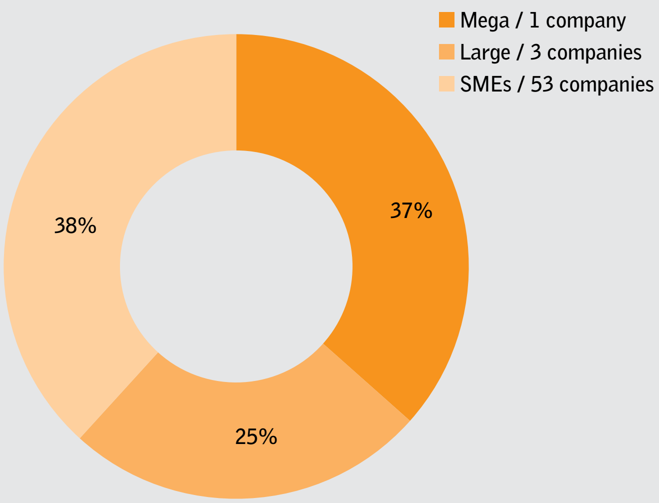
## Sector Structure

- **57** companies represent **80%** of the sector's total operations.
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.
    - **Mega:** Companies with sales over € 250 million.

## Sector Characteristics

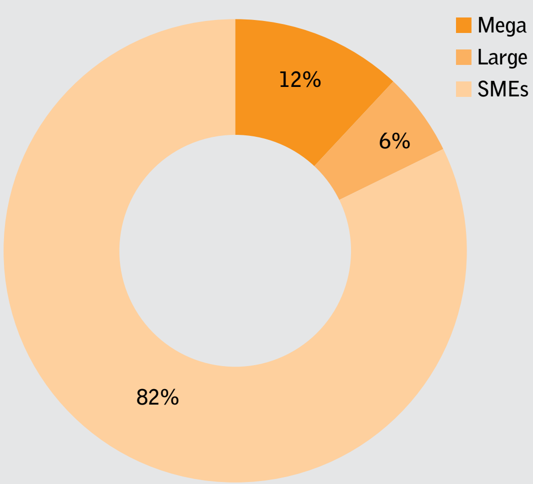
- The sector mainly includes SMEs, while only 4 out of the total of 57 companies belong to larger categories.
- Profit margins are small, while the competition is particularly intense among the SMEs.
- Profit margins are further decreased due to the competition the sector's companies are faced with from cheap products, exported mainly from China. The sector is domestically oriented and directly related to domestic construction activities.

### Sales 2013

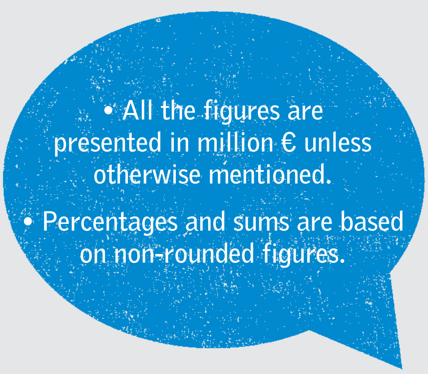



- 1 company represents 37% of the sector's total sales in 2013.

### Headcount 2013




- 82% of the sector's headcount are employed in 53 SMEs.

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## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is certain homogeneity, while profit margins are lower than the general total in respect of all the sector's companies. Most companies present positive working capital and lower loan burdening than the general total, thus making the sector financially homogenous. |
| **Does a small number of companies dominate the sector?** | Only one company holds 37% of turnover, employs 12% of headcount and substantially defines the sector's financial performance. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector records low loan burdening, higher levels of working capital, but, also, lower profitability than the general total. |
| **Has the sector overcome the economic crisis?** | Regarding the majority of the companies, that is SMEs, the decrease in operations is stable and no signs of recovery have been obvious. |
| **How hard was it for the sector to face the crisis?** | Excluding the Mega company, the sector was adversely affected by the recession, since its sales steadily decreased and profit margins are constantly diminishing. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector reflects the course of the Greek economy, excluding the Mega company, whose sizes affect the general total. |
| **What is the financial performance of the sector's SMEs?** | SMEs are under significant pressure, recording constant decreases in sales and profit margins. Low borrowings and positive working capital make it possible for SMEs to directly respond to the changes in the economic environment. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability is largely connected to market share and profit margin of the sector's companies. |
| **What are the prospects for the sector?** | In general, the sector presents stamina and recorded positive key financial ratios. Given its low loan burdening, it will be in position to directly respond to a possible reversal of the economic environment. However, intense competition shall be taken into account in determining the prospects for the sector's growth. |

# CONDENSED FINANCIAL DATA

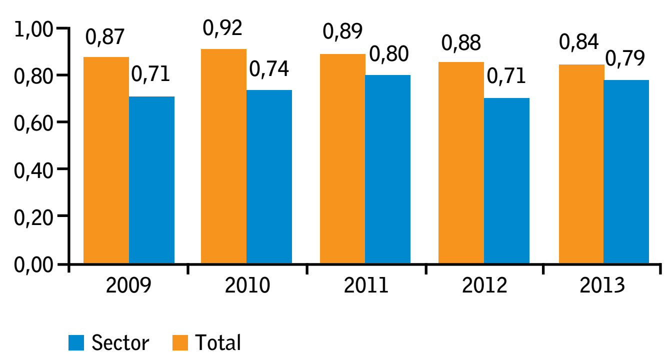
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 342 | 302 | 293 | 241 | 252 |
| Current Assets | 625 | 677 | 711 | 742 | 704 |
| **Total Assets** | **967** | **979** | **1.003** | **984** | **956** |
| **Equity** | **382** | **402** | **400** | **391** | **375** |
| Long-term Loan Liabilities | 140 | 93 | 121 | 101 | 135 |
| Other Long-term Liabilities | 43 | 31 | 36 | 28 | 33 |
| **Total Long-term Liabilities** | **183** | **125** | **157** | **129** | **168** |
| Short-term Loan liabilities | 162 | 192 | 198 | 188 | 131 |
| Other Short-term Liabilities | 240 | 260 | 249 | 275 | 282 |
| **Total Short-term Liabilities** | **402** | **452** | **447** | **464** | **413** |
| **Total Liabilities** | **585** | **576** | **603** | **593** | **580** |
| **Total Equity and Liabilities** | **967** | **979** | **1.003** | **984** | **956** |
| Working Capital | 222 | 225 | 264 | 279 | 291 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 945 | 1.071 | 1.062 | 1.075 | 971 |
| EBITDA | 39 | 57 | 62 | 72 | 72 |
| EBIT | 19 | 33 | 38 | 49 | 49 |
| EBT | 3 | 4 | 17 | 36 | 34 |
| EAT | -6 | -1 | 12 | 26 | 22 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,8 | 0,7 | 0,8 | 0,7 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,5 | 1,6 | 1,6 | 1,7 |
| EV/EBITDA | 16,2 | 10,8 | 10,7 | 8,5 | 8,1 |
| EBITDA Margin | 4,1% | 5,3% | 5,8% | 6,7% | 7,4% |

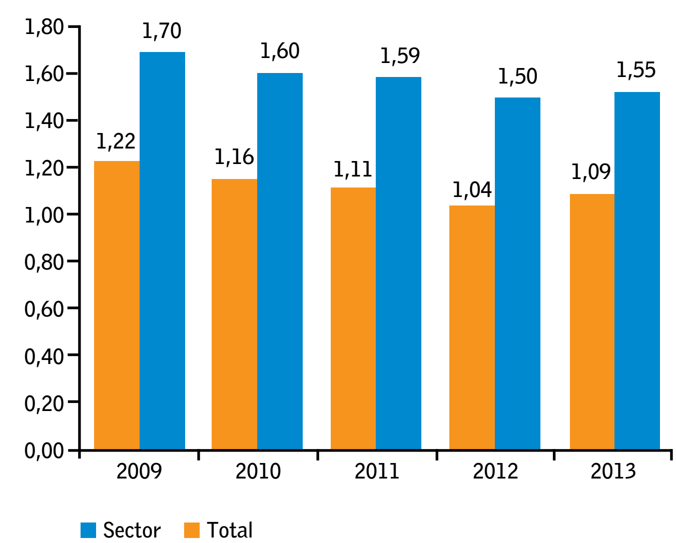
### Loan Liabilities / Equity




- The sector's borrowings do not exceed its equity in the entire period under survey.

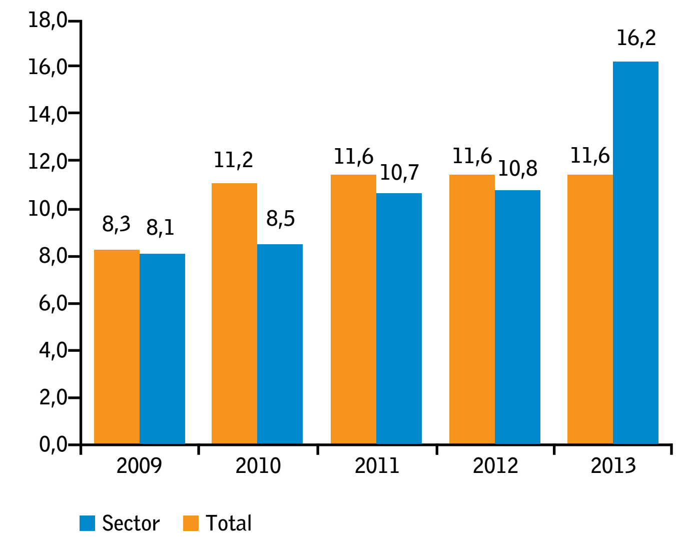
 

## Current Assets / Short-term Liabilities



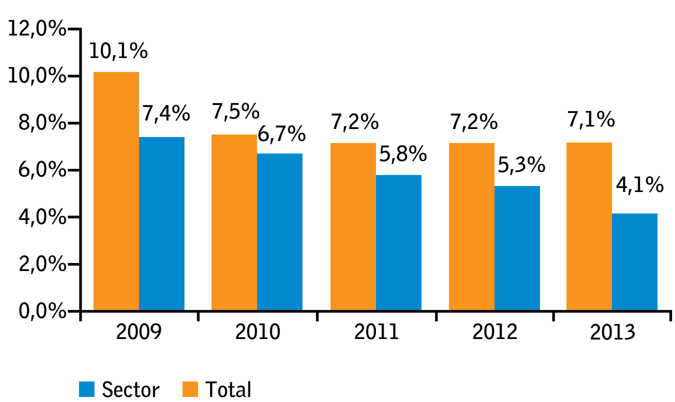

- The sector's working capital is steadily positive, standing over the general total.

## EV/EBITDA



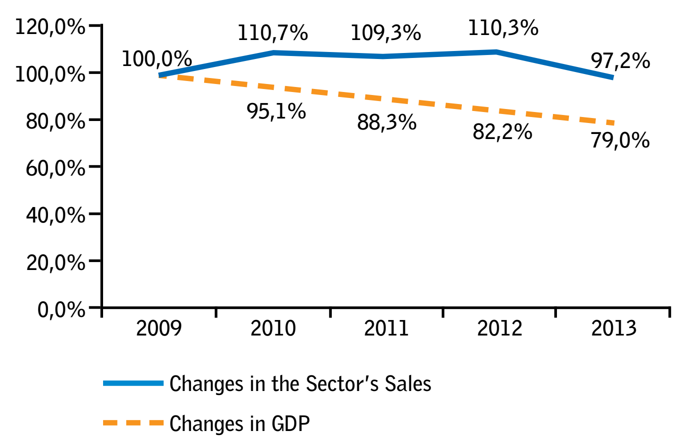

- Until 2011, the sector's results are lower than those recorded by the general total. In 2013, the sector exceeds the general total for the first time due to decrease in EBITDA by 32% from 2012 to 2013.

## EBITDA Margin




- Steadily lower EBITDA margin than that recorded by the general total.

## Changes in the sector's Sales and GDP (benchmark year 2009)




- The stamina, presented by the sector, is due to the Mega company, whose sizes define the general picture. As far as the other sector's companies are concerned, the decrease is constant and nears the general decreases recorded in operations.

# SECTOR ANALYSIS

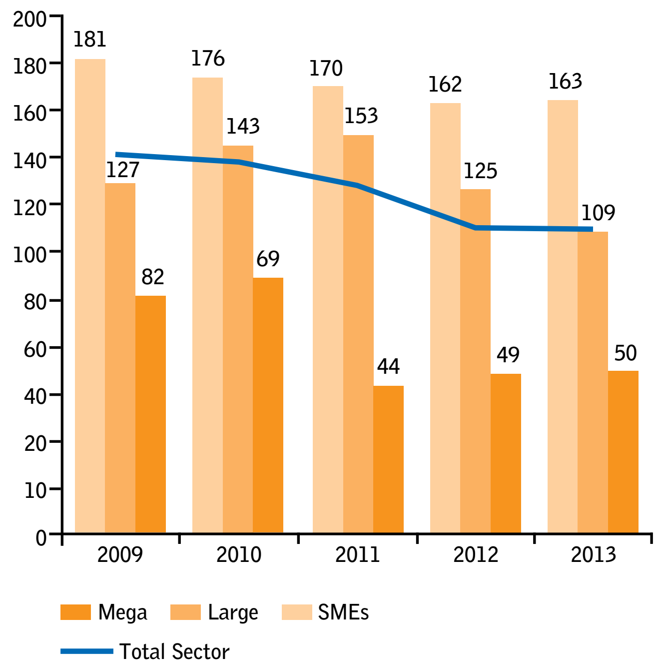
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 22 | 13 | 37 | 45 | 60 |
| Large | 38 | 43 | 40 | 40 | 43 |
| SMEs | 163 | 169 | 187 | 194 | 188 |
| **Total Sector Working Capital** | **222** | **225** | **264** | **279** | **291** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 105 | 122 | 143 | 128 | 106 |
| Large | 51 | 59 | 61 | 57 | 53 |
| SMEs | 229 | 236 | 258 | 282 | 263 |
| **Total Sector Working Capital** | **384** | **416** | **462** | **467** | **422** |

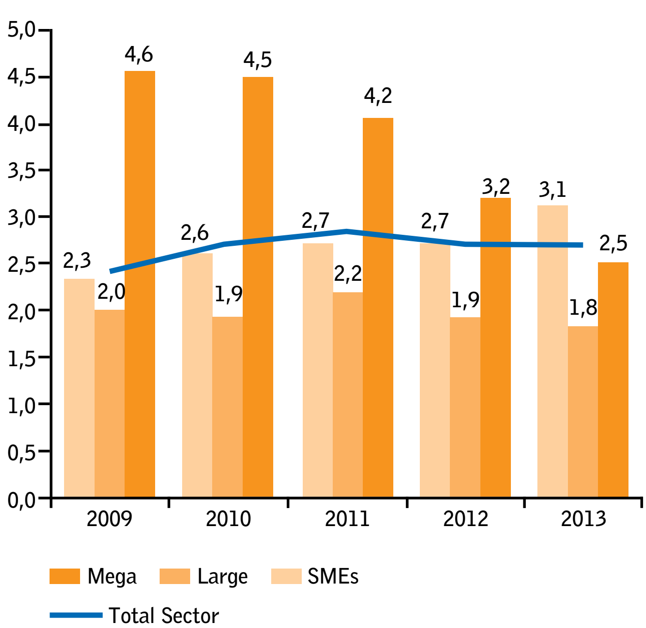
** Borrowings are not included*

### Average Collection Period of Receivables




- SMEs steadily record the longest periods of collecting receivables, which decrease as the companies' sizes increase.

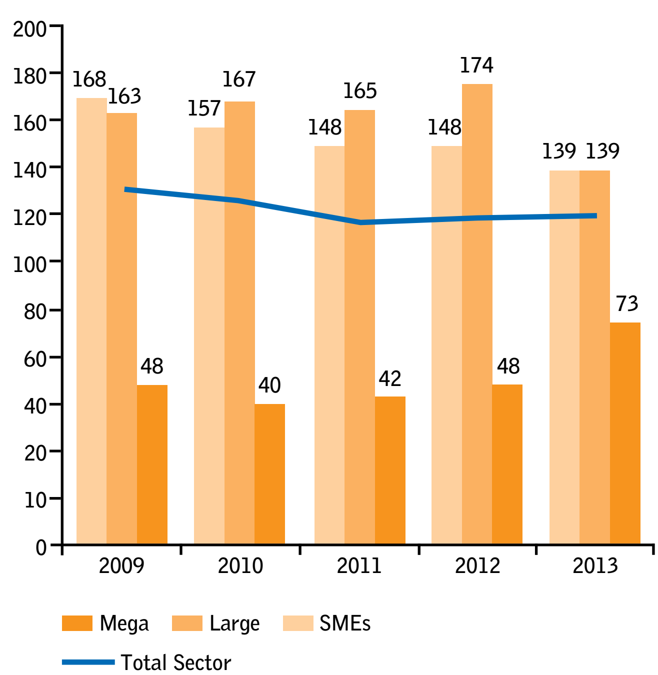
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- Large companies steadily present lower working capital.

### Average Period of Paying Liabilities




- Large companies steadily record longer periods in repaying liabilities. SMEs follow the same course, with the average period of paying liabilities fluctuating at five months.

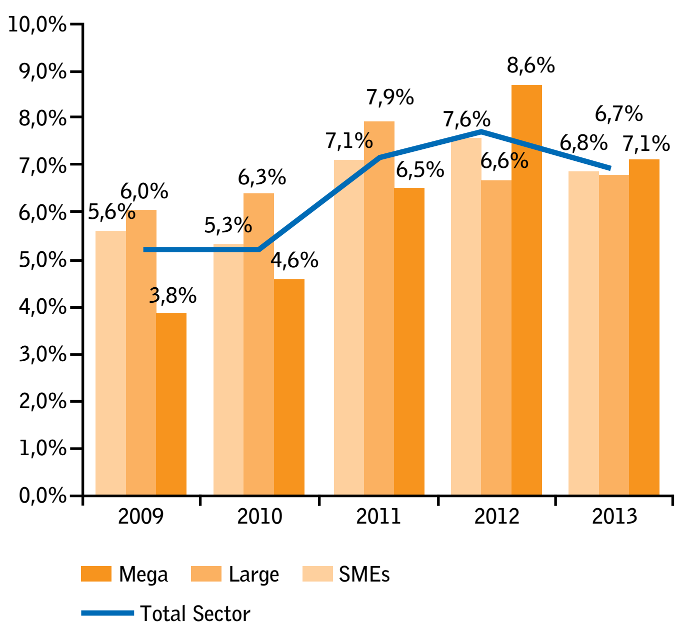
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 180 | 151 | 153 | 102 | 83 |
| Large | 10 | 3 | 25 | 19 | 16 |
| SMEs | 58 | 62 | 88 | 99 | 108 |
| **Total Sector** | **247** | **215** | **266** | **221** | **208** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 13 | 15 | 9 | 5 | 4 |
| Large | 1 | 1 | 2 | 2 | 1 |
| SMEs | 6 | 8 | 9 | 8 | 8 |
| **Total Sector** | **20** | **24** | **21** | **14** | **13** |

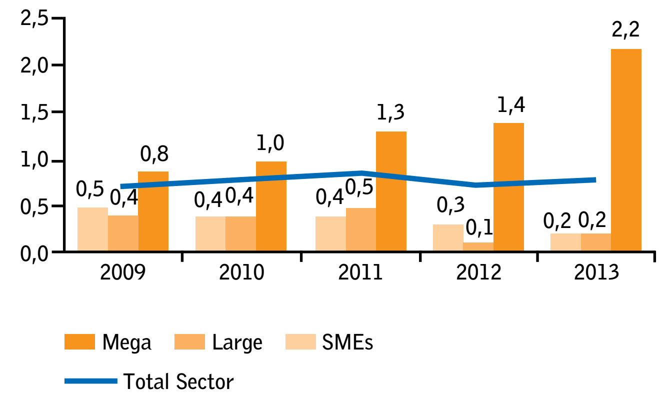
- Only the Mega company of the sector managed to receive bank financing of over € 100 million within the five year period.
- The other companies of the sector repay their loans, with SMEs having repaid over € 50 million within the five year period.

### Average Borrowing Interest Rate



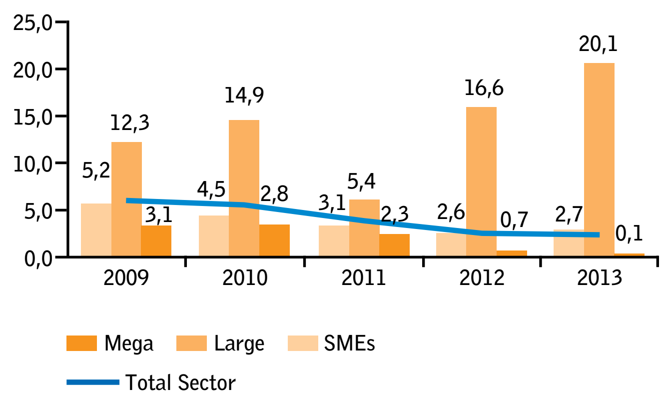

- The average borrowing interest rate of the sector steadily increased till 2012 inclusively and slightly decreased in 2013.

### Net Borrowings / Equity




- Loan burdening is low regarding SMEs, while the Mega company constantly increases its borrowings, which in the end of 2013 are two times higher than its equity.

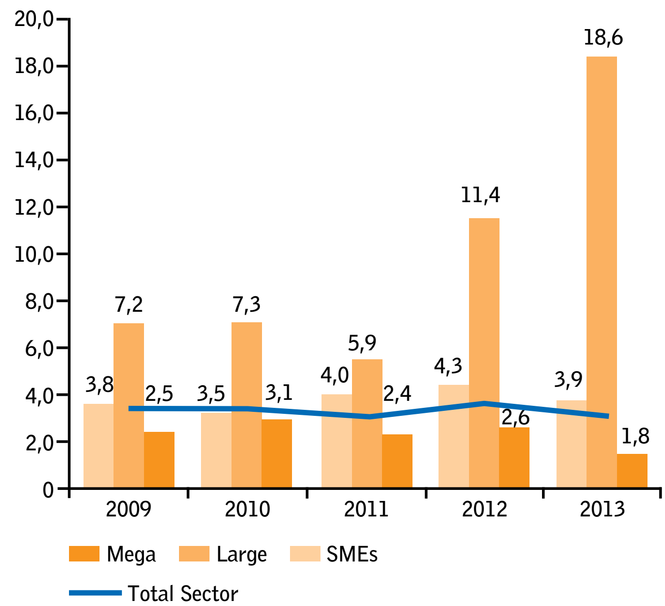
### EBITDA / Financial Expenses




- The ability to cover financial costs through EBITDA constantly decreases in respect of the Mega company, which in 2012 and 2013 is not in position to cover its financial costs.
- The ability of SMEs to cover their financial costs constantly decreases, while the ratio is maintained positive throughout the five year period.
- Large companies are all the more capable of covering their financial costs since they hold low borrowings and, therefore, their financial costs are also low.

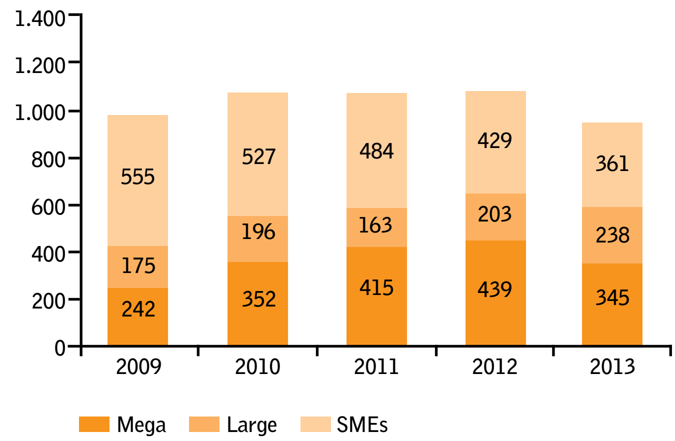
 

**Sales / Total Borrowings**




- Large companies of the sector achieve better results regarding the ratio given their steadily low borrowing.

**Sales**




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -94 | 25 | 63 | 110 |
| *(percentage)* | -21% | 6% | 18% | 46% |
| Large | 35 | 39 | -33 | 22 |
| *(percentage)* | 17% | 24% | -17% | 13% |
| SMEs | -68 | -55 | -43 | -28 |
| *(percentage)* | -16% | -11% | -8% | -5% |
| **Total Sales of the Sector** | **-126** | **9** | **-13** | **104** |
| ***(percentage)*** | **-12%** | **1%** | **-1%** | **11%** |

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 345 | 439 | 415 | 352 | 242 |
| Large | 238 | 203 | 163 | 196 | 175 |
| SMEs | 361 | 429 | 484 | 527 | 555 |
| **Total Sector** | **945** | **1.071** | **1.062** | **1.075** | **971** |

- The total sales of the sector record decreases from 2010 onwards with € 130 losses from 2010 to 2013. The decrease in exports has significantly affected the sector, while SMEs record constant decrease in sales of €194 million from 2009 to 2013.

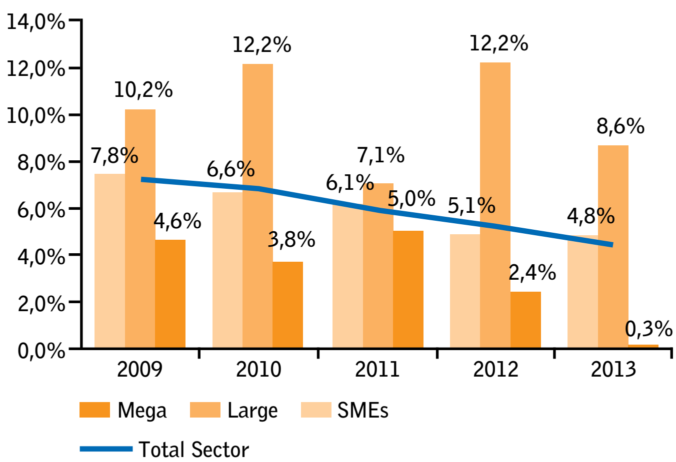
 | 

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1 | 11 | 21 | 13 | 11 |
| Large | 21 | 25 | 12 | 24 | 18 |
| SMEs | 17 | 22 | 30 | 35 | 43 |
| **Total Sector** | **39** | **57** | **62** | **72** | **72** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -19,6 | -13,3 | 3,6 | 0,6 | -0,2 |
| Large | 15,9 | 18,7 | 5,7 | 19,5 | 13,2 |
| SMEs | 6,7 | -1,6 | 7,6 | 15,7 | 20,7 |
| **Total Sector** | **3,0** | **3,8** | **16,9** | **35,8** | **33,8** |

- SMEs maintain their profitability within the five year period, apart from 2012, while the Large companies of the sector remain steadily profitable during the entire five year period.

### EBITDA Margin




- The sector records constant decrease in EBITDA margin. Mega company and SMEs steadily record decreases in their operating profits with smaller margins mainly due to decrease in sales.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 15 | 4 | -3 | -14 |
| Large | 6 | 36 | 12 | 10 |
| SMEs | 19 | 42 | 33 | 18 |
| **Total Sector** | **41** | **82** | **41** | **14** |

- Cash flows from operating activities increase till 2012 inclusively, while in 2013 they decrease to the levels recorded in 2011.
- The sector's SMEs present better ability to generate positive cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -45 | -14 | -11 | -5 |
| Large | -9 | -9 | -4 | -8 |
| SMEs | -6 | -12 | 0,04 | -1 |
| **Total Sector** | **-61** | **-35** | **-16** | **-14** |

- The Mega company of the sector has significant investing activities, opposed to the other companies of the sector.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 30 | 9 | 22 | 20 |
| Large | -8 | -15 | -13 | -3 |
| SMEs | -17 | -24 | -51 | -6 |
| **Total Sector** | **5** | **-30** | **-42** | **11** |

- Large companies and SMEs repay their loans and only the Mega company of the sector steadily receives funds, with its cash inflows from financing activities approaching € 80 million.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**11%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**13%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**48%** of the total companies of the sector,<br>**52%** of the total sales of the sector,<br>**88%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**28%** of the total companies of the sector,<br>**23%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |

## CONCLUSIONS
## Electrical Equipment and Lighting Sector

- The sector, which, apart from one company, records significant decreases as a result of the on-going recession.
- The sector's profit margins are lower than those recorded by the general total, given the intense competition the sector faces, in particular from foreign companies.
- The sector presents positive working capital, excluding borrowing, while the average period of collecting receivables depends on the companies' sizes, since the days of collecting receivables decrease as the size of the company increases.
- The sector's loan burdening is lower than the average recorded by the general total, apart from the Mega company of the sector. The sector's companies repay their loans and the Large companies' borrowings are particularly low.
- Most companies of the sector present very small investing activities.
- The sector's financing is low, excluding one company, with most companies of the sector repaying their borrowing.

 | 

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# Electricity Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

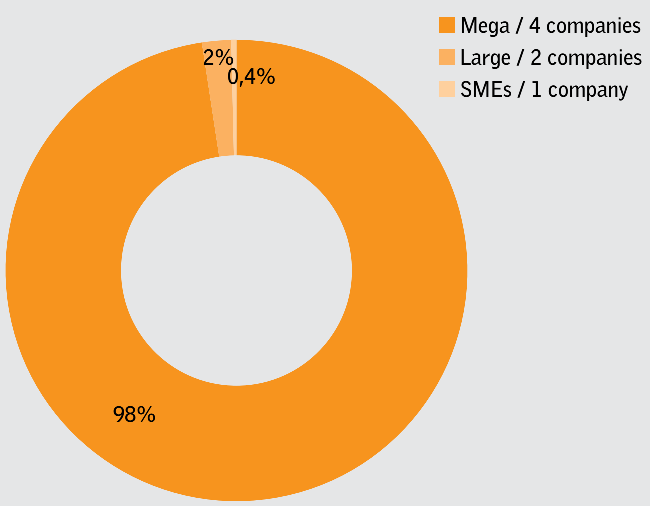
## Sector Structure

- **7** companies represent over **94%** of the sector's total operations
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.
    - **Mega:** Companies with sales over € 250 million.

## Sector Characteristics

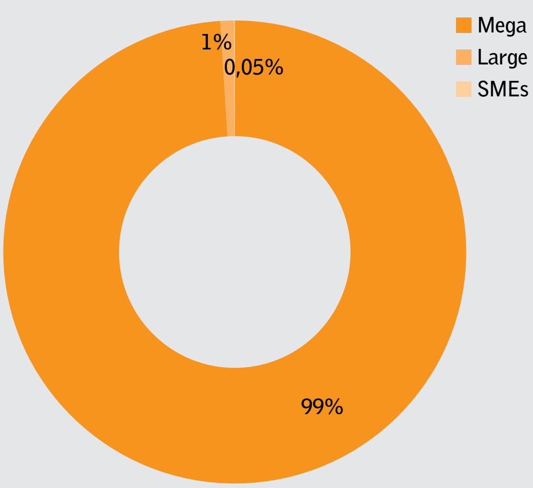
- High energy dependence of the country on fossil fuels, minerals, solid or gaseous fuels with low exploitation of Renewable Sources of Energy.
- Increased costs for the sector due to new policies of the European Union on implementation of Kyoto Protocol and management of soil carbon dioxide ($CO_2$).
- Electricity market in Greece is formed by producers of electricity, transmission and system operators and electricity suppliers.
- The sector is closely connected with social and macroeconomic conditions prevailing in the country, since all the operations are performed in Greece.

### Sales 2013

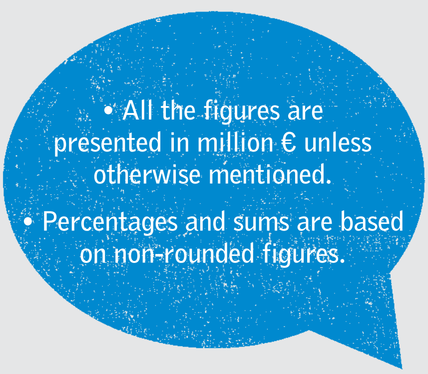



- Significant market concentration in the sector.

### Headcount 2013




- 92% of the sector's headcount are employed in one of the Mega companies.




 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | Small homogeneity among the companies, since their financial performance depends on their production capacity and technological processes applied by every company. |
| **Does a small number of companies dominate the sector?** | One Mega company performs 57% of the sector's sales and its financials dominate the sector's performance. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Higher loan burdening of the sector, due to big needs for capital, recorded by the companies. Moreover, the sector presents high profit margins, which, however, are decreasing in the recent years. |
| **Has the sector overcome the economic crisis?** | The sector does not seem to have overcome the crisis, still recording decreases in sales and profit margins. |
| **How hard was it for the sector to face the crisis?** | The sector's growth in the recent years in line with the addition of new generation technologies balanced the adverse effects of the crisis. However, the sector records significant liquidity problems. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records increases in sales even till 2012 versus high losses recorded by the Greek Economy in the same period due to the addition of new electricity production units as well as increase in costs of electricity, affecting the sales prices and, consequently, the turnover. |
| **What is the financial performance of the sector's SMEs?** | In the last two years, despite its zero borrowings, the sector's SME presents inability to generate operating profits and records particularly small market share. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | The sector's viability is not so much linked to the size of the companies as to electivity production technology. |
| **What are the prospects for the sector?** | Complete reformation of the market operation framework and liberalization of competition through introduction of new electricity suppliers act as a catalyst for better functioning of the market and are expected to give more choices and improved services to the consumers.<br><br>Meanwhile, further privatization in the sector planned by the State, as well as the investments related to electricity and natural gas transmission networks, coupled with the general upgrading of energy infrastructure, will help the development of the sector's companies. |

## CONDENSED FINANCIAL DATA

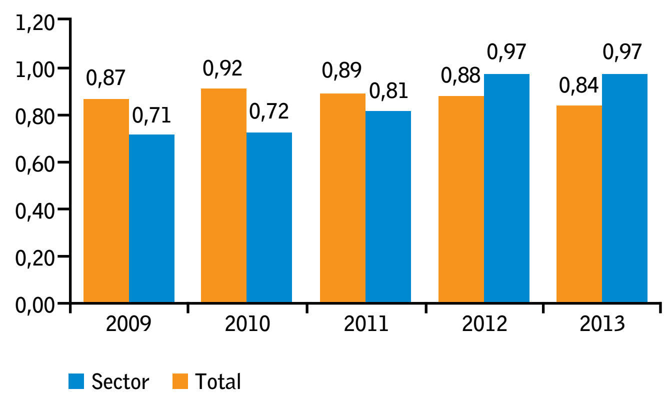
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 15.122 | 15.180 | 15.534 | 15.212 | 14.787 |
| Current Assets | 4.696 | 4.464 | 3.537 | 3.232 | 3.443 |
| **Total Assets** | **19.817** | **19.644** | **19.071** | **18.445** | **18.230** |
| **Equity** | **6.124** | **6.328** | **7.286** | **7.660** | **7.356** |
| Long-term Loan Liabilities | 3.689 | 3.616 | 4.059 | 4.004 | 2.986 |
| Other Long-term Liabilities | 3.823 | 3.650 | 3.470 | 3.681 | 3.795 |
| **Total Long-term Liabilities** | **7.512** | **7.267** | **7.529** | **7.685** | **6.781** |
| Short-term Loan liabilities | 2.230 | 2.505 | 1.857 | 1.502 | 2.228 |
| Other Short-term Liabilities | 3.952 | 3.544 | 2.400 | 1.597 | 1.865 |
| **Total Short-term Liabilities** | **6.182** | **6.049** | **4.257** | **3.099** | **4.093** |
| **Total Liabilities** | **13.694** | **13.316** | **11.785** | **10.784** | **10.874** |
| **Total Equity and Liabilities** | **19.817** | **19.644** | **19.071** | **18.445** | **18.230** |
| Working Capital | -1.486 | -1.585 | -720 | 133 | -650 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 10.019 | 10.901 | 10.595 | 9.979 | 9.772 |
| EBITDA | 893 | 1.004 | 780 | 1.499 | 1.642 |
| EBIT | 167 | 259 | 78 | 843 | 1.069 |
| EBT | 164 | -30 | -168 | 653 | 928 |
| EAT | -117 | -110 | -239 | 467 | 623 |

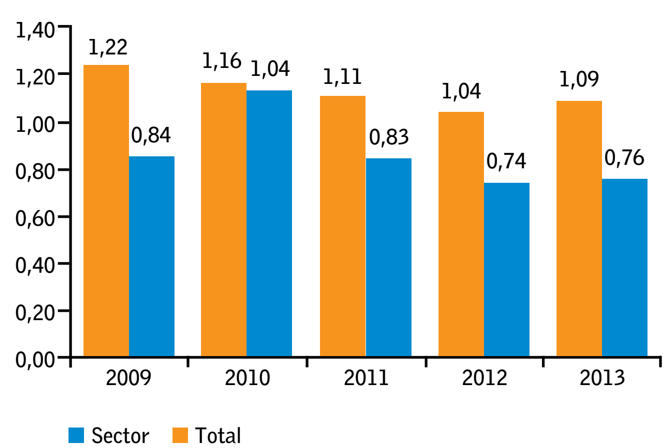
| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,0 | 1,0 | 0,8 | 0,7 | 0,7 |
| Current Assets/ Short-term Liabilities | 0,8 | 0,7 | 0,8 | 1,0 | 0,8 |
| EV/EBITDA | 13,0 | 12,0 | 16,2 | 8,2 | 7,2 |
| EBITDA Margin | 8,9% | 9,2% | 7,4% | 15,0% | 16,8% |

### Loan Liabilities / Equity




- The sector records loss-bearing results, while the increase in borrowings shapes the ratio over the general total levels in the last two years.
- It is worth mentioning than one of the Mega companies of the sector has zero borrowings, while it records substantial delays in financing its liabilities.

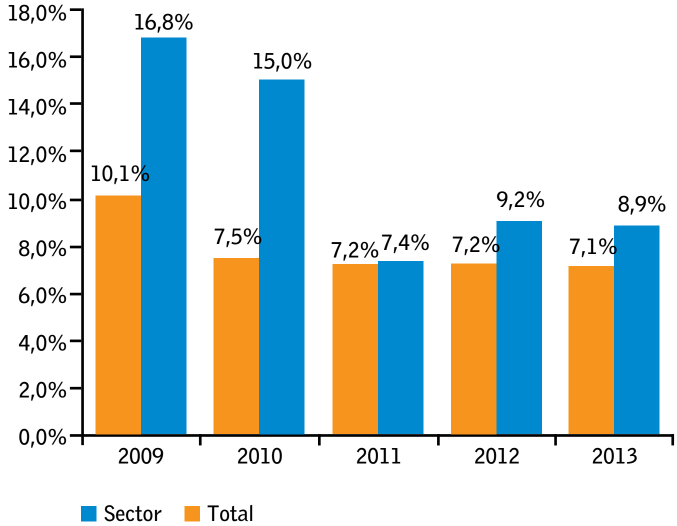
### Current Assets / Short-term Liabilities




- The sector's working capital is negative almost within the entire five year period.

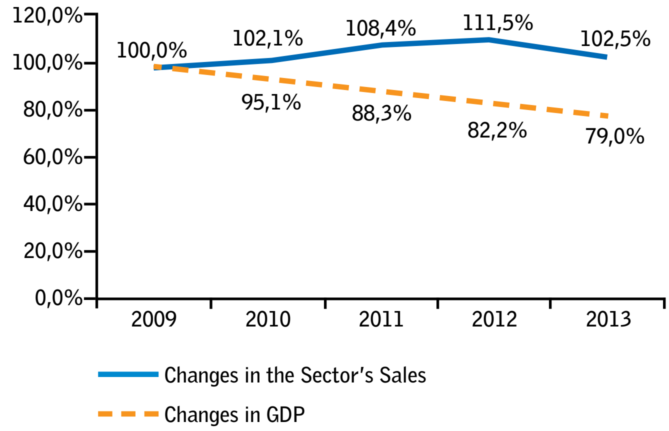
 

### EBITDA Margin



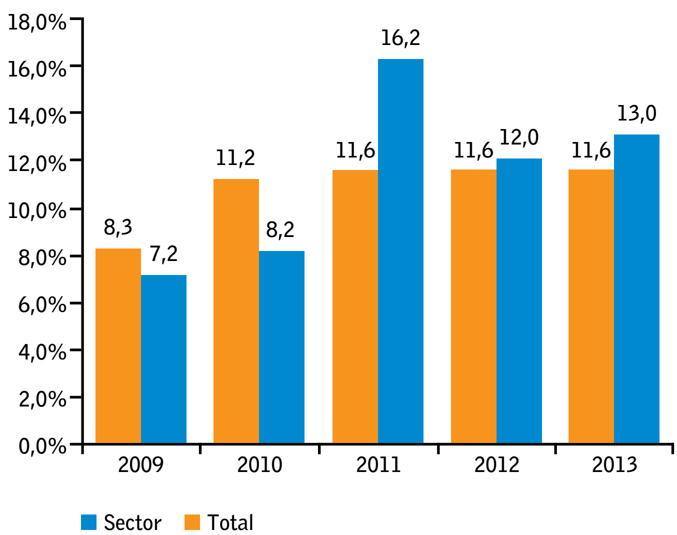

- Decline in profit margins, presented by the sector, mainly pertains to one of the Mega companies, recording losses that exceed 13%. However, the total sector's margin has been maintained within the last two years due to increases recorded in the margins by two Mega companies of the sector, one of which exceeded 52%.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Increase in electricity costs, affecting its price, as well as increase in the sales of the sector's companies recorded in 2010 – 2011 due to completion of the production units have resulted in the sector recording higher performance versus that of the Greek Economy.

### EV/EBITDA




- The ratio recorded by the sector is worse than that of the general total. However, the sector's companies greatly vary regarding different scope of their operations and, therefore, several companies present substantial investment interest.

## SECTOR ANALYSIS

### Working Capital

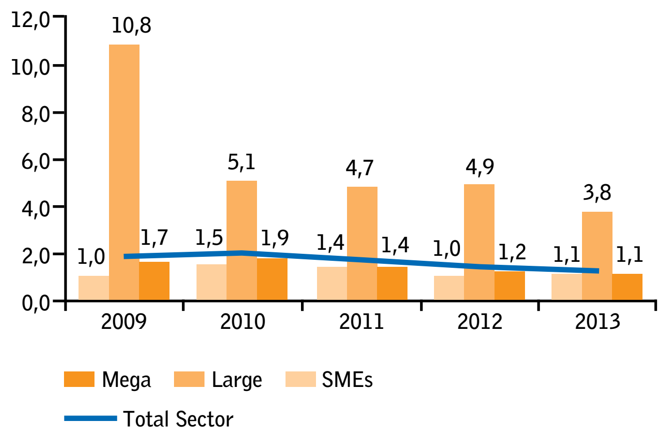
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -1.638 | -1.769 | -824 | 68 | -807 |
| Large | 151 | 183 | 104 | 65 | 157 |
| SMEs | 1 | 0,4 | 1 | 0,5 | -0,1 |
| **Total Sector Working Capital** | **-1.486** | **-1.585** | **-720** | **133** | **-650** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 520 | 606 | 887 | 1.426 | 1.296 |
| Large | 223 | 313 | 248 | 208 | 281 |
| SMEs | 1 | 0,4 | 2 | 1 | 0,3 |
| **Total Sector Working Capital** | **744** | **920** | **1.137** | **1.635** | **1.578** |

** Borrowings are not included*

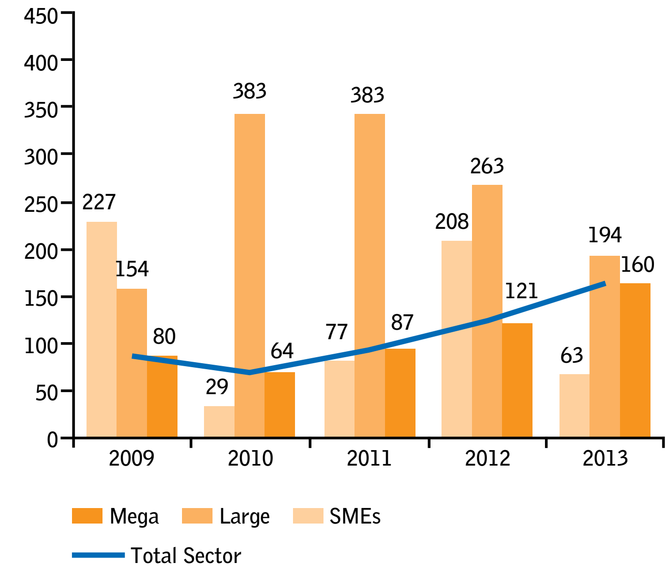
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

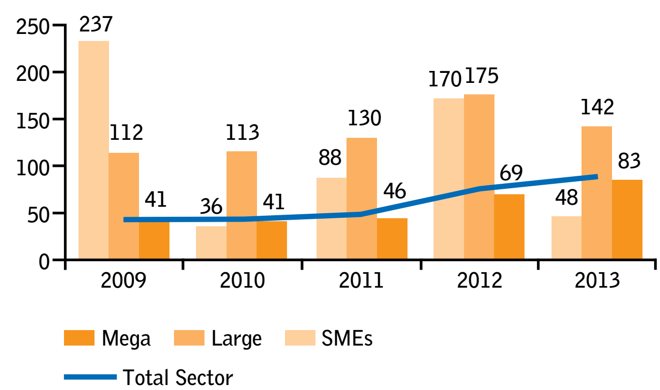
- It is to be noted that two out of four Mega companies of the sector steadily present negative working capital excluding borrowings, while one other Mega company presents negative working capital including borrowings.

### Average Period of Paying Liabilities




- All the sector's companies have adjusted the average period of paying liabilities so that it should not exceed the average period of collecting receivables.

### Average Collection Period of Receivables




- One Mega company records the average collection period of receivables under three months, thus shaping the total picture. Regarding almost all the other companies, in 2012 the relative period exceeds six months, given high liquidity problems they are faced with in order to settle their liabilities to producers.

## Borrowings

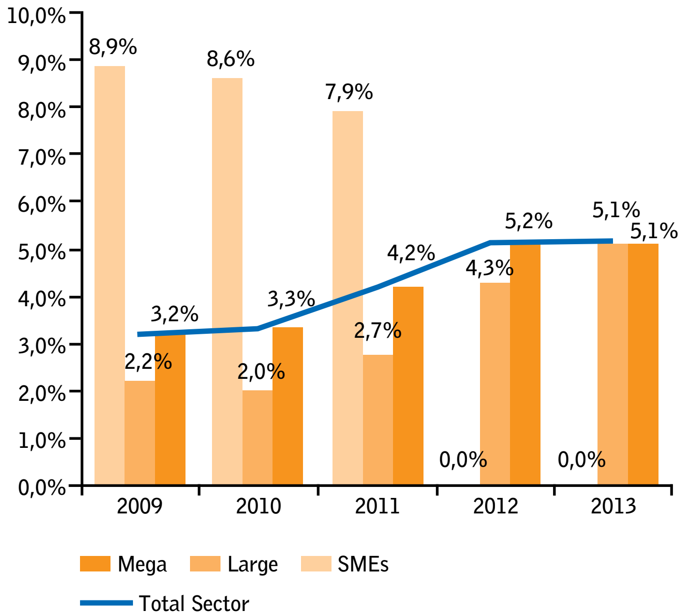
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 5.250 | 5.385 | 5.211 | 4.648 | 4.438 |
| Large | 237 | 289 | 139 | 14 | -43 |
| SMEs | -1 | -3 | 1 | 1 | 0,4 |
| **Total Sector** | **5.486** | **5.672** | **5.351** | **4.664** | **4.395** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 285 | 293 | 231 | 169 | 162 |
| Large | 20 | 16 | 7 | 4 | 4 |
| SMEs | 0 | 0 | 0,09 | 0,06 | 0,04 |
| **Total Sector** | **305** | **309** | **239** | **173** | **167** |

- Particularly high net borrowings of the sector also due to high need of construction, maintenance and replacement of their facilities.

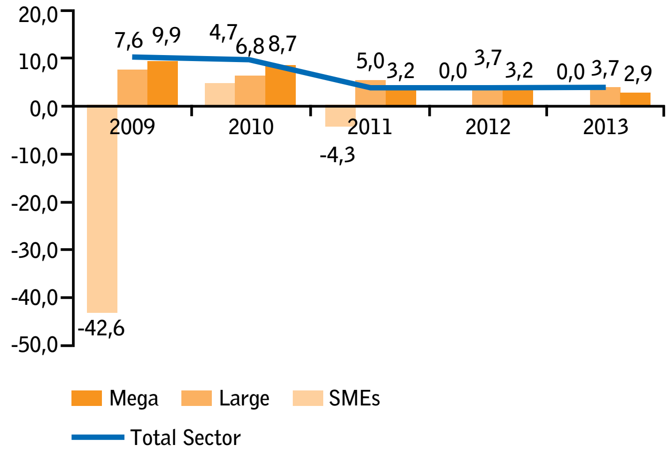
 | 

### Average Borrowing Interest Rate



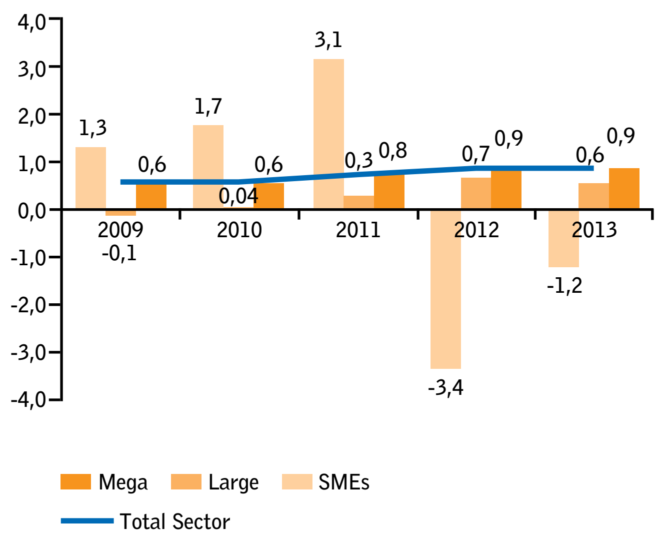

- The sector is more funded regarding long-term financing and achieves lower borrowing interest rates versus the other sectors.

### EBITDA / Financial Expenses



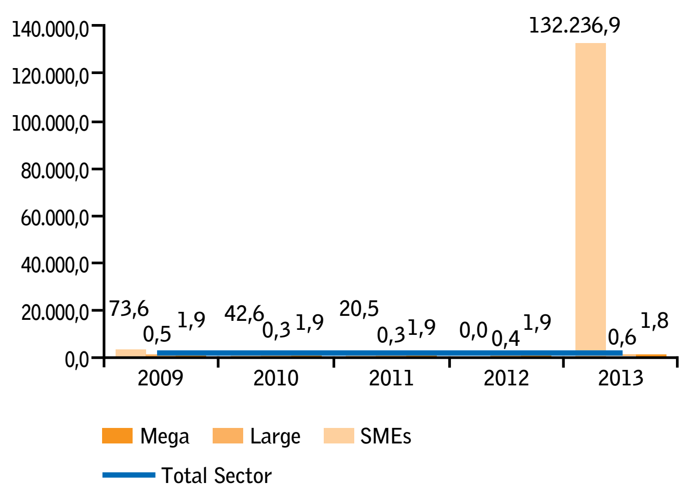

- Operating results of Mega and Large companies steadily cover their financial costs.

### Net Borrowings / Equity




- Given that the sector presents capital concentration, it seems that the total of the sector's companies are financed through equity, excluding one Mega company.

### Sales / Total Borrowings



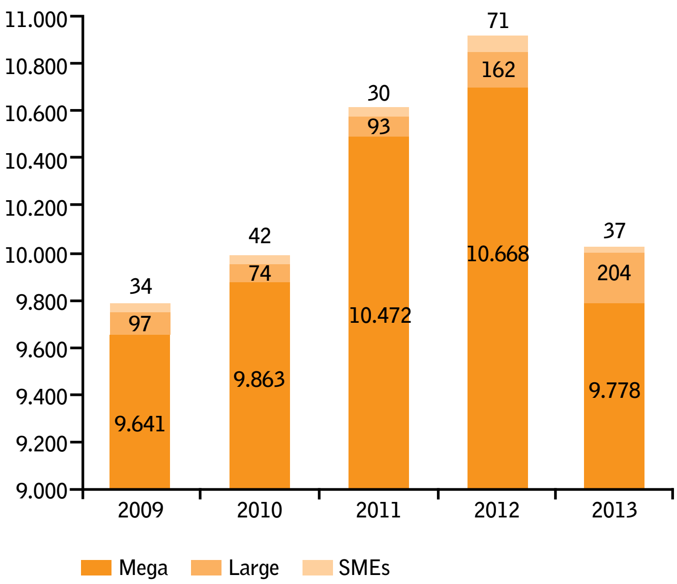

- One of the two Large companies records substantial borrowings, thus shaping the total of the category.
- One SME of the sector records almost zero total borrowings in the last two years.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 9.778 | 10.668 | 10.472 | 9.863 | 9.641 |
| Large | 204 | 162 | 93 | 74 | 97 |
| SMEs | 37 | 71 | 30 | 42 | 34 |
| **Total Sector** | **10.019** | **10.901** | **10.595** | **9.979** | **9.772** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -890 | 196 | 609 | 221 |
| *(percentage)* | -8% | 2% | 6% | 2% |
| Large | 43 | 68 | 19 | -23 |
| *(percentage)* | 26% | 73% | 26% | -24% |
| SMEs | -35 | 41 | -11 | 8 |
| *(percentage)* | -49% | 134% | -27% | 24% |
| **Total Sales of the Sector** | **-882** | **306** | **617** | **206** |
| ***(percentage)*** | **-8%** | **3%** | **6%** | **2%** |

- The change in turnover of the sector's companies has been substantially affected by the commercial launch of new production units. However, legislations, such as changes in the guaranteed sale price of electricity from photovoltaic plants or the changes in Variable Cost Recovery calculation of the operating units, have significantly affected the sales of the sector's companies.

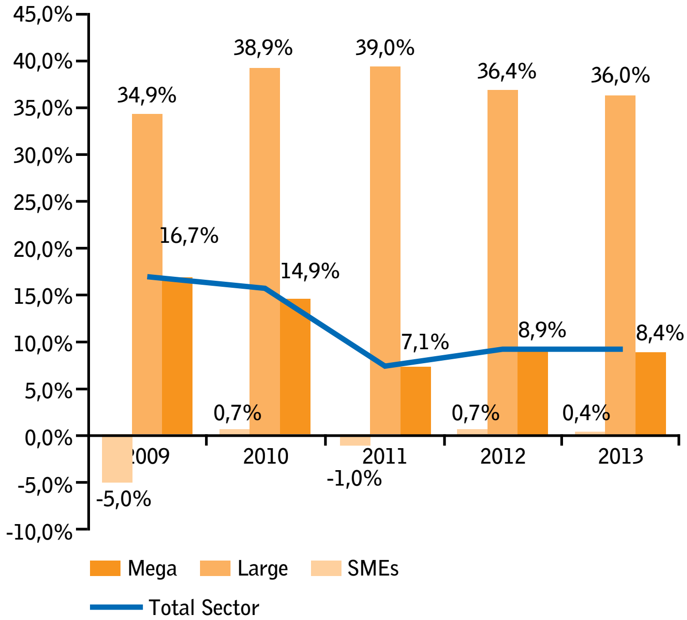
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 819 | 944 | 744 | 1.470 | 1.609 |
| Large | 74 | 59 | 36 | 29 | 34 |
| SMEs | 0,1 | 1 | -0,3 | 0,3 | -2 |
| **Total Sector** | **893** | **1.004** | **780** | **1.499** | **1.642** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 147,8 | -51,6 | -185,9 | 634,0 | 903,4 |
| Large | 15,8 | 20,8 | 19,1 | 19,2 | 26,3 |
| SMEs | 0,1 | 0,4 | -1,4 | 0,2 | -1,7 |
| **Total Sector** | **163,6** | **-30,3** | **-168,2** | **653,4** | **928,1** |

- It is worth noting that within the two year period 2012 - 2013, there were numerous legislative changes regarding the sector, such as imposition of special solidarity levy on producers of electricity from RES and CHP, imposition and subsequent increase of the Special Fee on Emissions Reduction (E.T.M.E.A.R.), imposition of excise duty on electricity produced from lignite, affecting the profitability of the sector, depending on the companies' scope of operations.

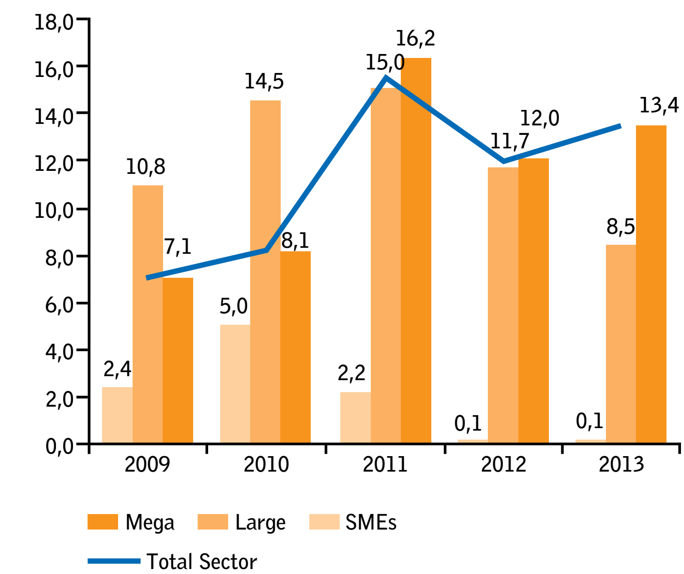
 

### EBITDA Margin




- In general, the sector records high profit margins, which, however, diversify regarding the companies. Companies holding in their energy portfolio thermal natural gas production units, achieve profit margins above 15%, while a company with a diversified energy portfolio, whose profit margin was recorded at 28% in 2009, decreased it to 15% in 2013.

### EV/EBITDA




- Zero net borrowings regarding SME have shaped the particularly favorable ratio. As far as the Large companies are concerned, the ratio improves in 2013.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 819 | 1.164 | 1.101 | 1.146 |
| Large | 47 | 40 | 38 | 35 |
| SMEs | -2 | 5 | -1 | -1 |
| **Total Sector** | **865** | **1.208** | **1.139** | **1.180** |

- Large and Mega companies record positive cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -710 | -824 | -1,089 | -1.023 |
| Large | 60 | -186 | -144 | -68 |
| SMEs | 0,2 | -0,5 | -0,1 | 1 |
| **Total Sector** | **-650** | **-1.011** | **-1.234** | **-1.090** |

- High investing activities of the sector due to significant investments in new units as well as in maintenance of the facilities.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -69 | -463 | -241 | -55 |
| Large | -111 | 110 | 73 | -13 |
| SMEs | -0,1 | -2 | 1 | 0.4 |
| **Total Sector** | -180 | -354 | -167 | -68 |

- High financing needs in 2010 – 2012 regarding the Large companies, while Mega companies made repayments within the same period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**22%** of the total companies of the sector,<br>**3%** of the total sales of the sector,<br>**6%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**22%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**56%** of the total companies of the sector,<br>**96%** of the total sales of the sector,<br>**94%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Electricity Sector

- The sector records high borrowings, mainly long-term, necessary to finance construction and maintenance of production units.
- Almost all the sector's sales cannot cover its total borrowings.
- High profit margins, despite the particularly adverse effect of the decrease in the margins recorded by one Mega company in 2011 onwards.
- Difficulties in collecting receivables. Excluding one Mega company, the other companies present the collecting period that equals 6 months.
- Numerous changes in legislative framework regarding the companies' operations have affected both – the sector's sales and its profitability.

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# Electronic Equipment Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

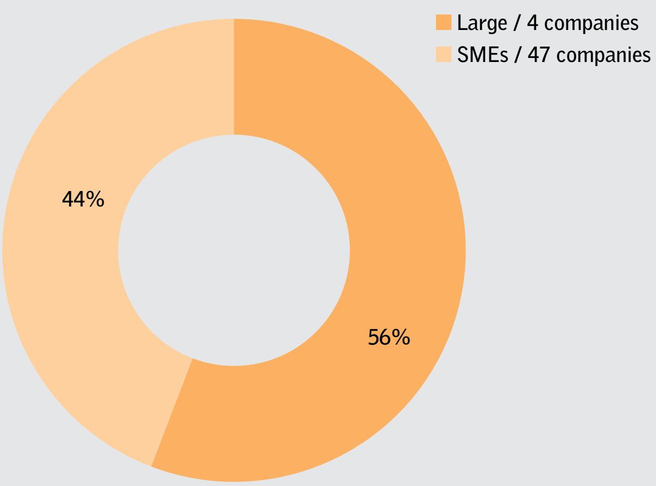
## Sector Structure

- **51** companies represent **91%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

## Sector Characteristics

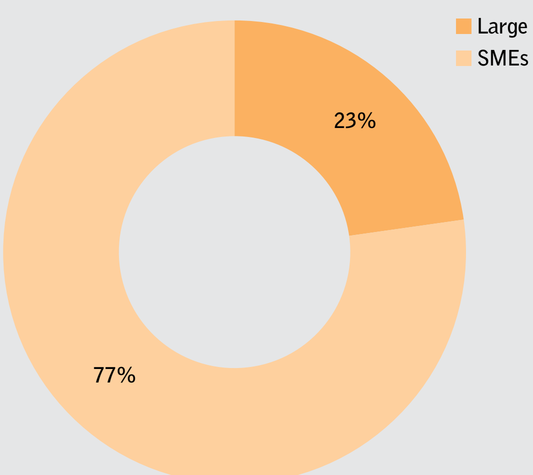
- Decrease in turnover and small profit margins.
- Any decrease in sales significantly affects profit margins and working capital of the companies.
- Intense competition, further decrease the profit margins.
- The sector records decrees in turnover. Domestic market does not present particular growth prospects; therefore, the companies look for foreign markets in order to increase market share.

### Sales 2013




- Large companies represent 56% of the sector's total sales in 2013.

### Headcount 2013




- 77% of the sector's headcount are employed in SMEs.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector is not characterized by homogeneity, since it consists of various companies of different financial characteristics and sizes. |
| **Does a small number of companies dominate the sector?** | Four companies hold almost 56% of the sector's sales. Despite the differentiation in the scope of operations, per scope concentration is plausible. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector seems to record strong capital structure and liquidity, over the general total, however, its profitability has significantly decreased. |
| **Has the sector overcome the economic crisis?** | The sector has not overcome the effects of the crisis. Sales, liquidity and profitability are decreasing. |
| **How hard was it for the sector to face the crisis?** | The sector was adversely affected by the crisis, as can be established from its downturn course, both regarding turnover and profitability. However, it does not present liquidity problems that are particularly significant regarding the other sectors. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector's course follows that recorded by the Greek Economy in general. Decrease in its operations exceeds the Greek Economy's recorded average, with adverse effect on the companies' profitability. |
| **What is the financial performance of the sector's SMEs?** | SMEs hold almost half of the sector's market share, recording better levels of liquidity and better capital structure versus Large companies. However, they still face the decline in operations as a result of the crisis. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to size as to financial structure and the size of borrowings. |
| **What are the prospects for the sector?** | Given the current conditions and significant losses recorded by the sectors, it is in the process of restraining losses and looking for solutions that will facilitate its recovery.<br>Developing new products, through further investment in research and development, and desplacement in areas such as electronic commerce, constitute an important perspective for the industry. Meanwhile, it is important to strengthen SMEs, given their high contribution to employment of the sector, and that among them there are companies with strong fundamentals, that can form the basis for growth. |

# CONDENSED FINANCIAL DATA

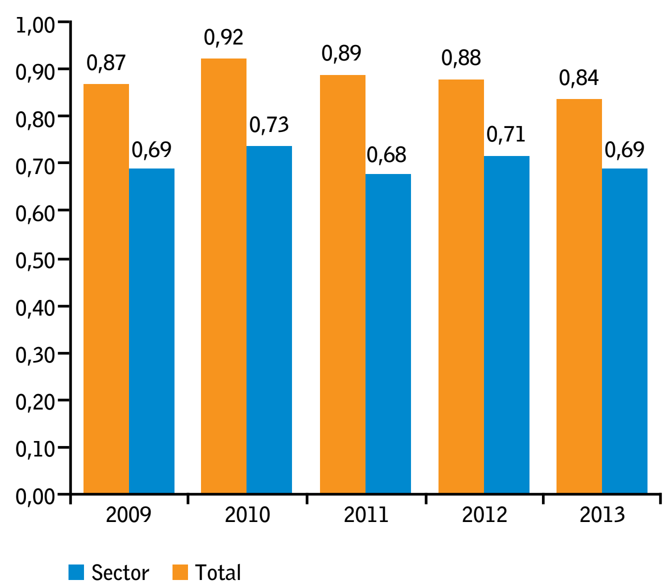
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 419 | 425 | 440 | 462 | 499 |
| Current Assets | 600 | 670 | 757 | 879 | 843 |
| **Total Assets** | **1.019** | **1.096** | **1.197** | **1.341** | **1.342** |
| **Equity** | **424** | **457** | **512** | **525** | **549** |
| Long-term Loan Liabilities | 64 | 75 | 43 | 55 | 196 |
| Other Long-term Liabilities | 49 | 44 | 47 | 46 | 42 |
| **Total Long-term Liabilities** | **114** | **120** | **90** | **102** | **238** |
| Short-term Loan liabilities | 229 | 247 | 305 | 326 | 182 |
| Other Short-term Liabilities | 252 | 272 | 290 | 388 | 373 |
| **Total Short-term Liabilities** | **481** | **519** | **595** | **714** | **555** |
| **Total Liabilities** | **594** | **639** | **685** | **815** | **793** |
| **Total Equity and Liabilities** | **1.019** | **1.096** | **1.197** | **1.341** | **1.342** |
| Working Capital | 119 | 151 | 162 | 165 | 288 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 705 | 848 | 871 | 975 | 1.018 |
| EBITDA | 35 | 17 | 55 | 45 | 52 |
| EBIT | -5 | -16 | 18 | -3 | 19 |
| EBT | -37 | -53 | -11 | -13 | 1 |
| EAT | -37 | -56 | -17 | -19 | -8 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 0,7 | 0,7 | 0,7 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,2 | 1,3 | 1,3 | 1,2 | 1,5 |
| EV/EBITDA | 18,3 | 41,3 | 13,5 | 17,1 | 14,8 |
| EBITDA Margin | 4,9% | 2,0% | 6,3% | 4,6% | 5,1% |

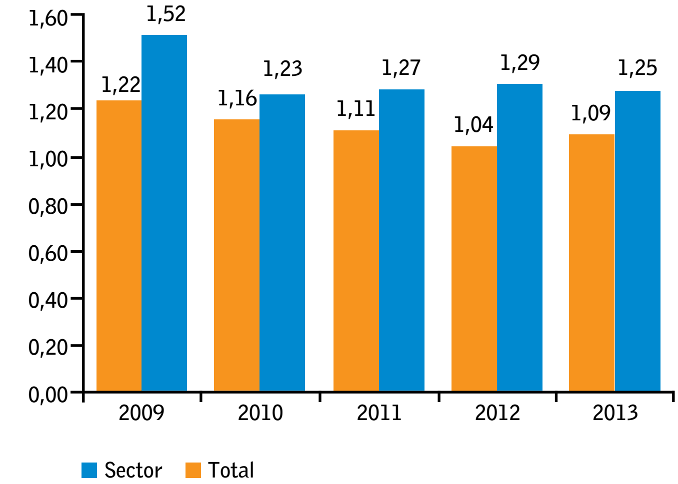
### Loan Liabilities / Equity




- Debt to equity ratio is recorded at satisfactory levels versus the general total within the five year period.

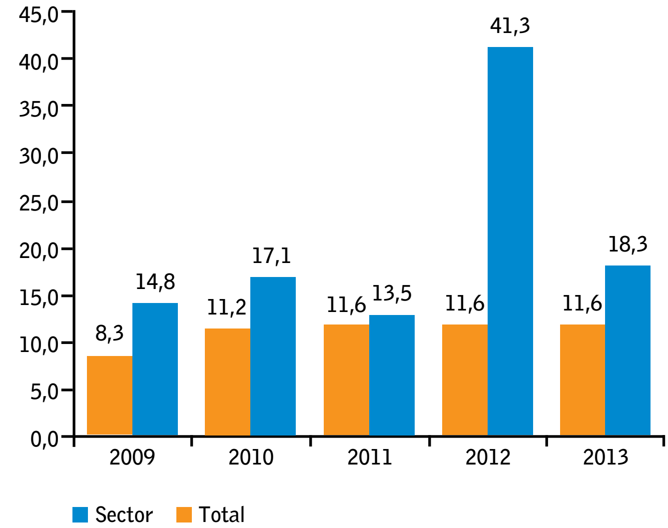
 

### Current Assets / Short-term Liabilities



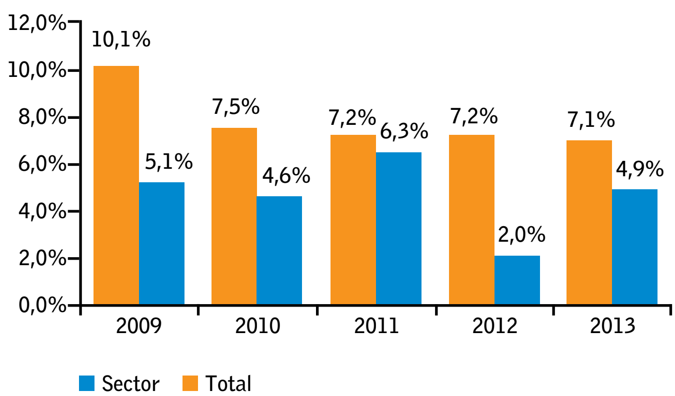

- The sector's companies present steadily positive working capital and their liquidity seems better than the general total average.

### EV/EBITDA



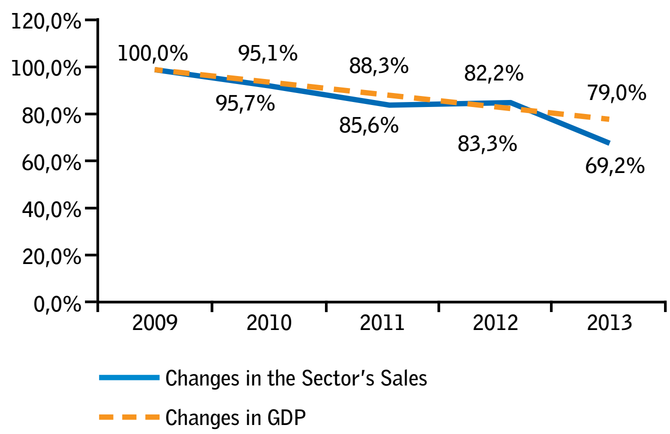

- Decrease in the sector's operating profitability has adversely affected the ratio, which presents a worse performance than the general total average.

### EBITDA Margin




- Despite fluctuations, EBITDA margin presents decreasing tendencies.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector's sales follow the downturn course recorded by the GDP and seem to have recorded a bigger decrease in 2013. As a total, the decrease recorded in the period 2009 – 2013 stands at approximately 31%.

# SECTOR ANALYSIS

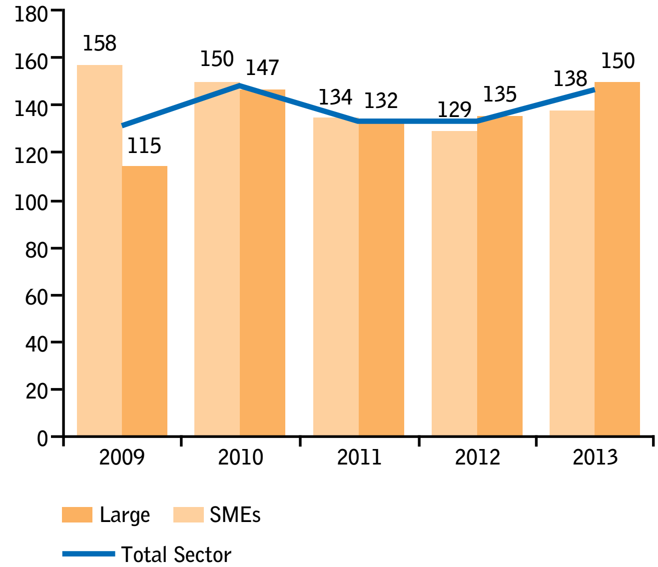
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 9 | 40 | 60 | 62 | 184 |
| SMEs | 110 | 111 | 102 | 103 | 104 |
| **Total Sector Working Capital** | **119** | **151** | **162** | **165** | **288** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 186 | 234 | 295 | 320 | 300 |
| SMEs | 162 | 164 | 172 | 171 | 170 |
| **Total Sector Working Capital** | **348** | **398** | **467** | **491** | **470** |

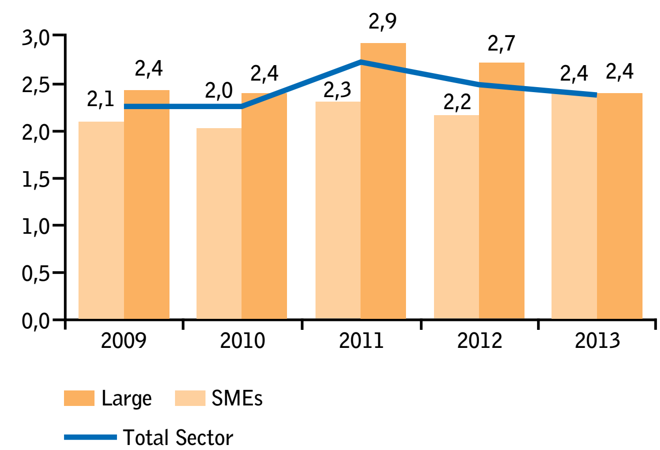
** Borrowings are not included*

### Average Collection Period of Receivables




- The average collection period of receivables regarding Large companies and SMEs stands at four to five months at average.

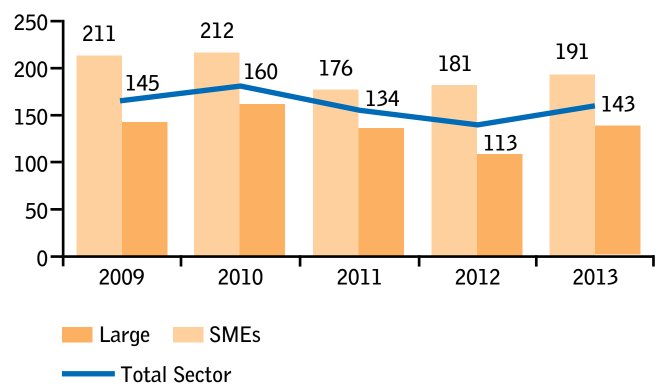
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- Large companies seem to present better liquidity than the other companies. It's encouraging that in 2013, 88% of the sector's companies present positive working capital.

### Average Period of Paying Liabilities




- The average period of paying liabilities regarding SMEs stands at approximately six to seven months, while regarding the Large companies – at four to five months.

 | 

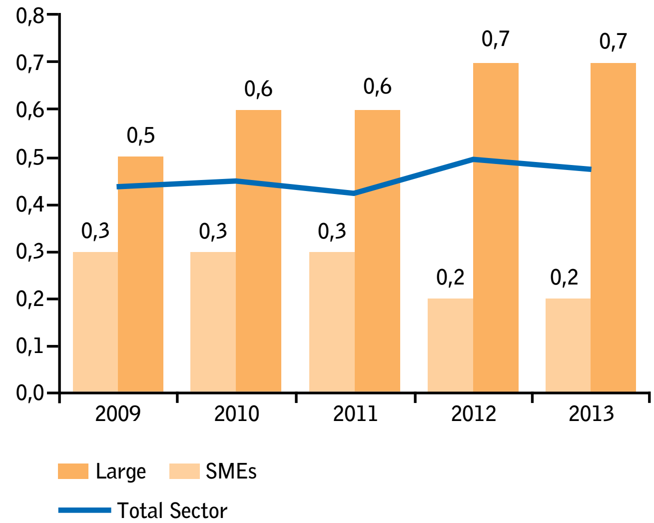
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 166 | 188 | 181 | 181 | 156 |
| SMEs | 43 | 49 | 53 | 57 | 67 |
| **Total Sector** | **210** | **237** | **234** | **237** | **223** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 16 | 17 | 15 | 10 | 13 |
| SMEs | 7 | 8 | 7 | 5 | 5 |
| **Total Sector** | **23** | **25** | **22** | **15** | **18** |

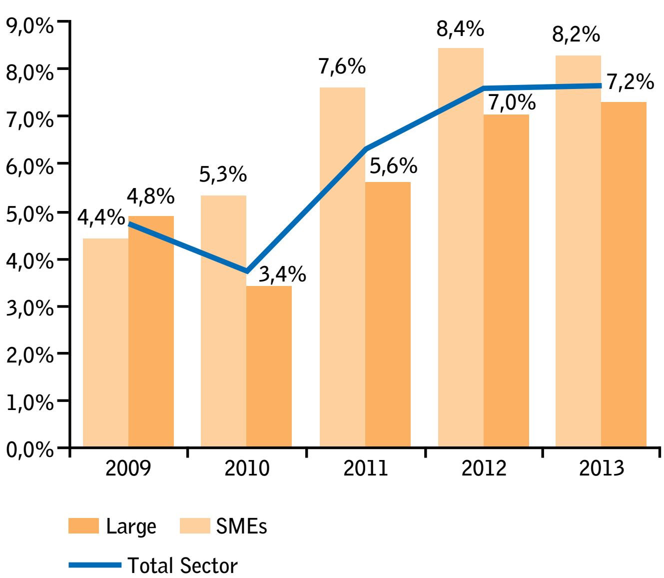
- As a total, at times of crisis, the sector did not significantly increase its borrowings, achieving a decrease in 2013.

### Net Borrowings / Equity



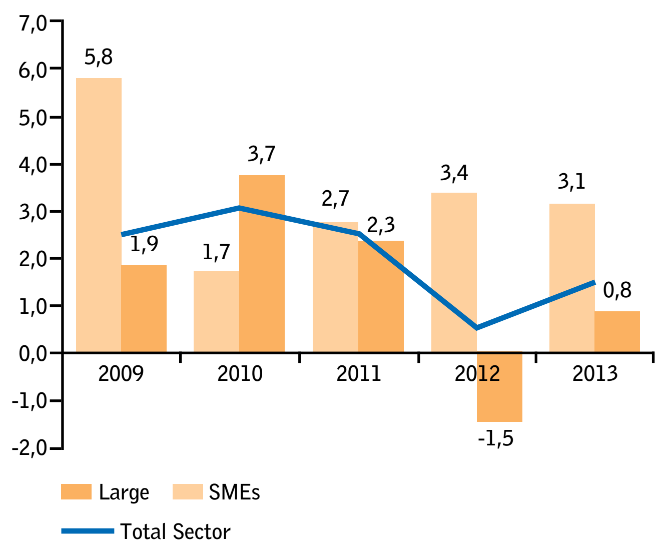

- Strong capital structure of the sector is obviously reflected in the ratio. SMEs record all the more decreasing loan burdening versus the Large companies of the sector.

### Average Borrowing Interest Rate




- The average interest borrowing rate sufficiently increases from 4,7% in 2009 to 7,5% in 2013.

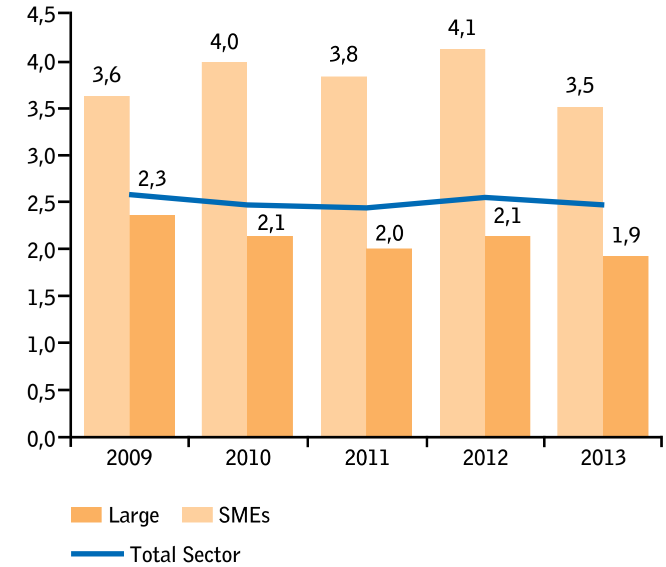
### EBITDA / Financial Expenses




- Increase in costs of financing, in line with the decrease in operating profits, has affected the companies' ability to cover costs of financing, in particular regarding the Large companies that have recorded more substantial decreases in operating profits.

### Sales / Total Borrowings




- SMEs present better levels of the particular ratio, almost double than that recorded by the Large companies.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -94 | -25 | -80 | -41 |
| *(percentage)* | -19% | -5% | -14% | -6% |
| SMEs | -50 | 1 | -23 | -3 |
| *(percentage)* | -14% | 0,3% | -6% | -1% |
| **Total Sales of the Sector** | **-143** | **-23** | **-103** | **-43** |
| ***(percentage)*** | **-17%** | **-3%** | **-11%** | **-4%** |

- Sales recorded by the Large companies and SMEs significantly decline in the period 2009 – 2013, by 38% and 19% respectively.

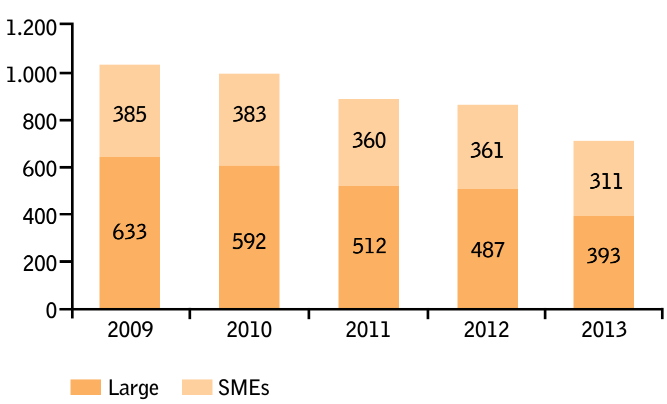
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 393 | 487 | 512 | 592 | 633 |
| SMEs | 311 | 361 | 360 | 383 | 385 |
| **Total Sector** | **705** | **848** | **871** | **975** | **1.018** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 12 | -9 | 35 | 36 | 25 |
| SMEs | 22 | 26 | 20 | 9 | 27 |
| **Total Sector** | **35** | **17** | **55** | **45** | **52** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -30,4 | -52,7 | -9,5 | -5,3 | -9,1 |
| SMEs | -6,2 | -0,5 | -1,5 | -8,0 | 10,2 |
| **Total Sector** | **-36,6** | **-53,2** | **-11,1** | **-13,3** | **1,0** |

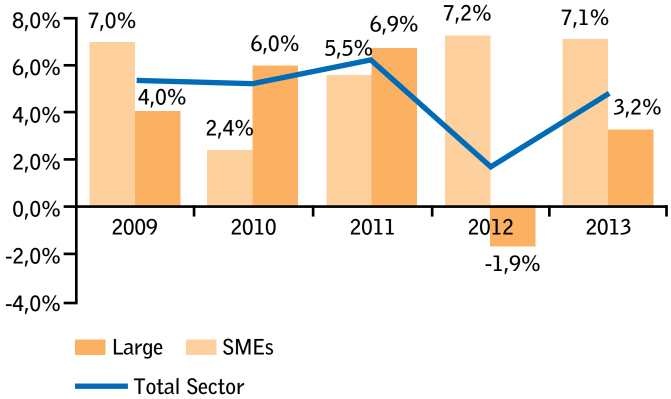
### Sales




- The significant decrease in sales recorded by the Large companies has adversely affected their operating profits as well as their profitability as a total, while they presented substantial losses in 2012 and 2013. Similar results are recorded by SMEs. However, it is to be noted that the negative results presented by SMEs are affected by the substantial losses recorded by one company. It is worth mentioning that in 2013, only 20% of SMEs present losses before tax. In contrast, 75% of Large companies present losses before tax.

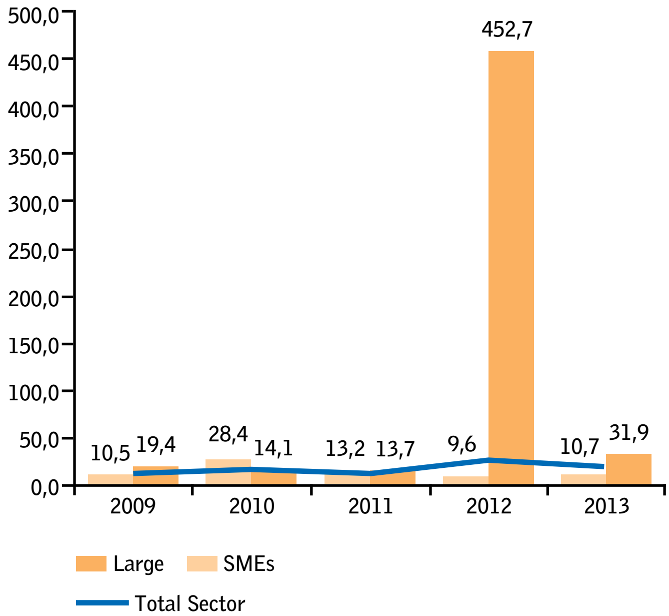
 

### EBITDA Margin




- In 2013, EBITDA margin recorded increasing tendencies. Higher margins are presented by SMEs.

### EV/EBITDA




- SMEs, at average, present more investment interest, while EV/EBITDA ratio records significant fluctuations as far as the Large companies are concerned, due to the decrease in their profits, resulting in recording losses in 2012.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 17 | 6 | 24 | 7 |
| SMEs | 24 | 24 | 12 | 2 |
| **Total Sector** | **42** | **30** | **36** | **9** |

- Cash flows from operating activities present increases within the four year period, with bigger increases recorded by the sector's SMEs.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -14 | -10 | -13 | -11 |
| SMEs | -11 | -7 | -1 | 10 |
| **Total Sector** | **-25** | **-17** | **-14** | **-1** |

- Investing activities record increasing tendencies, with the Large companies leading the way.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -11 | -25 | -41 | -6 |
| SMEs | -6 | -18 | -11 | -12 |
| **Total Sector** | **-17** | **-43** | **-51** | **-18** |

- In 2013, the sector records low financing activities.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**17%** of the total companies of the sector,<br>**5%** of the total sales of the sector,<br>**6%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**20%** of the total companies of the sector,<br>**7%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**34%** of the total companies of the sector,<br>**42%** of the total sales of the sector,<br>**93%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**29%** of the total companies of the sector,<br>**46%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Electronic Equipment Sector

- The sector has recorded a significant decrease in operations, which, at average, stands at 31%. SMEs, in particular, have lost approximately 38% of turnover within the five year period.
- Regarding SMEs that have retained their profit margins despite the decrease in sales, 80% presented profits in 2013, versus the Large companies, 25% of which record profits in 2013.
- Borrowings are mainly presented by the Large companies of the sector. However, it is to be noted that the level of the borrowings does not threaten the sector's viability.

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# Fish Farms Sector

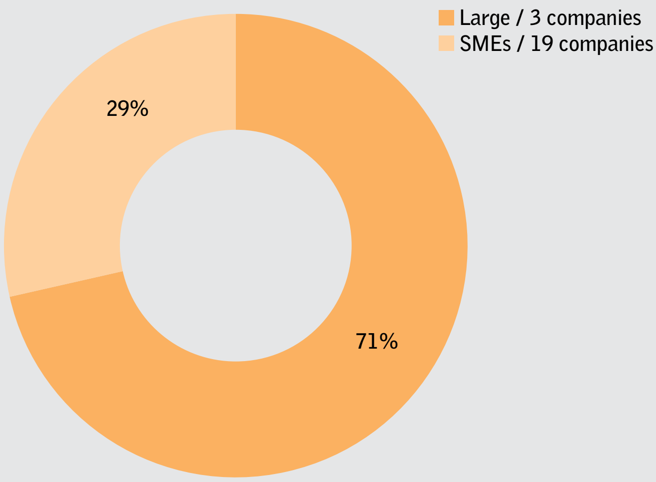
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

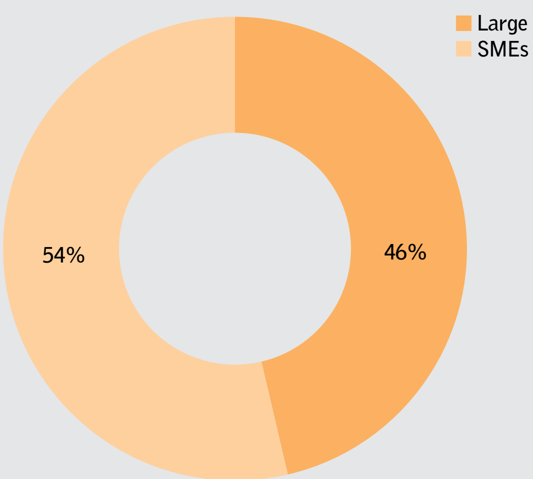
- **22** εcompanies represent over **77%** of the sector's total operations.
- **2** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 3 companies represent over 71% of the sector's total sales in 2013.

### Headcount 2013




- 46% of the sector's headcount are employed in 3 Large companies.

## Sector Characteristics

- Fish farms constitute a sector with a strong outward orientation, which can be a driving force for growth for the Greek economy. Aquaculture Fish are the second most important export product of the country (after olive oil and olives), while Greek companies produce about 50% of total world production in seabream and seabass and are ranked first in Europe.
- The sector records significant liquidity and over borrowing problems, since the total loans exceed € 600 million.
- At the end of 2013, two of three Large companies of the sector were carrying out negotiations with the lending banks on debt restructuring, while the third largest listed company of the sector did not publish financial statements for FY 2013 due to submission of bankruptcy application. The application was canceled, after re-qualification application to consolidation in accordance with the provisions of Article 99 of Law 3588/2007. One of three Large companies of the sector reached an agreement with the lending banks on the basis of the reorganization plan.
- The key problem faced by the sector is maintaining the sales price at a level which covers the entire production cost, which, however, was not achieved due to intense competition.
- There is a tendency towards consolidation that is expected to continue within the following years.
- Production process lasts for 18 - 22 months. However, sound financial planning is expected from the producers as well as increased needs for working capital.
- The sector's results are substantially affected by changes in fair value of biological assets.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 3 companies hold 71% of turnover and employ 46% of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Compared to the general total, the sector seems to be financing its operations through bank loans rather than equity and records lower profit margins. |
| **Has the sector overcome the economic crisis?** | Given liquidity problem and significant loan burdening, the sector seems to be trying to survive, recording the highest losses in 2013. However, it is a positive sign that loan restructuring has already started in respect of one of two Large companies of the sector. |
| **How hard was it for the sector to face the crisis?** | The crisis has not significantly affected the sector's sales, however, given the particularly intense competition, significant liquidity and over borrowing problems were recorded. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector's sales follow the opposite course versus that of the Greek Economy, with the exception of 2013, however, the sector is characterized by significant liquidity problems. |
| **What is the financial performance of the sector's SMEs?** | The problem faced by SMEs is focused on lack of capital to invest in equipment in order to upgrade production facilities and achieve standardization of the products. Moreover, the sector's companies have difficulties in developing extensive distribution network, while quite a lot of them have no direct access to foreign markets, which is particularly important as the sector is mainly export-oriented. Nevertheless, SMEs manage to survive better than the Large companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem so much related to the size of the companies, as SMEs present better financial performance that the Large companies. However, financial structure and the size of bank loans play a significant part in the companies' viability. |
| **What are the prospects for the sector?** | The crucial factor is the restructuring of bank loans regarding highly indebted Large companies, since liquidity needs often lead to intense price competition, affecting the overall profitability of the sector.<br>Protection of the final selling price combined with banking reorganization are the key factors regarding the sector's viability and growth.<br>The sector's companies' prospects are focused on decreasing the duration of the production process. Ideal geomorphological and climatic conditions, high expertise and high degree of vertical integration can significantly contribute to achieving this objective.<br>In 2014, the decrease in the price of fish will help reduce the total cost and facilitate a potential improvement in profit margins.<br>Increasing presence of Turkish companies in the same markets, taking advantage of lower operating costs (labor costs, state grants, low borrowings) constitutes a negative factor for the sector. |

## CONDENSED FINANCIAL DATA

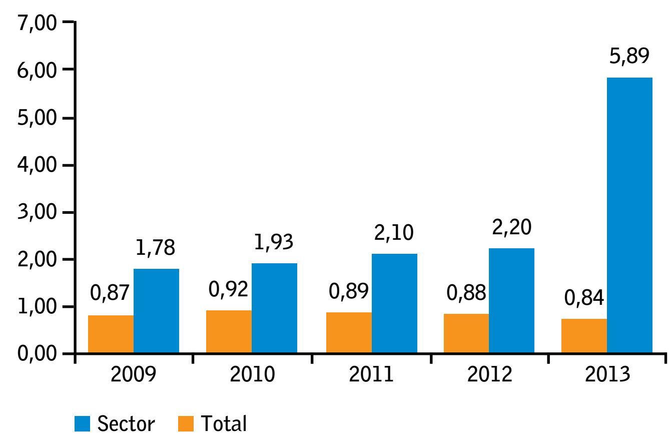
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 270 | 289 | 299 | 335 | 348 |
| Current Assets | 270 | 301 | 317 | 340 | 314 |
| **Total Assets** | 524 | 641 | 619 | 657 | 654 |
| | **1.065** | **1.231** | **1.235** | **1.331** | **1.317** |
| **Equity** | | | | | |
| | **103** | **265** | **290** | **338** | **349** |
| Long-term Loan Liabilities | | | | | |
| Other Long-term Liabilities | 127 | 212 | 250 | 390 | 320 |
| **Total Long-term Liabilities** | 42 | 61 | 58 | 78 | 72 |
| Short-term Loan liabilities | **169** | **273** | **307** | **467** | **392** |
| Other Short-term Liabilities | 479 | 371 | 358 | 261 | 303 |
| **Total Short-term Liabilities** | 314 | 322 | 280 | 265 | 273 |
| **Total Liabilities** | **793** | **693** | **638** | **526** | **576** |
| **Total Equity and Liabilities** | **962** | **966** | **945** | **993** | **967** |
| | **1.065** | **1.231** | **1.235** | **1.331** | **1.317** |
| Working Capital | | | | | |
| Κεφάλαιο Κίνησης | -104 | 130 | 186 | 367 | 276 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 631 | 647 | 605 | 553 | 515 |
| EBITDA | -90 | 49 | 36 | 40 | 65 |
| EBIT | -111 | 24 | 7 | 15 | 40 |
| EBT | -165 | -23 | 60 | -23 | 6 |
| EAT | -152 | -26 | -42 | -29 | 0,03 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 5,9 | 2,2 | 2,1 | 1,9 | 1,8 |
| Current Assets/ Short-term Liabilities | 0,3 | 0,4 | 0,5 | 0,6 | 0,5 |
| EV/EBITDA | 777,5 | 16,9 | 24,6 | 23,2 | 14,4 |
| EBITDA Margin | -14,3% | 7,5% | 5,9% | 7,3% | 12,7% |

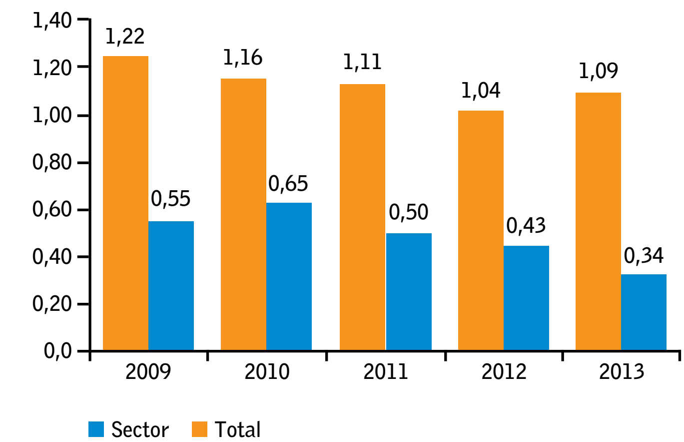
### Loan Liabilities / Equity




- Loan to equity ratio is over the average till 2012 inclusively.
- In 2013, the ratio drastically increases, reaching almost double the ratio recorded in the previous years, as a result of a substantial decrease in the companies' equity. In particular, three companies presented negative equity in 2013 and one company recorded a decrease of 58% versus 2012.

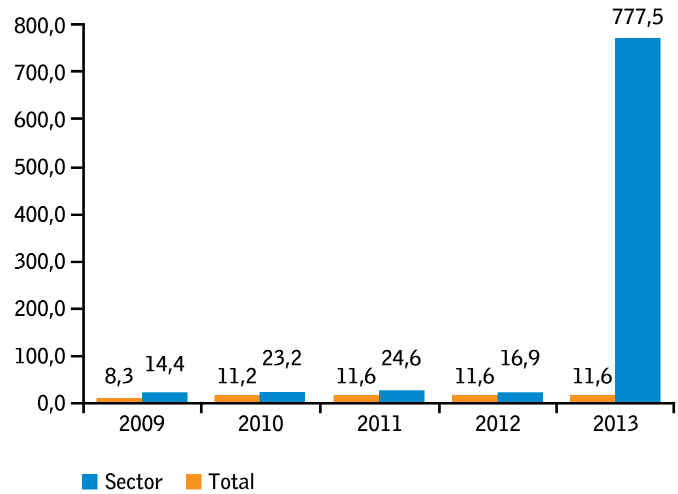
 

### Current Assets / Short-term Liabilities



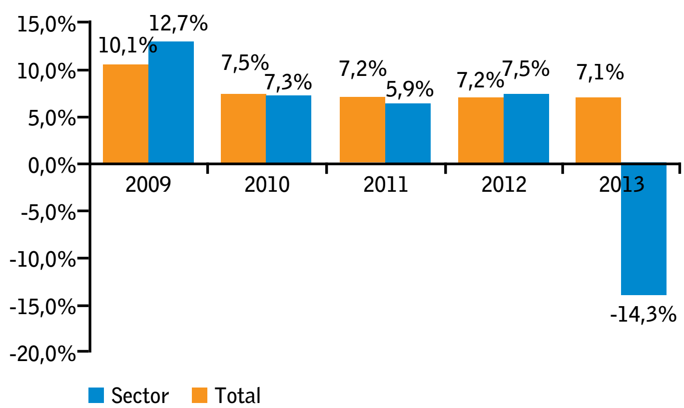

- In 2013, the sector's companies present negative working capital, while in the other years it is substantially lower than that recorded by the general total.

### EV/EBITDA



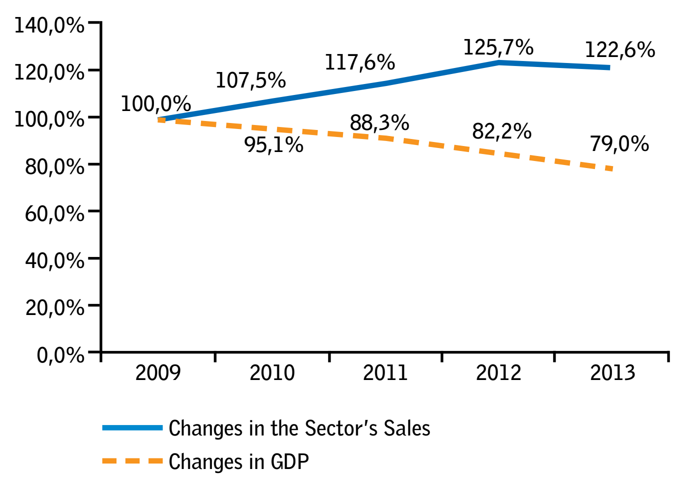

- The ratio reflects the problems faced by the sector, in particular in 2013.

### EBITDA Margin




- EBITDA margin of the sector reflects the tendencies recorded by the general total with the exception of 2012, when the sector presents better results. In 2013, negative EBITDA recorded mainly by two Large companies affects the total results of the sector.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales are opposite regarding changes in GDP for the period 2010-2012, while slight recovery is recorded in 2013.

## SECTOR ANALYSIS

### Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -169 | 43 | 101 | 281 | 247 |
| SMEs | 64 | 86 | 85 | 86 | 29 |
| **Total Sector Working Capital** | **-104** | **130** | **186** | **367** | **276** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 245 | 362 | 403 | 491 | 449 |
| SMEs | 129 | 139 | 140 | 137 | 130 |
| **Total Sector Working Capital** | **374** | **501** | **544** | **628** | **579** |

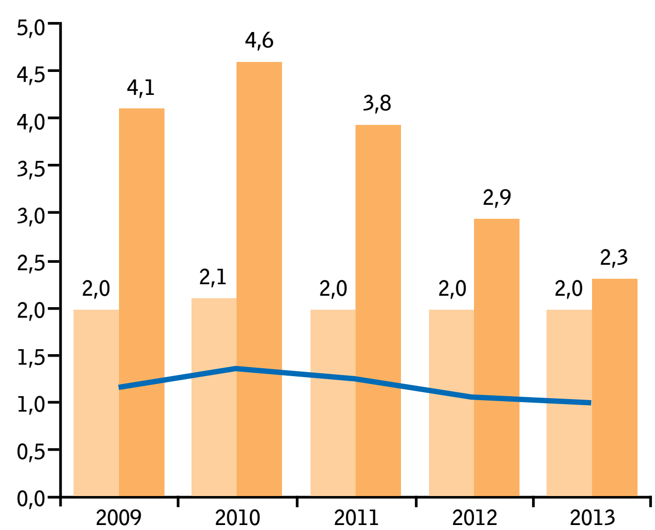
** Borrowings are not included*

| Working Capital ** | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -63 | 162 | 214 | 385 | 364 |
| SMEs | 64 | 86 | 85 | 86 | 29 |
| **Total Sector Working Capital** | **2** | **249** | **298** | **471** | **393** |

*** Long-term biological assets are included*

- The working capital of the Large companies of the sector, due to reclassification of long-term liabilities into short-term as a result of non-compliance with key financial ratios, is constantly decreasing from 2010 onwards, while in 2013 the working capital is recorded negative, due to non-payment of interest and significant impairment of biological assets.
- The working capital of SMEs does not present significant deviations, since their borrowings are lower, but also due to valuation of biological assets at production cost.

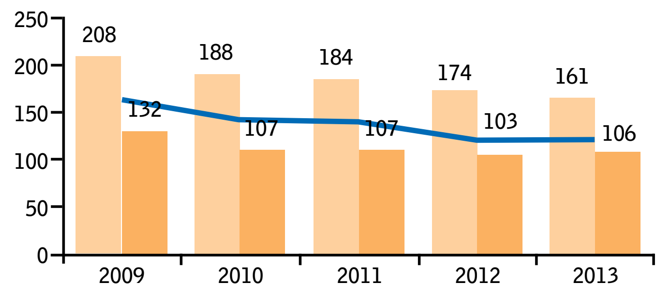
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

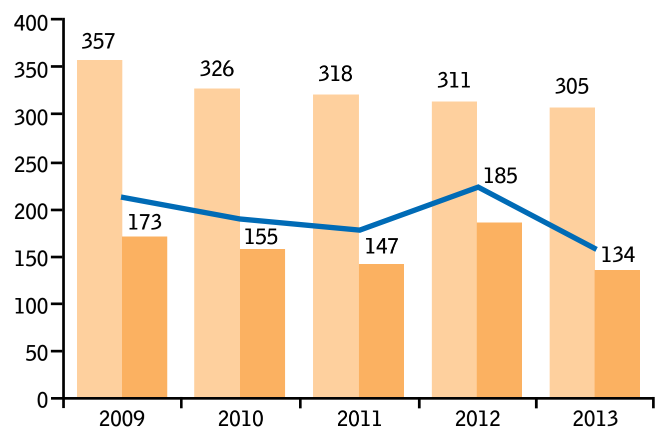
- Significant decrease in current stocks due to reduced fry placements, inability to acquire fish feed, sales of stocks before they reach the desired stage of growth due to increased liquidity needs and, finally, the decrease in the final valuation price.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the size of the sector's companies, with SMEs recording two months longer periods than the Large companies.

### Average Period of Paying Liabilities




- SMEs cover their financial needs through transferring payments to suppliers.

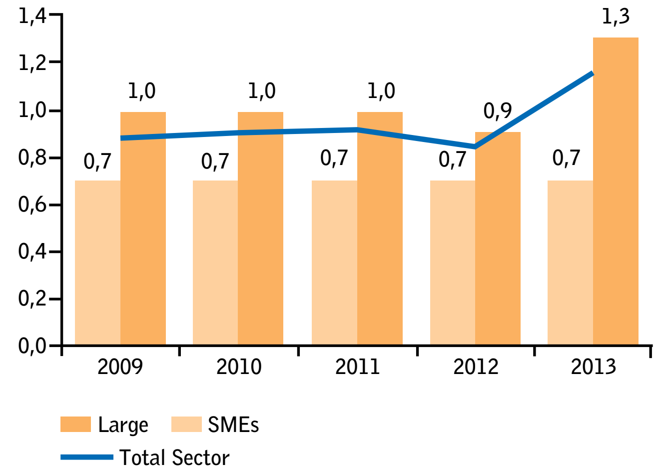
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 468 | 452 | 469 | 481 | 482 |
| SMEs | 116 | 109 | 117 | 117 | 110 |
| **Total Sector** | **585** | **561** | **586** | **598** | **592** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 29 | 31 | 32 | 26 | 24 |
| SMEs | 8 | 8 | 8 | 7 | 7 |
| **Total Sector** | **37** | **39** | **40** | **33** | **30** |

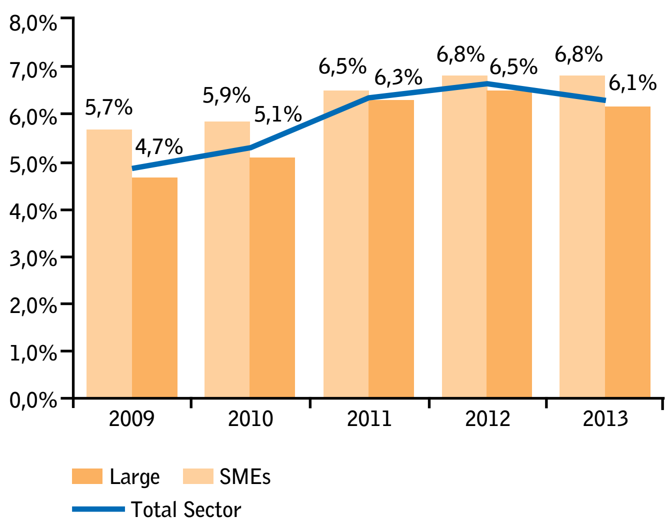
- The Large companies of the sector hold a significant amount of borrowed funds, while it seems that within the last three year period short-term loan liabilities exceed long-term, mainly due to past due long-term liabilities given non-compliance with financial ratios.

## Net Borrowings / Biological Assets and Stocks



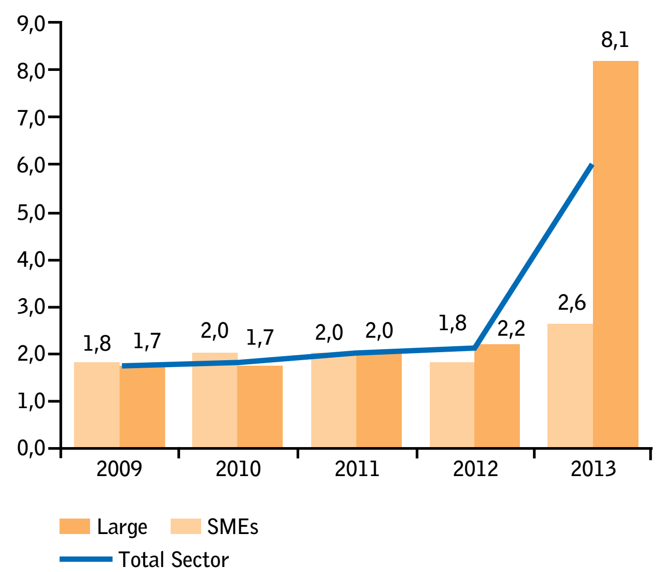

- Net debt to biological assets ratio of the Large companies remained stable till 2012 inclusively. In 2013, due to non-payment of interest as from the end of 2012 onwards as well as to impairment of biological assets, the biological assets no longer cover loan liabilities.
- In contrast, the relative ratio of SMEs is recorded stable, covering short-term loan liabilities.

## Average Borrowing Interest Rate




- The sector's average borrowing interest rate significantly increased from 4,9% in 2009 to 6,2% in 2013.

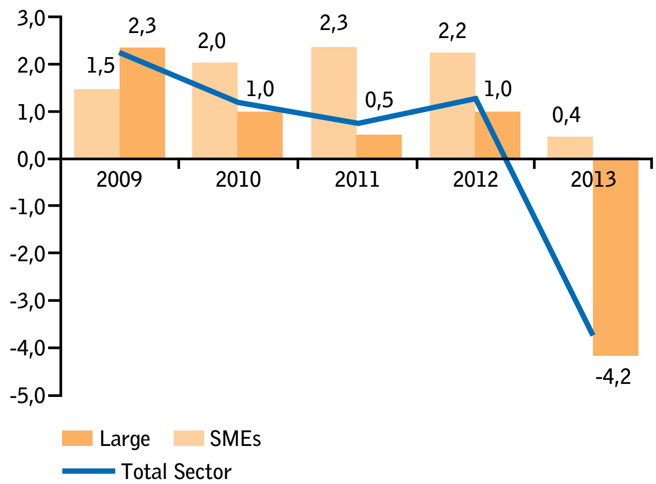
## Net Borrowings / Equity




- The sector's companies record a significant amount of borrowings, however, the equity substantially affects the ratio, presenting a total decreases of 71% from 2009.
- As far as the Large companies are concerned, the ratio drastically increases in 2013, since the equity of three companies records negative balances, while one company records a 58% decrease in equity.

## EBITDA / Financial Expenses

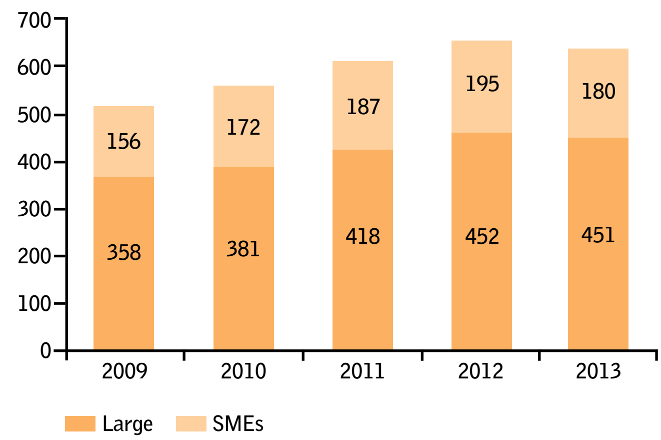



- Although SMEs borrow at higher rates, their operating profitability allows then to cover financial costs at a more satisfactory level than that recorded by the Large companies.
- Decrease in operating profits, in particular regarding the Large companies, has decreased the sector's companies' ability to cover their financial costs through operating profits.

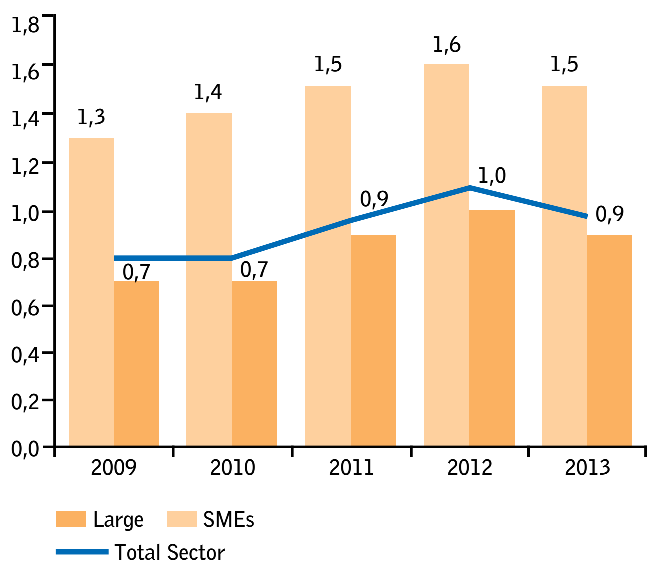
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 451 | 452 | 418 | 381 | 358 |
| SMEs | 180 | 195 | 187 | 172 | 156 |
| **Total Sector** | **631** | **647** | **605** | **553** | **515** |

### Sales




## Sales / Total Borrowings




- Large companies present particularly high borrowings, which, with the exception of 2012, seem to exceed their sales.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -1 | 34 | 37 | 23 |
| *(percentage)* | 0,2% | 8% | 10% | 6% |
| SMEs | -15 | 8 | 15 | 16 |
| *(percentage)* | -8% | 4% | 9% | 10% |
| **Total Sales of the Sector** | **-16** | **42** | **52** | **39** |
| ***(percentage)*** | **-2%** | **7%** | **9%** | **8%** |

- Large companies record better performance than SMEs within the five year period, which does not exceed € 195 million in any of the years under survey.

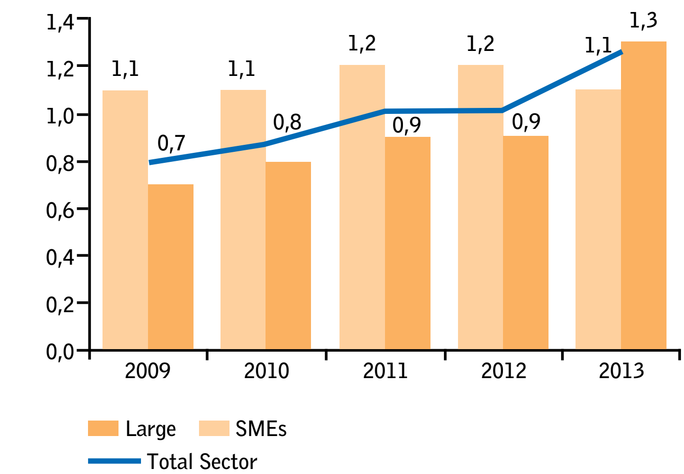
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -93 | 31 | 17 | 27 | 56 |
| SMEs | 3 | 18 | 19 | 14 | 10 |
| **Total Sector** | **-90** | **49** | **36** | **40** | **65** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -153,5 | -24,8 | 57,2 | -28,5 | 10,4 |
| SMEs | -11,1 | 1,7 | 2,9 | 5,2 | -4,3 |
| **Total Sector** | **-164,6** | **-23,1** | **60,1** | **-23,3** | **6,1** |

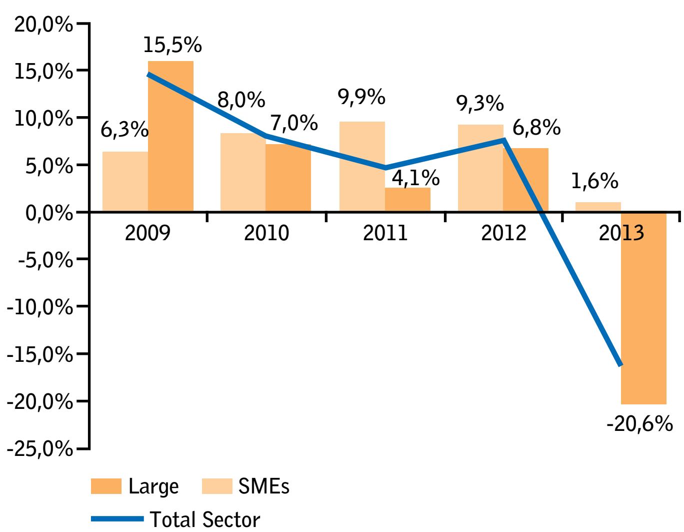
- In 2013, the Large companies of the sector record significant losses before tax, while SMEs present slightly better results.
- The sector's results are affected by the changes in fair value of biological assets.

### Sales/ Biological Assets and Stocks



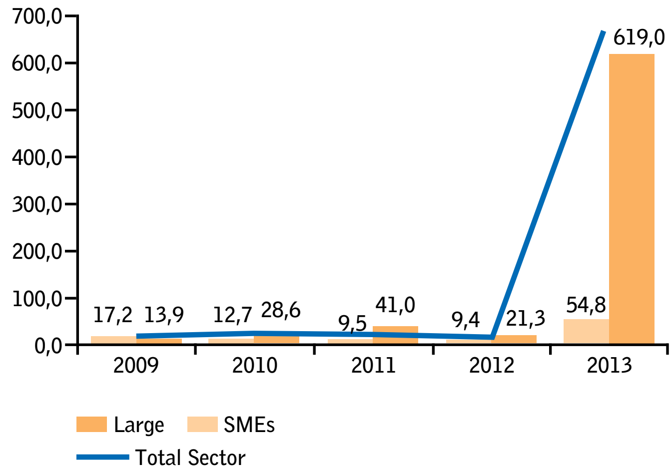

- Large companies' sales are steadily lower than their biological assets. In 2013, sales of fish having low average weight for working capital purposes, in line with importing smaller numbers of fry in early 2012 and impairment of biological assets at the end of 2013, resulted in sales exceeding biological assets, which will create additional needs for working capital.
- In contrast, the sales of SMEs do not record substantial variations, marginally exceeding biological assets.

### EBITDA Margin




- In 2013, negative EBITDA of the large companies significantly affected the sector's results.

### EV/EBITDA




- The sector's SMEs present better performance in EV/EBITDA ratio.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 8 | 13 | 37 | -6 |
| SMEs | 4 | 17 | 11 | 5 |
| **Total Sector** | **13** | **30** | **49** | **-1** |

- Cash flows from operating activities are presented positive within the last three year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -10 | -7 | -17 | 8 |
| SMEs | -2 | -6 | -4 | -4 |
| **Total Sector** | **-12** | **-13** | **-21** | **4** |

- Decrease in the sector's investing activities.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 7 | -8 | -42 | 24 |
| SMEs | -7 | -8 | -6 | -5 |
| **Total Sector** | **0** | **-16** | **-47** | **19** |

- For three consecutive years, cash flows from financing activities are negative regarding the total sector.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**21%** of the total companies of the sector,<br>**26%** of the total sales of the sector,<br>**13%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**14%** of the total companies of the sector,<br>**3%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**55%** of the total companies of the sector,<br>**67%** of the total sales of the sector,<br>**86%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**10%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |

## CONCLUSIONS
### Fish Farms Sector

- Decrease in turnover recorded in 2013 versus 2012 seems to be more intense regarding SMEs than the Large companies, mainly due to the fact that the Large companies sold bigger fish quantitates, however of smaller average weight.
- Liquidity needs, in particular regarding the Large companies, have led to intense price competitions and, as a result, to a substantial decrease in the average sale prices.
- In 2013, Large companies presented a marginal decrease in turnover, which substantially decreased the profit margin. In contrast, SMEs, which also recorded a decrease in turnover, increased their profit margins, making them more capable of managing their operating expenses.
- Borrowings are mainly recorded by the Large companies and act as a limiting factor to the already depressed profit margins.
- All the sector's companies, and Large companies in particular, present significant liquidity problems, since quite a lot of them are at a stage of loan restructuring.

Grant Thornton | An instinct for growth™

# Flour Mills Sector

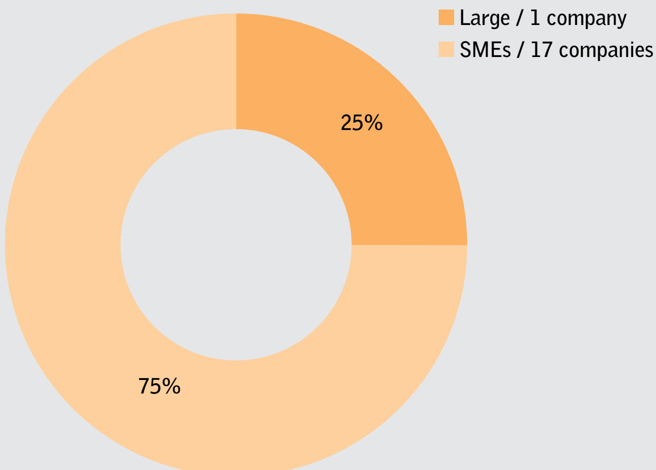
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

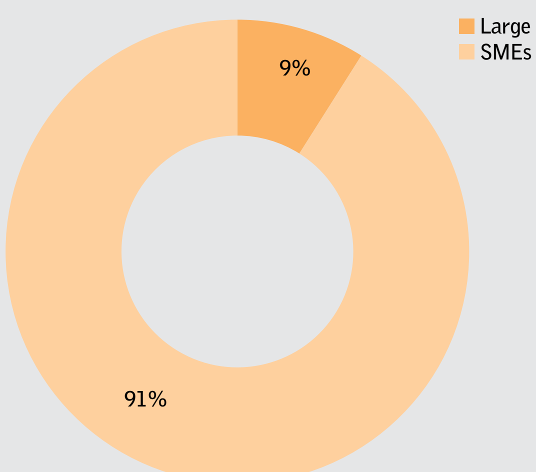
- **18** companies represent over **90%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales over € 50 million.

### Sales 2013




• 1 company represents 25% of the sector's total sales in 2013.

### Headcount 2013




• 9% of the sector's headcount is employed in 1 Large company.

## Sector Characteristics

- The prices of raw materials used by the sector are characterized by variability. A potential increase in the price of raw materials significantly affects the companies' pricing policy and the financial results of the sector, since the companies are not in position to transfer the costs and, therefore, absorb cost increases, decreasing their profit margins.
- The sector is characterized by intense competition among the similar market share companies.
- Turnover remains stable, while profit margins decrease.
- Domestic market does not present growth opportunities; therefore SMEs compete in order to increase their market shares.
- The sector's companies diachronically maintain positive working capital.
- The largest part of the sector's financing arises from bank loans.

• All the figures are presented in million € unless otherwise mentioned.
• Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is uniformity in the financial characteristics of the sector's companies. Variations have been recorded depending on the sizes, without adversely affecting the overall picture. |
| **Does a small number of companies dominate the sector?** | In 2013, 75% of the sector in terms of sales are represented by 17 companies. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | It is a defensive sector, which is also confirmed by the stability of turnover presented within the period under survey. |
| **Has the sector overcome the economic crisis?** | The sector faces difficulties regarding the working capital, arising from declining profit margins and increased borrowing costs. |
| **How hard was it for the sector to face the crisis?** | The sector has been affected by decreases in profit margins and not by the decline in operations. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector presents stability of its operations versus the losses recorded by the Greek Economy as a total. |
| **What is the financial performance of the sector's SMEs?** | SMEs represent a significant proportion of the sector's companies. They record satisfactory financial performance but high loan burdening combined with the pressure on profit margins, which should lead to potential synergies creation. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be related so much to the size, but to the financial structure and the level of bank borrowings. |
| **What are the prospects for the sector?** | It does not seem that the sector has considerable potential for growth in sizes apart from those recorded within the last five years.<br>High loan burdening of SMEs is likely to lead to separate concentrations |

## CONDENSED FINANCIAL DATA

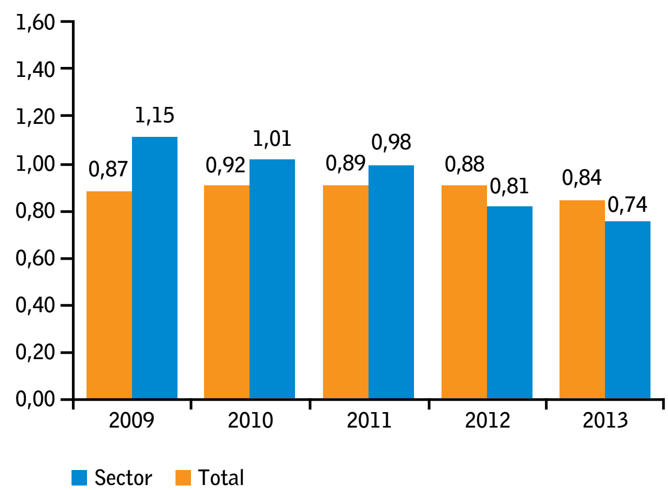
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 219 | 226 | 277 | 274 | 275 |
| Current Assets | 274 | 278 | 280 | 273 | 279 |
| **Total Assets** | **493** | **504** | **557** | **546** | **554** |
| **Equity** | **220** | **220** | **229** | **221** | **217** |
| Long-term Loan Liabilities | 66 | 66 | 99 | 101 | 129 |
| Other Long-term Liabilities | 33 | 30 | 30 | 31 | 30 |
| **Total Long-term Liabilities** | **98** | **96** | **130** | **132** | **159** |
| Short-term Loan liabilities | 98 | 111 | 125 | 122 | 120 |
| Other Short-term Liabilities | 77 | 77 | 73 | 72 | 57 |
| **Total Short-term Liabilities** | **175** | **188** | **198** | **194** | **177** |
| **Total Liabilities** | **273** | **284** | **328** | **326** | **337** |
| **Total Equity and Liabilities** | **493** | **504** | **557** | **546** | **554** |
| Working Capital | 98 | 90 | 82 | 79 | 101 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 375 | 375 | 396 | 336 | 377 |
| EBITDA | 30 | 32 | 40 | 39 | 41 |
| EBIT | 20 | 20 | 27 | 26 | 28 |
| EBT | 8 | 5 | 13 | 16 | 16 |
| EAT | -2 | -0,4 | 9 | 11 | 12 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 0,8 | 1,0 | 1,0 | 1,1 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,5 | 1,4 | 1,4 | 1,6 |
| EV/EBITDA | 12,4 | 11,9 | 10,9 | 10,7 | 10,6 |
| EBITDA Margin | 8,0% | 8,6% | 10,0% | 11,6% | 10,9% |

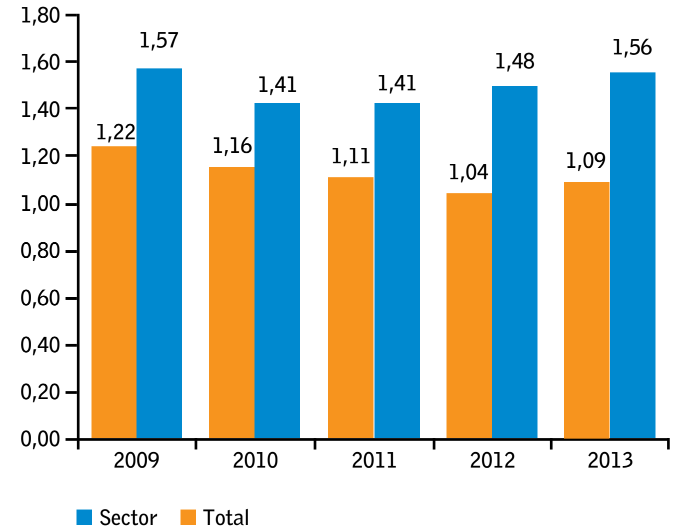
### Loan Liabilities / Equity




- Loan liabilities to equity ratio approaches the average till 2011 inclusively and thereafter improves due to repayment of significant part of loans.

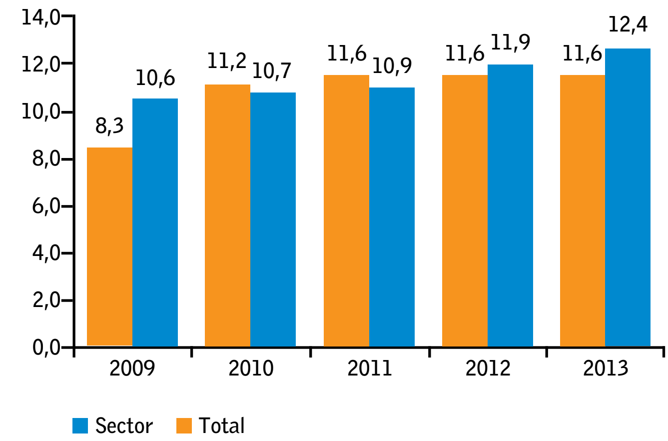
 

### Current Assets / Short-term Liabilities



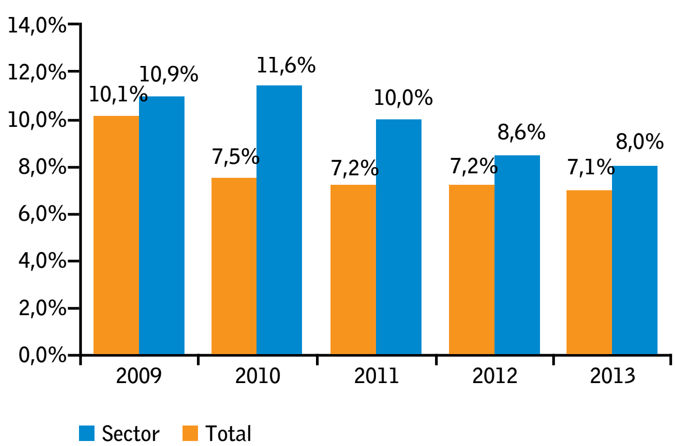

- The sector's companies present steadily positive working capital at levels exceeding the average of the total sample.

### EV/EBITDA



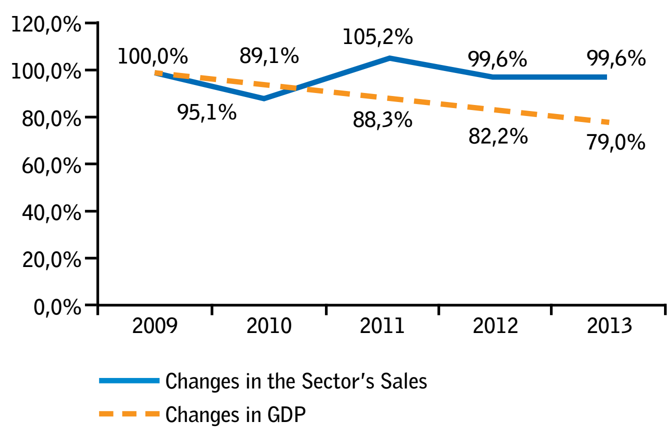

- EV/ EBITDA ratio does not present substantial variations. The ratio steadily increases due to reduction of bank borrowing.

### EBITDA Margin




- EBITDA margin constantly decrease from 2010 onwards (due to increase in raw materials prices). However, the sector retains EBITDA margin at the levels that exceed the average of the general total.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales follow the tendencies, depicted by changes in GDP. Since 2011, when significant increases in sales are recorded by almost all the sector's companies, losses are smaller than GDP.

# SECTOR ANALYSIS

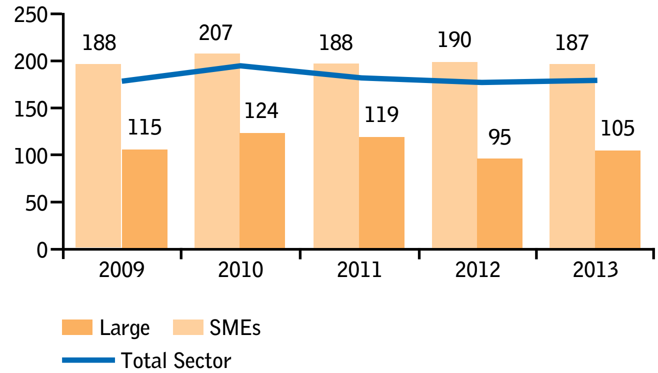
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 17 | 12 | 16 | 6 | 15 |
| SMEs | 81 | 78 | 66 | 73 | 86 |
| **Total Sector Working Capital** | **98** | **90** | **82** | **79** | **101** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 31 | 27 | 29 | 33 | 36 |
| SMEs | 165 | 174 | 178 | 168 | 185 |
| **Total Sector Working Capital** | **196** | **201** | **207** | **201** | **221** |

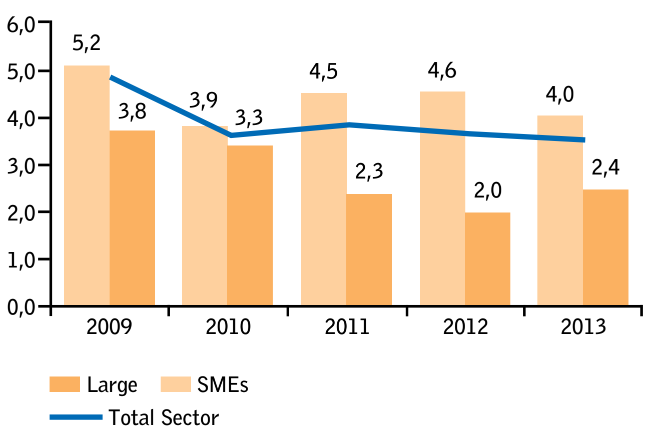
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is reversed proportionally to the sizes of the sector's companies. SMEs steadily collect their receivables in a period exceeding 6 months within the five year period. SMEs inability to decrease collectability ratio leads to decline in liquidity.

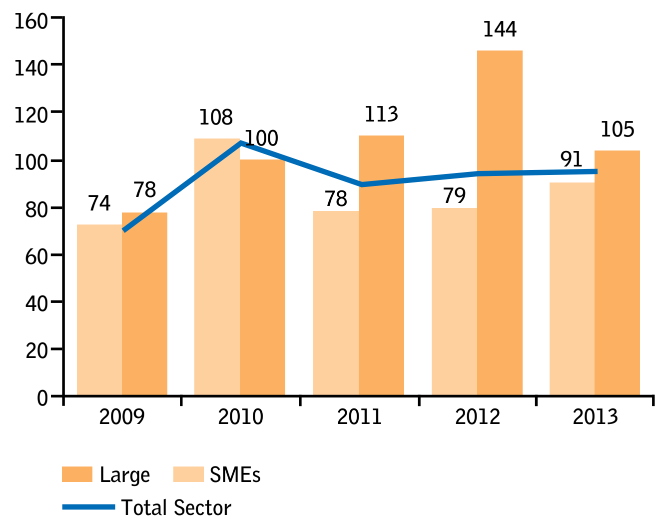
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- SMEs have to maintain high levels of working capital due to disproportionality between the Collection Period of Receivables and the Period of Paying Liabilities.

### Average Period of Paying Liabilities




- Regarding the sector's SMEs, the period of paying liabilities is substantially shorter than the collection period of receivables. In contrast, as far as Large companies are concerned, the balance is not particularly diversified.

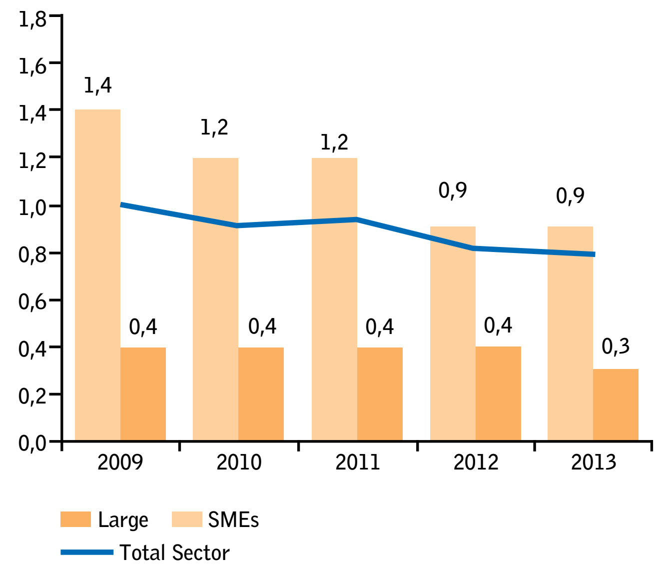
 

## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 29 | 33 | 36 | 31 | 36 |
| SMEs | 124 | 130 | 168 | 165 | 185 |
| **Total Sector** | **152** | **163** | **204** | **196** | **221** |

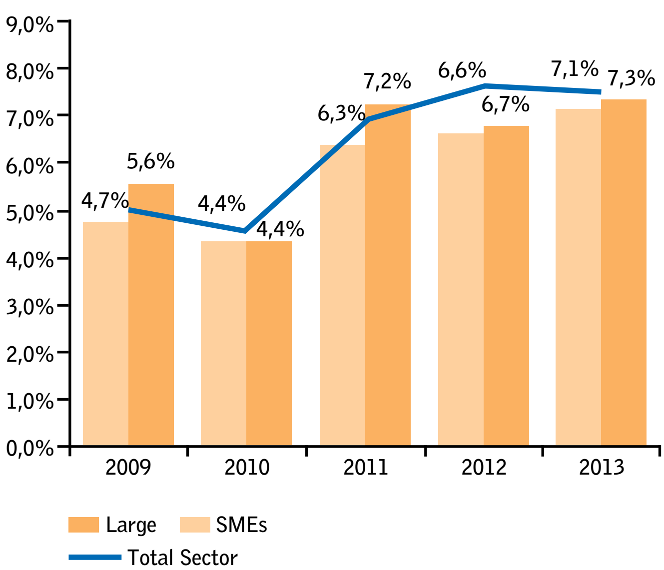
| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 2 | 3 | 3 | 2 | 2 |
| SMEs | 10 | 11 | 12 | 9 | 10 |
| **Total Sector** | **12** | **13** | **14** | **10** | **12** |

### Net Borrowings / Equity




- As till 2011, SMEs recorded rather high loan burdening. The ratio has been substantially decreasing since 2012, while not equaling that of Large companies.

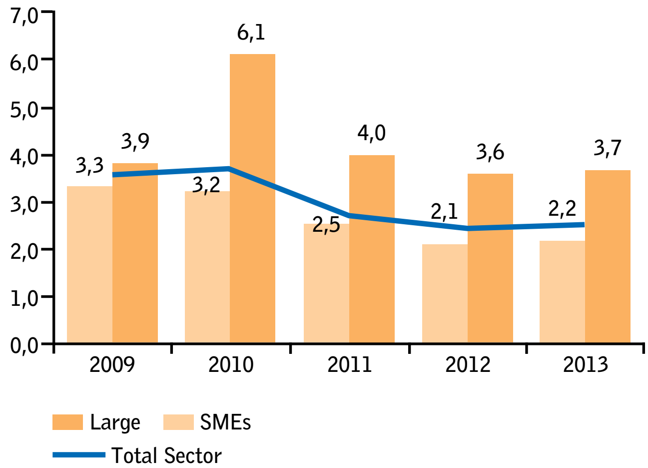
### Average Borrowing Interest Rate




- Net Borrowings substantially decreased regarding SMEs within the period under survey (-33%).
- The sector's average borrowing interest rate, standing at 4,9% in 2009, significantly increases as from 2011 onwards and reaches 7,2% in 2013.

## EBITDA / Financial Expenses

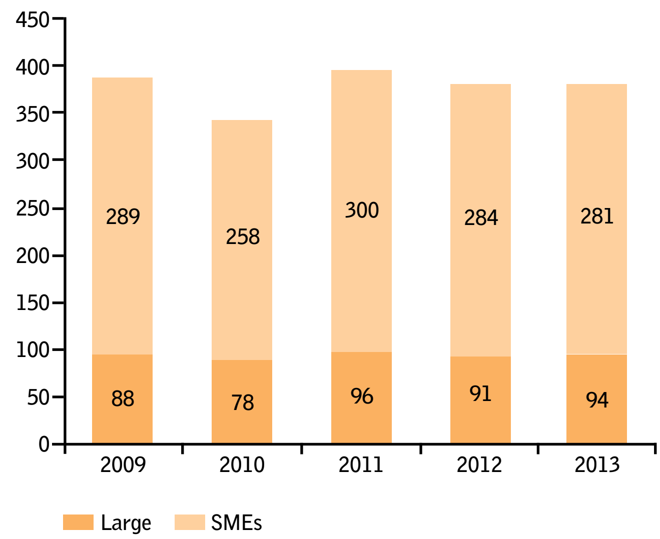



- The fact that costs of financing remained at the same level and operating profits have decreased has reduced by 5% on average the ability of the Large companies to cover the costs of financing through operating profits.
- Regarding the SMEs, the high level of their borrowings shall be taken into account.

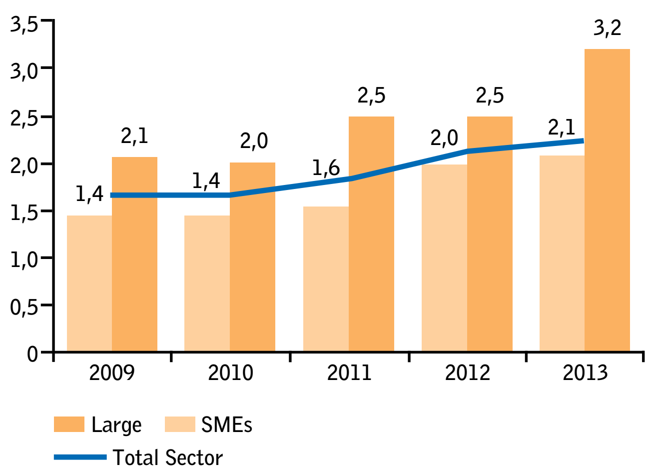
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 94 | 91 | 96 | 78 | 88 |
| SMEs | 281 | 284 | 300 | 258 | 289 |
| **Total Sector** | **375** | **375** | **396** | **336** | **377** |

### Sales




## Sales / Total Borrowings




- The sector's companies have been steadily recording increases in the ratio. The ratio's improvement regarding SMEs is due to repayment of a part of their bank loans.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 3 | -5 | 18 | -10 |
| *(percentage)* | 3% | -5% | 24% | -12% |
| SMEs | -3 | -16 | 42 | -31 |
| *(percentage)* | -1% | -5% | 16% | -11% |
| **Total Sales of the Sector** | **-0,2** | **-21** | **61** | **-41** |
| ***(percentage)*** | **0,1%** | **-5%** | **18%** | **-11%** |

- The sector's sales present homogeneous tendencies. A substantial increase is recorded in 2011, a decrease in 2012 while the sales in 2013 remain stable.

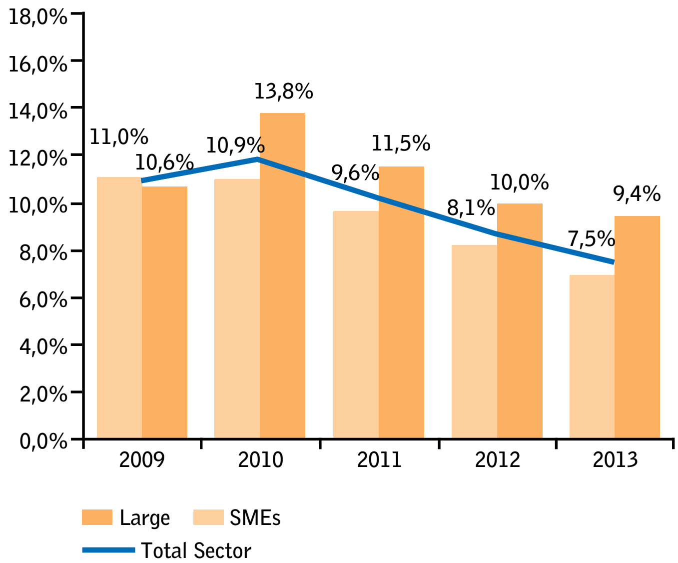
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 9 | 9 | 11 | 11 | 9 |
| SMEs | 21 | 23 | 29 | 28 | 32 |
| **Total Sector** | **30** | **32** | **40** | **39** | **41** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 2,6 | 3,5 | 5,3 | 6,2 | 4,8 |
| SMEs | 5,2 | 1,4 | 7,4 | 9,7 | 11,4 |
| **Total Sector** | **7,9** | **4,9** | **12,7** | **15,9** | **16,2** |

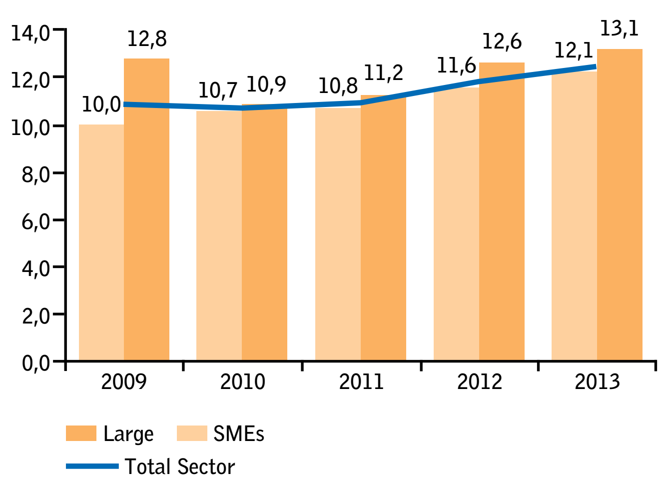
- Earnings Before Tax remain stable in respect of the Large company of the sector, while SMEs profitability steadily decreases except the results recorded in 2013, presenting an increase.

### EBITDA Margin




- From 2010 onwards, EBITDA margin of the sector decreases, since the prices of raw materials mainly affect the changes in the ratio.

### EV /EBITDA




- Steadily increasing EV /EBITDA ratio within the five year period.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -3 | 9 | 6 | 13 |
| SMEs | 21 | 16 | 16 | 32 |
| **Total Sector** | **18** | **24** | **21** | **45** |

- An encouraging increase in cash flows from operating activities of SMEs is recorded in 2013.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -1 | -6 | -7 | -6 |
| SMEs | -4 | -4 | -8 | -7 |
| **Total Sector** | **-4** | **-10** | **-14** | **-13** |

- The sector's investing activities remain at very low levels.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -1 | -2 | -4 | -7 |
| SMEs | -19 | -17 | -9 | -27 |
| **Total Sector** | **-17** | **-20** | **-13** | **-34** |

- The sector's financing activities remain unchanged, since the companies mainly repay their loans.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**10%** of the total sales of the sector,<br>**15%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**19%** of the total companies of the sector,<br>**46%** of the total sales of the sector,<br>**24%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**59%** of the total companies of the sector,<br>**44%** of the total sales of the sector,<br>**61%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**7%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Flour Mills Sector

- Relative stability of turnover, though coupled with reduced profit margins.
- High dependence on raw materials prices and contractual terms of the clients' payments.
- Intense competition for market share.
- High need of financing working capital.
- Examining the prospects of creating synergies shall be taken into consideration.
- It seems that proportionally to their sizes, the companies can achieve more favorable terms in respect of collaboration with the clients, suppliers and financial institutions.

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# General Mining Sector

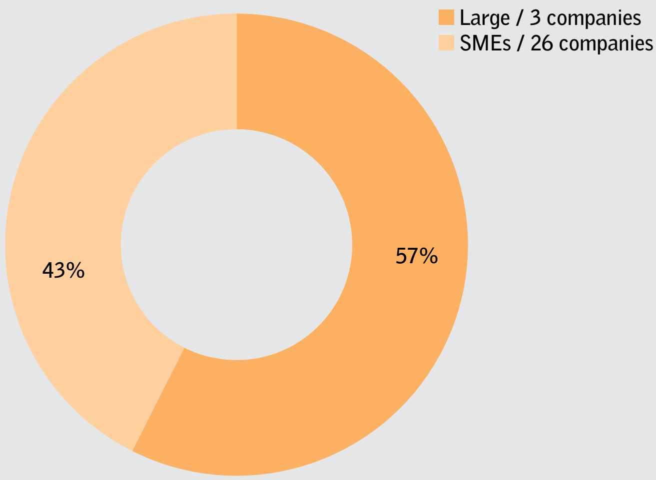
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

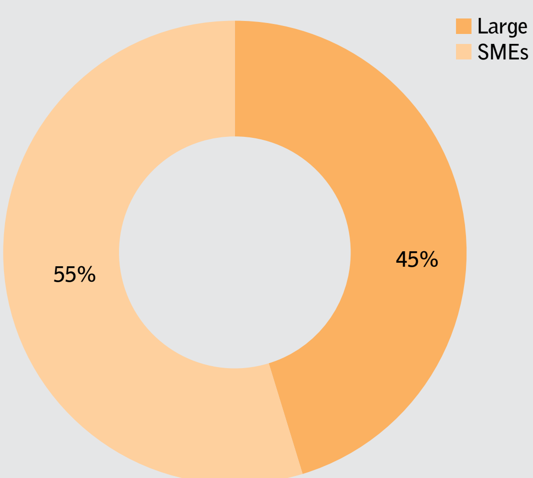
- **29** companies represent over **90%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 3 Large companies represent 57% of the sector's total sales in 2013.

### Headcount 2013




- 55% of the sector's headcount are employed in 26 SMEs.

## Sector Characteristics

- The sector that plays a significant part in the country's economy.
- Any decrease in sales significantly affects the companies' profit margins and working capital.
- Turnover records decreases from 2012 to 2013, caused by global prices of metals as well as by the decrease in domestic demand. Global markets are a way out for the sector's companies.
- The sector's SMEs steadily record lower needs for financing and strong sizes within the five year period of 2009 – 2013.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is no homogeneity. There are Large companies whose performance, due to the nature of their products, largely depends on the global prices of metals. It seems that SMEs rely on successful development plans in order to improve their sizes. |
| **Does a small number of companies dominate the sector?** | 3 companies represent 57% of the turnover and employ 45% of headcount. However, the products are of variable nature. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Apart from some limited cases referring to Large companies that to a greatest extent depend on international environment, the majority of the companies record better performance and financial position than the general total. |
| **Has the sector overcome the economic crisis?** | Most SMEs are at recovery stage. |
| **How hard was it for the sector to face the crisis?** | Although the sector was significantly affected by the crisis, it less suffered its consequences, given its export orientation, which proved extremely successful in the last years. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records higher performance regarding the course of the Greek Economy. |
| **What is the financial performance of the sector's SMEs?** | SMEs present satisfactory financial performance and investment interest in several cases. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem so much linked to the size as to the financial structure and the ability of the companies to adapt to the challenges of the economic environment. |
| **What are the prospects for the sector?** | The products consumed by the domestic market are characterized by declining demand, since the economic crisis has significantly reduced the construction activity. However, the export orientation of the sector is an important way out, using which several companies have progressed, presenting significant growth potential. Expansion and penetration into foreign markets as well as maintaining a satisfactory level of global demand for metals are the basis as well as the opportunity for growth of the sector's companies. |

# CONDENSED FINANCIAL DATA

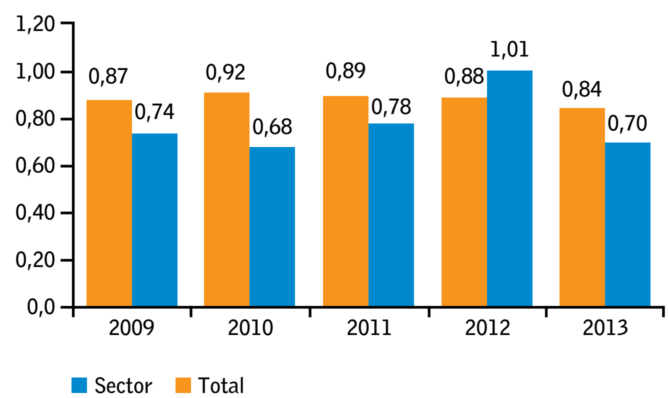
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 846 | 758 | 662 | 714 | 724 |
| Current Assets | 622 | 543 | 571 | 490 | 464 |
| **Total Assets** | **1.468** | **1.301** | **1.234** | **1.204** | **1.188** |
| **Equity** | **447** | **392** | **417** | **447** | **454** |
| Long-term Loan Liabilities | 223 | 285 | 198 | 166 | 218 |
| Other Long-term Liabilities | 186 | 102 | 97 | 110 | 112 |
| **Total Long-term Liabilities** | **409** | **388** | **295** | **276** | **329** |
| Short-term Loan liabilities | 90 | 112 | 128 | 139 | 119 |
| Other Short-term Liabilities | 522 | 409 | 394 | 342 | 286 |
| **Total Short-term Liabilities** | **612** | **521** | **522** | **481** | **405** |
| **Total Liabilities** | **1.021** | **909** | **816** | **757** | **734** |
| **Total Equity and Liabilities** | **1.468** | **1.301** | **1.234** | **1.204** | **1.188** |
| Working Capital | 11 | 22 | 50 | 9 | 59 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 649 | 726 | 772 | 710 | 560 |
| EBITDA | 2 | 53 | 83 | 85 | 19 |
| EBIT | -38 | -12 | 24 | 20 | -34 |
| EBT | 34 | -34 | -4 | 5 | -78 |
| EAT | 28 | -37 | -9 | -0,2 | -88 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 1,0 | 0,8 | 0,7 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,0 | 1,0 | 1,1 | 1,0 | 1,1 |
| EV/EBITDA | 347,1 | 13,3 | 8,3 | 8,3 | 37,2 |
| EBITDA Margin | 0,3% | 7,3% | 10,7% | 11,9% | 3,4% |

### Loan Liabilities / Equity




- In 2013, loan to equity ratio regarding the total of the sector's companies is almost at the same levels as in 2009. The sector's companies present a stronger capital structure than the general total of the companies in our country.

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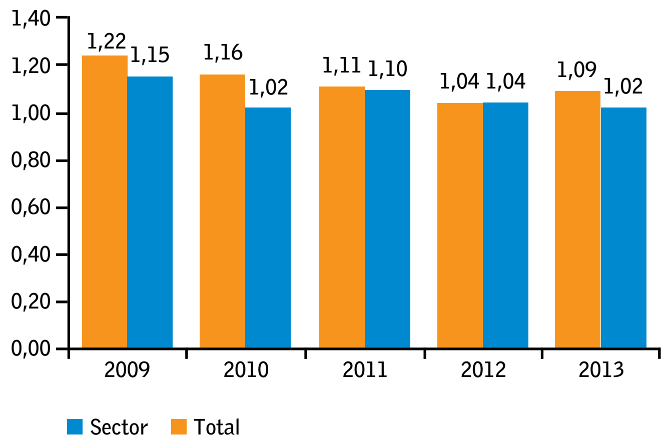
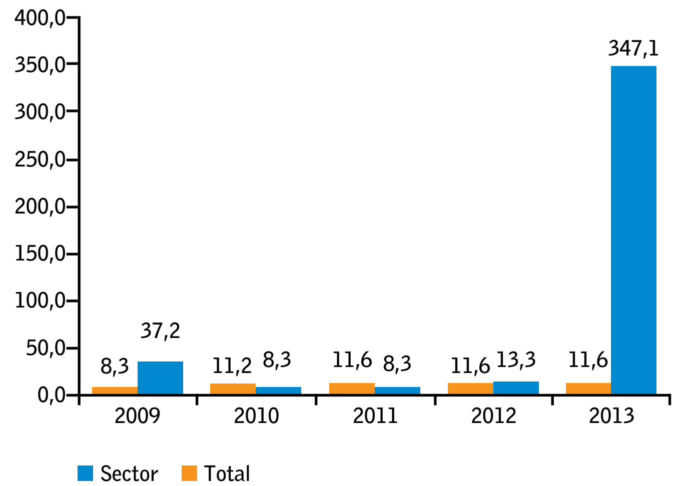
### Current Assets / Short-term Liabilities



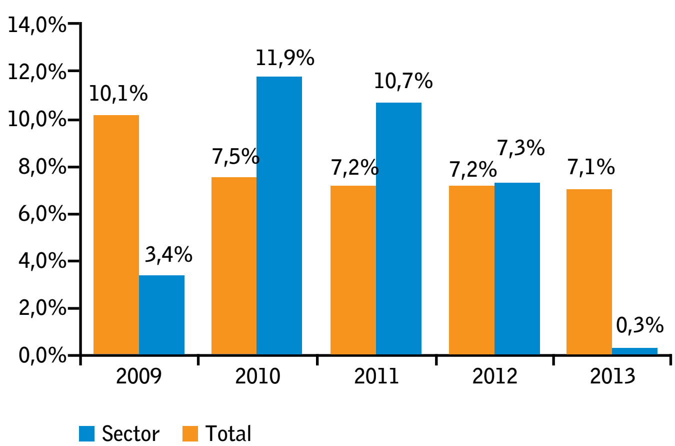

- In the entire five year period the sector's companies record higher current assets than short-term liabilities. In 2013, this balance becomes marginal, mainly due to one Large company, which records significantly negative working capital. It is to be noted that as a total, in 2013, 72% of the sector's companies under survey present positive working capital.

### EV/EBITDA



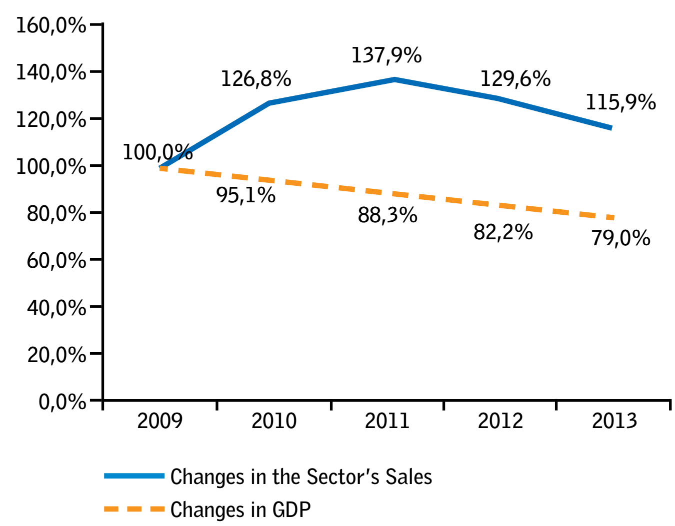

- Till 2012, the sector presented the same investment interest as the general total. In 2013, due to substantial burdening of one Large company, the sector's performance was negatively affected. However, even excluding this effect, the ratio recorded by the sector is higher than that recorded by the general total.

### EBITDA Margin




- In 2013, the sector's EBITDA margin was at its lowest.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- In 2013, the sector's sales are recorded at higher levels than those recorded in 2009. However, it shall be taken into account that they are affected by the global prices in metals and the global economic cycle.

# SECTOR ANALYSIS

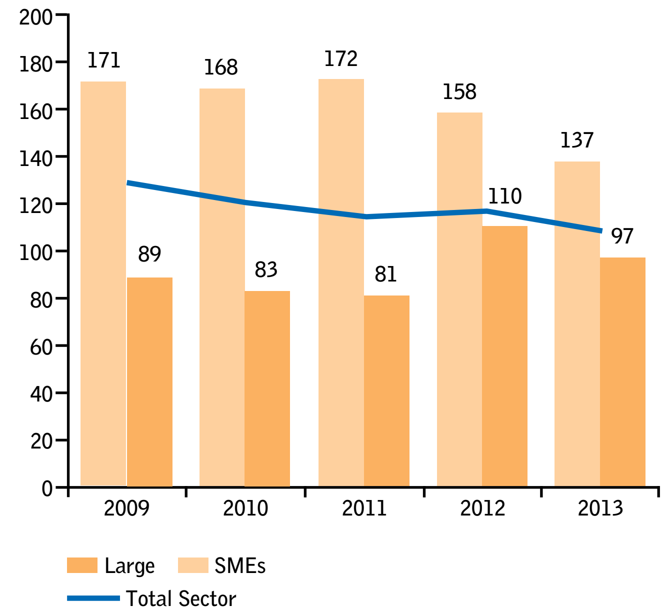
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -56 | -81 | -45 | -99 | -44 |
| SMEs | 67 | 103 | 94 | 108 | 103 |
| **Total Sector Working Capital** | **11** | **22** | **50** | **9** | **59** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -39 | -26 | 30 | -10 | 15 |
| SMEs | 140 | 159 | 147 | 159 | 163 |
| **Total Sector Working Capital** | **100** | **134** | **177** | **148** | **178** |

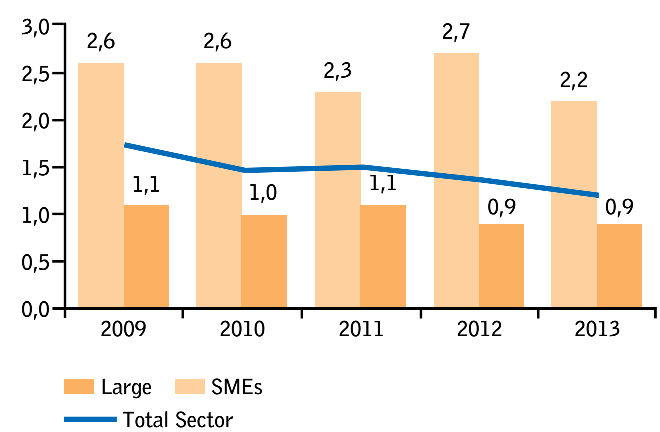
** Borrowings are not included*

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the sizes of the companies, with SMEs falling significantly behind the Large companies in 2009 - 2013.

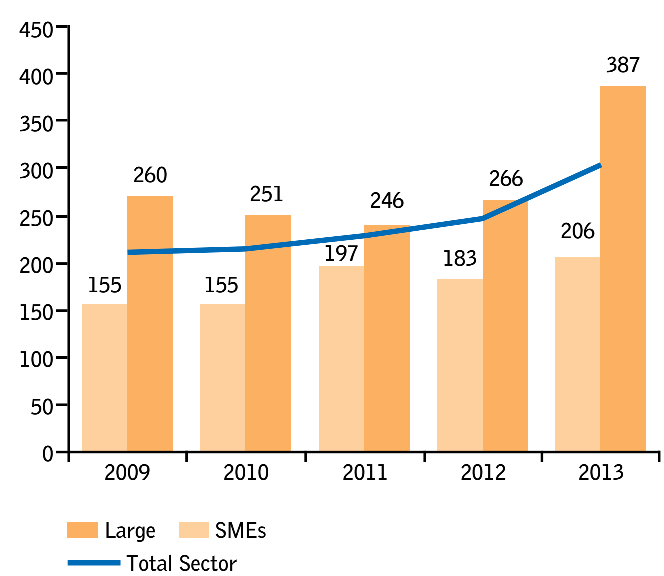
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- SMEs present strong liquidity within the entire five year period. It seems that the Large companies cannot marginally cover their short-term liabilities, however this negative performance is due to the results recorded only by one company. The other two Large companies have sufficient current assets that cover their short-term liabilities.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily fluctuates over 8 months, with the Large companies of the sector recording more favorable suppliers' repayment margins.

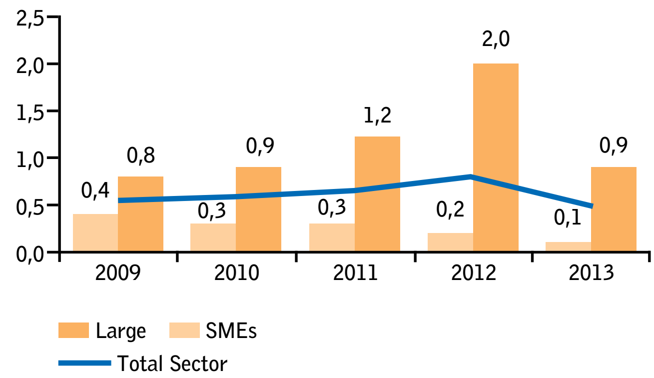
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 190 | 270 | 206 | 173 | 156 |
| SMEs | 34 | 46 | 63 | 79 | 94 |
| **Total Sector** | **224** | **316** | **270** | **251** | **250** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 15 | 25 | 18 | 16 | 17 |
| SMEs | 11 | 11 | 10 | 8 | 8 |
| **Total Sector** | **25** | **36** | **27** | **24** | **26** |

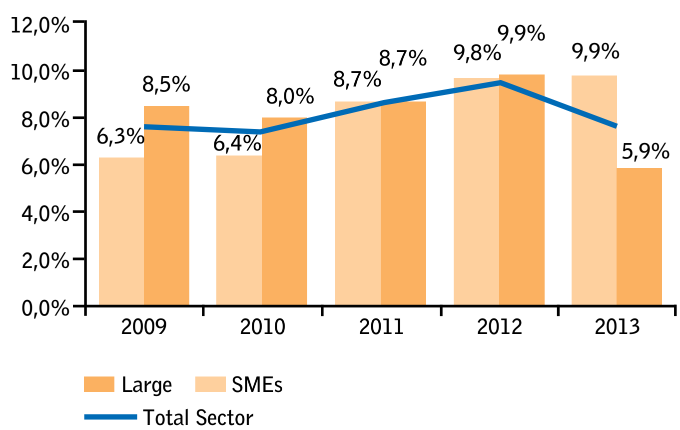
- Large companies record increase in net borrowings till 2012 inclusively and proceed with loan repayment in 2013.
- SMEs record their net borrowings at relatively low levels.

### Net Borrowings / Equity



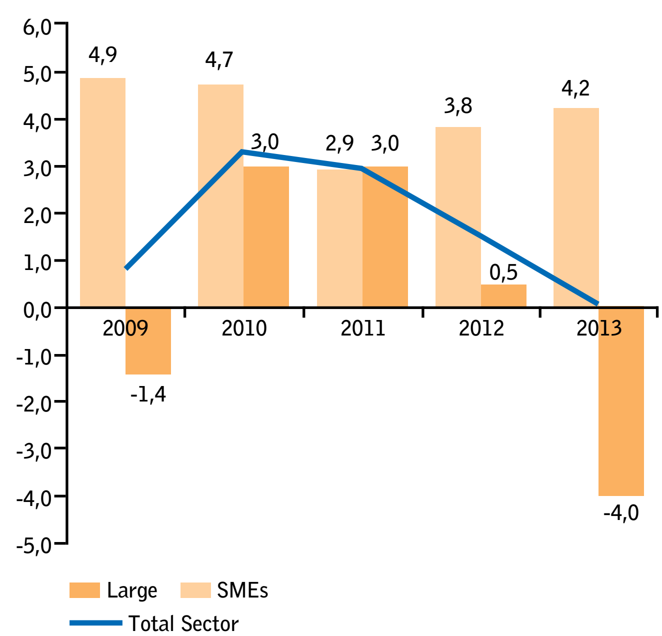

- It is worth mentioning that SMEs record low loan burdening, since the relative ratio does not exceed 0,4 in the entire period under survey. As far as the Large companies are concerned, loan burdening increases from 2010 to 2012 inclusively, while in 2013 substantial repayments of loans more than cover new loans.

### Average Borrowing Interest Rate




- In 2013, the average borrowing interest rate stands at 7,1%.

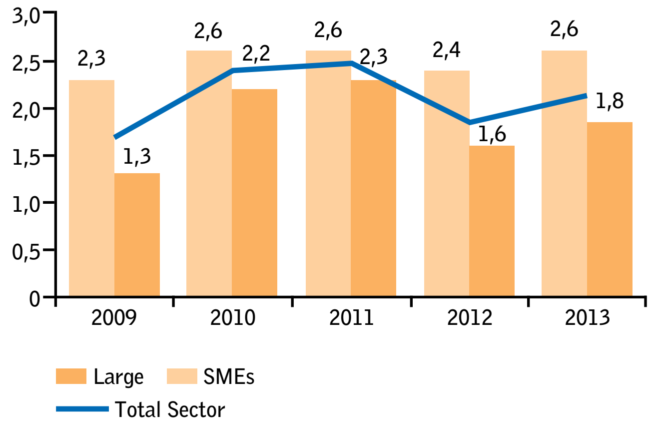
### EEBITDA / Financial Expenses




- SMEs easily cover their financial expenses through operating profits. Two out of tree Large companies record negative EBITDA, particularly burdening the ratio as a result.

**Sales / Total Borrowings**




- The sector's sales cover its loans within the entire five year period.

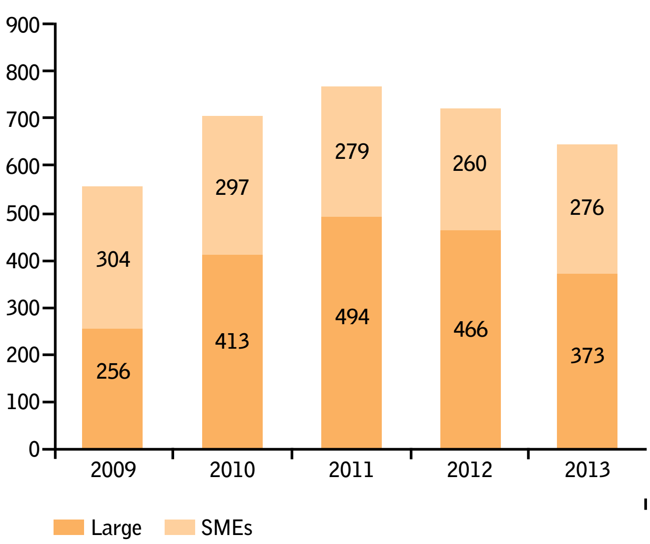
| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -93 | -28 | 81 | 157 |
| *(percentage)* | -20% | -6% | 20% | 61% |
| SMEs | 16 | -19 | -19 | -7 |
| *(percentage)* | 6% | -7% | -6% | -2% |
| **Total Sales of the Sector** | **-77** | **-46** | **62** | **150** |
| ***(percentage)*** | **-11%** | **-6%** | **9%** | **27%** |

- The sales of the Large companies, given the nature of their products, depend on the global prices of metals. Despite the decrease in sales of approximately 14% in 2009 – 2012, in 2013, SMEs present better performance, increasing their exports.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 373 | 466 | 494 | 413 | 256 |
| SMEs | 276 | 260 | 279 | 297 | 304 |
| **Total Sector** | **649** | **726** | **772** | **710** | **560** |

**Sales**



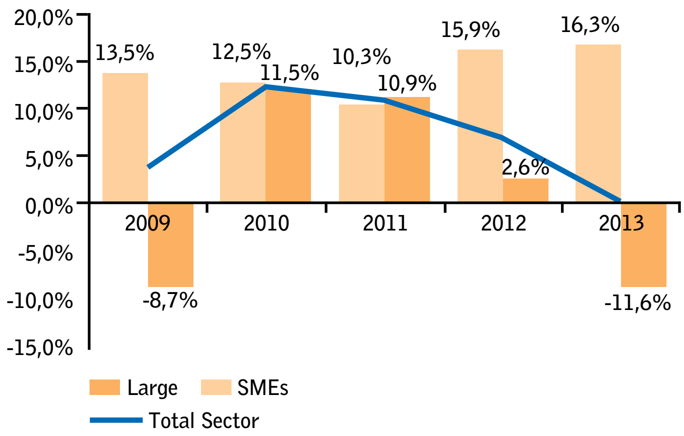

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -43 | 12 | 54 | 47 | -22 |
| SMEs | 45 | 41 | 29 | 37 | 41 |
| **Total Sector** | **2** | **53** | **83** | **85** | **19** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 18,1 | -42,0 | 2,0 | -6,8 | -98,0 |
| SMEs | 16,3 | 8,5 | -5,6 | 11,6 | 19,9 |
| **Total Sector** | **34,4** | **-33,5** | **-3,6** | **4,8** | **-78,1** |

- The sector records marginal operating profitability and is mainly affected by the performance of the Large companies. More specifically, two out of three Large companies record operating losses in 2013. In contrast, SMEs record high operating profits in 2013.
- Profits before tax recorded by SMEs, increase in the last two years. In contrast, regarding the Large companies, two out of three record significant losses and only one Large company presents profits, which are recorded at very high levels and are in position to cover the losses of the remaining two companies considerably.

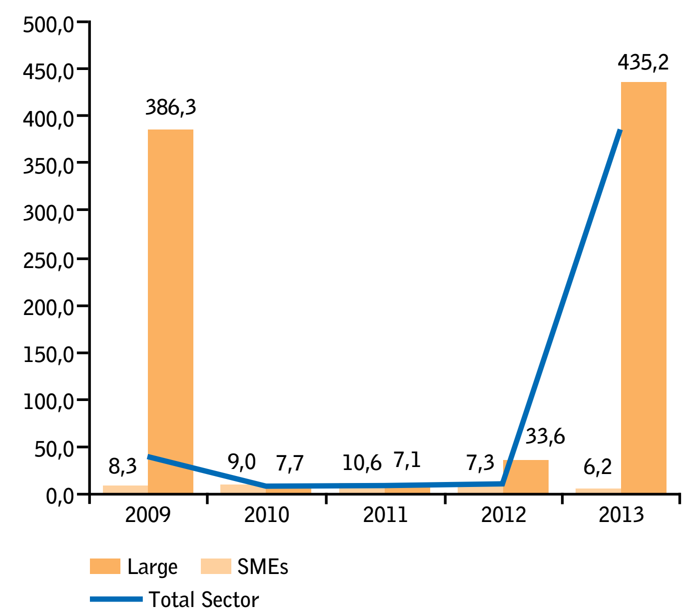
 | 

### EBITDA Margin




- SMEs maintain EBITDA margin and seem to be increasing it in the last two years. As far as the Large companies are concerned, operating profitability margins are largely affected by the global metal prices and are negative in 2013.

### EV /EBITDA




- The ratio recorded by the Large companies in 2013 is affected by the negative operating profitability of two of three companies. Regarding SMEs, the ratio is particularly attractive and indicates the existence of opportunities in the sector.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 58 | 82 | -4 | 43 |
| SMEs | 66 | 42 | 43 | 41 |
| **Total Sector** | **125** | **124** | **39** | **84** |

- Cash inflows from operating activities are increased in 2013 regarding SMEs and decreased regarding the Large companies.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -103 | -135 | 3 | -40 |
| SMEs | -24 | -26 | -10 | -23 |
| **Total Sector** | **-127** | **-161** | **-7** | **-63** |

- Large companies seem to be performing significant investments in the last two years.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 45 | 60 | -6 | -34 |
| SMEs | -35 | 3 | -24 | -20 |
| **Total Sector** | **10** | **62** | **-30** | **-55** |

- Large companies record inflows while SMEs record outflows, indicating bigger access to financing depending on the companies' sizes.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| **Spotlighters** | **Illuminators** |
|---|---|
| Represent:<br>13% of the total companies of the sector,<br>44% of the total sales of the sector,<br>31% of the total borrowings of the sector. | Represent:<br>14% of the total companies of the sector,<br>26% of the total sales of the sector,<br>0% of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>54% of the total companies of the sector,<br>20% of the total sales of the sector,<br>67% of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>19% of the total companies of the sector,<br>10% of the total sales of the sector,<br>2% of the total borrowings of the sector. |

## CONCLUSIONS
### General Mining Sector

- The vast majority of the sector's SMEs do not record liquidity problems.
- Respectively, SMEs record low levels of borrowings, while the Large companies proceed with substantial loan repayments in 2013, having recorded increase in borrowings in 2012.
- In 2013, sales and profitability of the Large companies were adversely affected by the global metal prices. Increasing their exports, in 2013, SMEs record a substantial increase in sales and profitability.
- Given the aforementioned factors, SMEs present investments opportunities.

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# Healthcare Services Sector

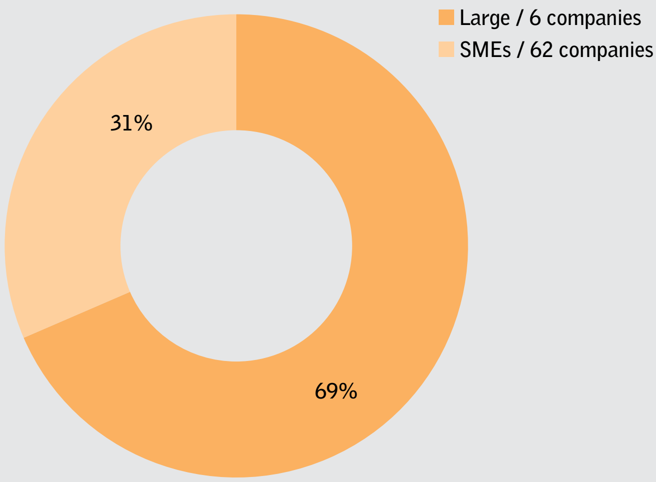
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

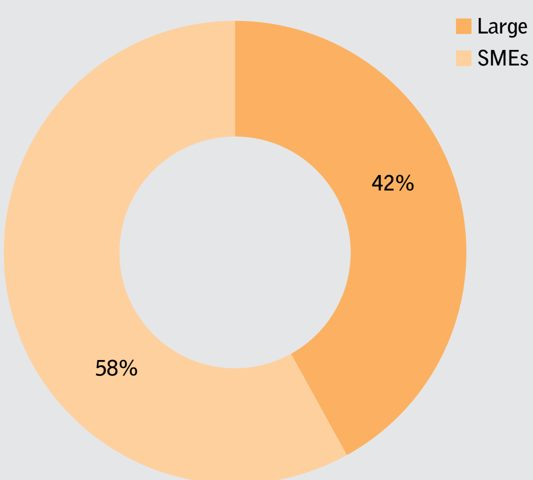
- **68** companies represent over **80%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 200 million.

### Sales 2013




- 6 companies represent 69% of the sector's total sales in 2013.

### Headcount 2013




- 58% of the sector's headcount are employed in 6 Large companies.

## Sector Characteristics

- The sector that plays a significant part in the country's economy, with focus on rendering qualitative and innovative services.
- Decrease in turnover and satisfactory, though decreased, profit margins, with the exception of 2012.
- Any decrease in sales substantially affects the companies' profit margins.
- Particular intense competition due to the Public Sector, which is not in position to cover steadily increasing demand and render qualitative healthcare services.
- The largest part of the sector's financing comes from bank loans.
- Intense need of financing the sector's working capital, in particular regarding the Large companies.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 6 companies hold almost 70% of the operations under survey. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector is in unfavorable position versus the general total, presenting large-scale fluctuation and worse sales, coupled with decreases in working capital and EBITDA Margin. |
| **Has the sector overcome the economic crisis?** | It seems that the sector has not overcome the crisis consequences, since in 2013 it records significant decreases (-18,3%), given the extraordinary decisions made by the State on Rebate και Claw-back mechanisms. In 2013, the mechanism was implemented in the middle of the period, resulting in particularly limited reaction margins of the sector's companies with respect to cost decreases. The mechanism is institutionalized in 2014 and 2015, with milder expected effect, especially on larger units, since it is estimated that they will be in position to take effective measures and transfer the effects on third parties. |
| **How hard was it for the sector to face the crisis?** | The sector was significantly affected by the crisis, as indicated by the decreasing course of turnover, apart from 2012, recording a relative increase, part of which is due to agreements between the private clinics and the Embassy of Libya regarding rendering healthcare services to the patient from this country. An impairment of 8% was recorded in 2012 regarding the sector's receivables from insurance funds, existing till the creation of the National Organization for the Provision of Healthcare Services (EOPYY) in late 2011 and burdening the results of that FY. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector follows the adverse course of the GDP. The sector's companies are significantly affected by the course of the Public Institutions (EOPYY). |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance. However, some issues are at a disadvantage, such as sizable collection period of receivables from customers and unfavorable bank financing conditions. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem so much related to the size as to financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | The sector's prospects are totally intertwined with the orderly operation of the National Organization for the Provision of Healthcare Services (EOPYY), deemed uncertain and create greater liquidity problems regarding the Large companies of the sector. It has been observed that the great dependence of one company on EOPPYY creates increased volumes, but significantly reduces revenue per patient and creates further needs for working capital. Strengthening the sector's SMEs through mergers, given their relatively good financial performance and high contribution to the employment in the sector, are the prospects that should be seriously considered. |

# CONDENSED FINANCIAL DATA

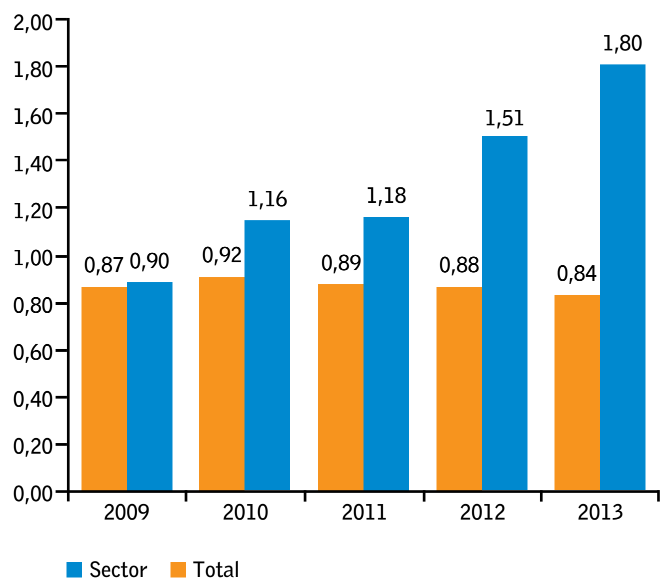
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.955 | 1.978 | 2.278 | 2.473 | 2.581 |
| Current Assets | 1.141 | 1.434 | 1.192 | 1.263 | 1.242 |
| **Total Assets** | **3.096** | **3.412** | **3.470** | **3.736** | **3.823** |
| **Equity** | **708** | **864** | **1.048** | **1.142** | **1.339** |
| Long-term Loan Liabilities | 486 | 569 | 274 | 354 | 767 |
| Other Long-term Liabilities | 258 | 256 | 321 | 358 | 391 |
| **Total Long-term Liabilities** | **744** | **825** | **596** | **712** | **1.157** |
| Short-term Loan liabilities | 786 | 738 | 967 | 972 | 434 |
| Other Short-term Liabilities | 858 | 985 | 859 | 910 | 892 |
| **Total Short-term Liabilities** | **1.644** | **1.723** | **1.826** | **1.882** | **1.326** |
| **Total Liabilities** | **2.388** | **2.548** | **2.421** | **2.594** | **2.484** |
| **Total Equity and Liabilities** | **3.096** | **3.412** | **3.470** | **3.736** | **3.823** |
| Working Capital | -504 | -289 | -634 | -618 | -84 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.231 | 1.507 | 1.421 | 1.643 | 1.872 |
| EBITDA | 72 | 230 | 109 | 115 | 304 |
| EBIT | -18 | 136 | 11 | 18 | 203 |
| EBT | -112 | -112 | -195 | -122 | 110 |
| EAT | -136 | -145 | -223 | -159 | 52 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,8 | 1,5 | 1,2 | 1,2 | 0,9 |
| Current Assets/ Short-term Liabilities | 0,7 | 0,8 | 0,7 | 0,7 | 0,9 |
| EV/EBITDA | 25,1 | 8,8 | 20,0 | 20,3 | 7,8 |
| EBITDA Margin | 5,9% | 15,3% | 7,6% | 7,0% | 16,2% |

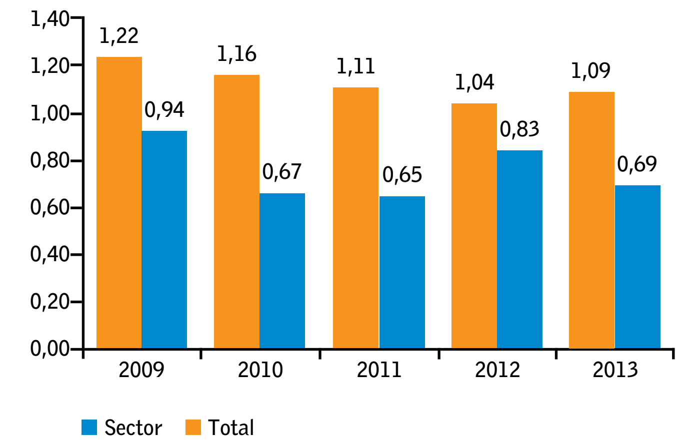
### Loan Liabilities / Equity




- Loan to equity ratio of the sector is substantially lower than that of the general total from 2010 onwards, with the sector's companies presenting a significant decrease in equity within the five year period.

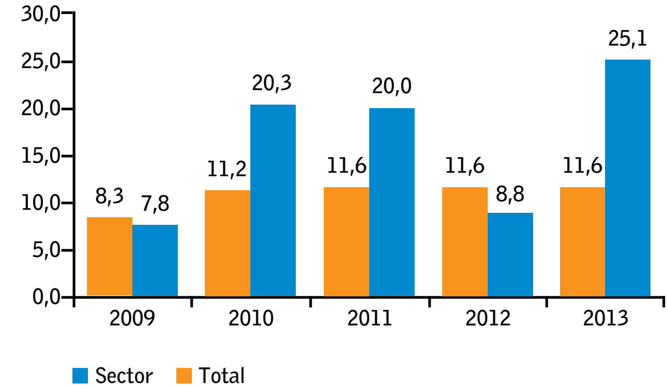
 

### Current Assets / Short-term Liabilities



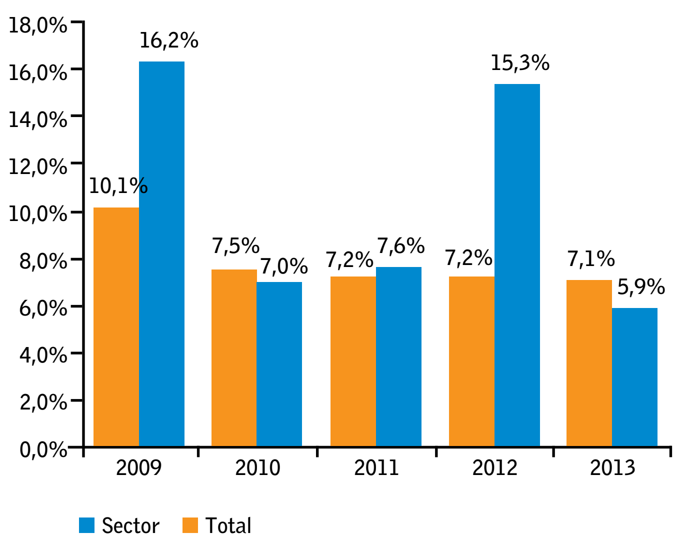

- The sector's companies record negative working capital, substantially lower than the general total.

### EV/EBITDA



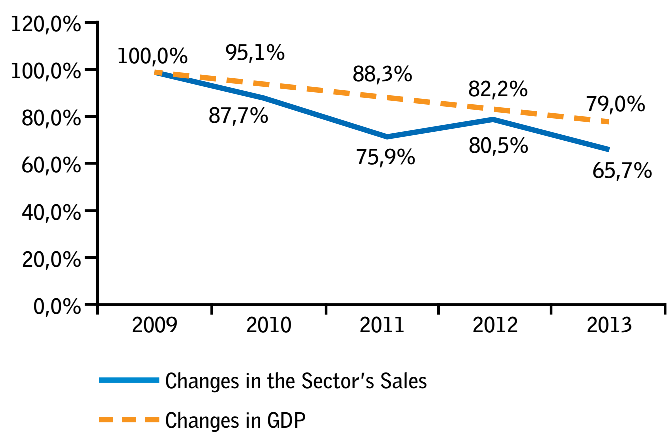

- The sector presents less investment interest than the general total.

### EBITDA Margin




- EBITDA margin stands at rather satisfactory levels, however recording bigger variations within the five year period (from 6% to 16,2%).
- A substantial decrease was recorded in 2013 due to significant decrease in sales caused by claw-back and rebate mechanism.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector follows the course of the GDP concerning the changes in sales apart from 2012, when provisional recovery was recorded.

# SECTOR ANALYSIS

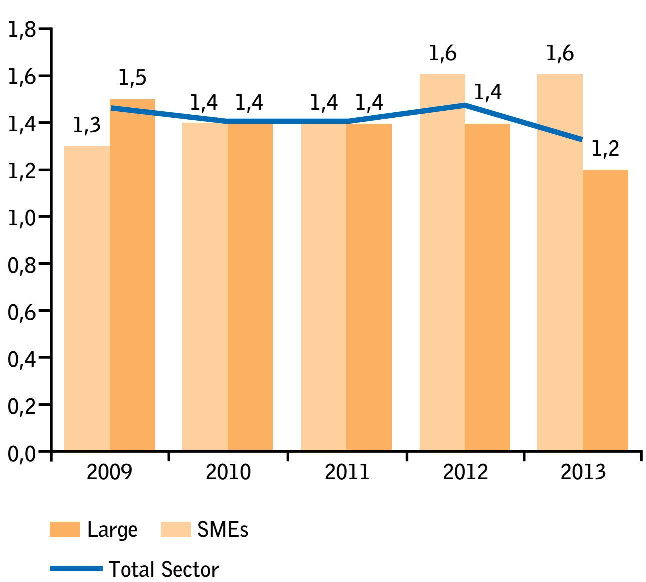
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -569 | -356 | -646 | -608 | -77 |
| SMEs | 65 | 66 | 13 | -10 | -7 |
| **Total Sector Working Capital** | **-504** | **-289** | **-634** | **-618** | **-84** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 124 | 266 | 214 | 247 | 272 |
| SMEs | 159 | 183 | 119 | 107 | 79 |
| **Total Sector Working Capital** | **282** | **449** | **333** | **354** | **350** |

** Borrowings are not included*

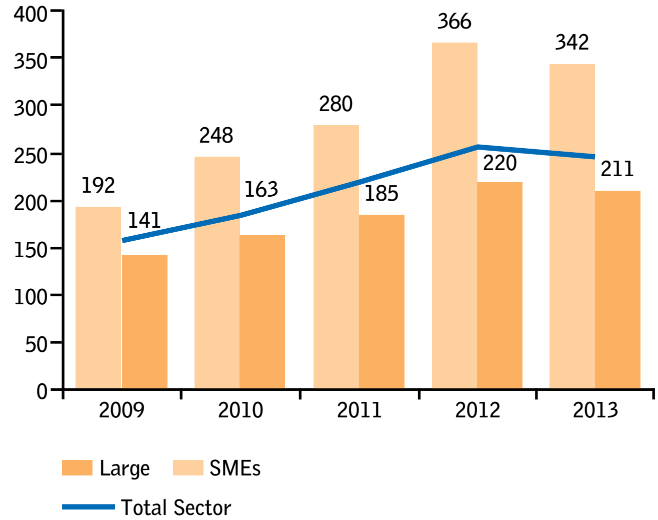
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

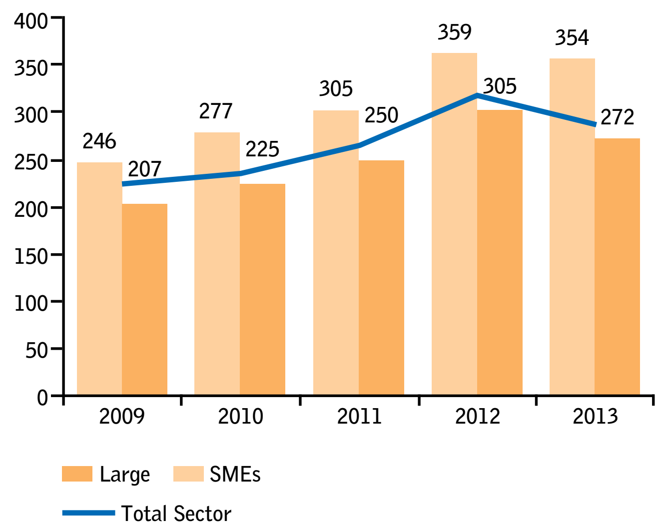
- Both categories of the companies present almost similar needs for financing. From 2012 onwards, SMEs have been recording smaller needs.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the size of the sector's companies, with SMEs recording much shorter period (average 100 days) than Large companies.

### Average Period of Paying Liabilities




- The average period of paying liabilities has increased within the five year period. As far as SMEs are concerned, the average period of paying liabilities approaches one year within the last two years under survey.

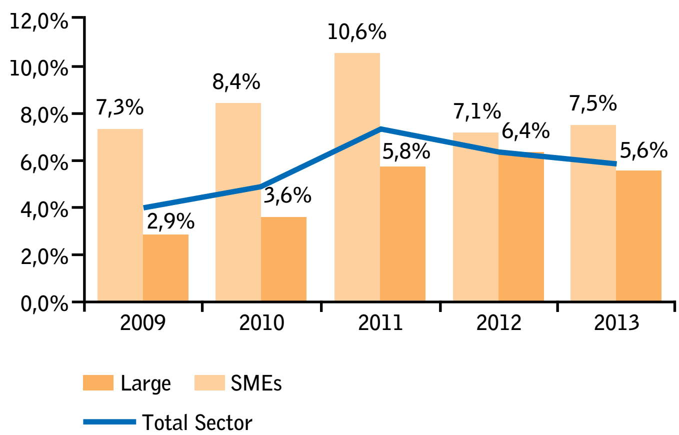
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 987 | 974 | 967 | 1.031 | 908 |
| SMEs | 123 | 181 | 163 | 166 | 119 |
| **Total Sector** | **1.111** | **1.155** | **1.130** | **1.197** | **1.027** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 61 | 69 | 62 | 39 | 30 |
| SMEs | 14 | 14 | 21 | 16 | 12 |
| **Total Sector** | **76** | **83** | **84** | **54** | **42** |

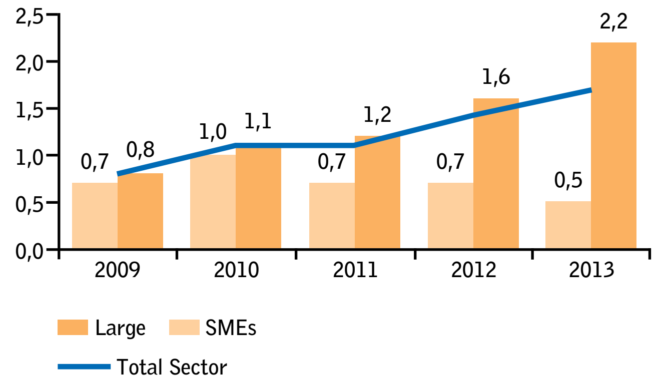
- Increase of 8% has been recorded in the sector's net borrowings within the last five year period, with the Large companies borrowing higher amounts regarding the market share they hold.
- SMEs increase borrowings till 2012 inclusively and proceed with substantial repayments in 2013.

### Average Borrowing Interest Rate



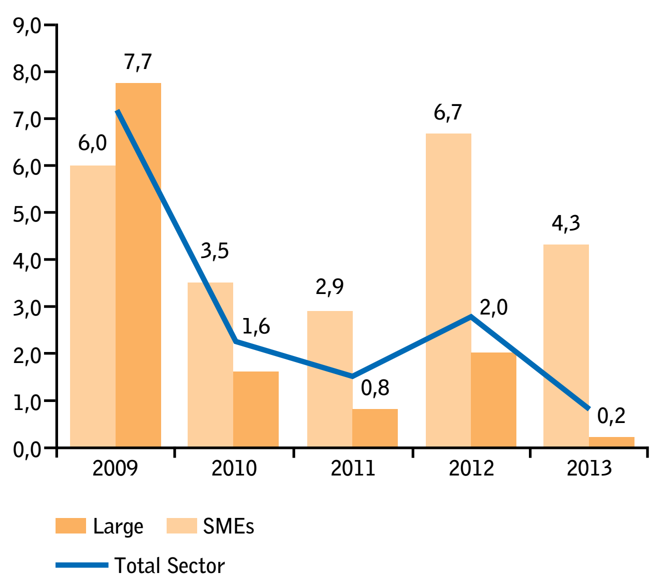

- The average borrowing interest rate substantially increases from 3,5% in 2009 to 6,5% in 2011, slightly decreases and stands at 5,9% in 2013.
- Borrowing costs are substantially higher regarding the sector's SMEs within the entire five year period, with Large companies borrowing at steadily smaller rates (up to 4,8% in 2010 and 2011).

### Net Borrowings / Equity



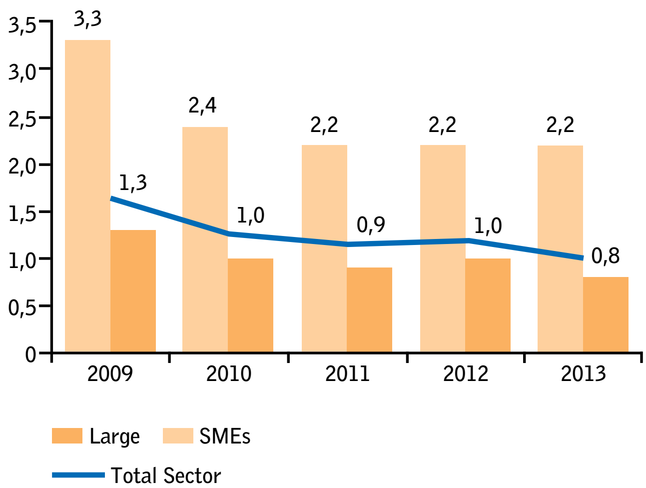

- The Large companies of the sector record rather high loan burdening, with the relative ratio presenting an increasing course. In contrast, SMEs record steadily decreasing levels, substantially lower than those recorded by the Large companies.

### EBITDA / Financial Expenses




- The average increases in costs of financing coupled with an even bigger decrease in operating profits have decreased the companies' ability to cover costs of financing through operating profits.
- Regarding the Large companies' performance in the particular ratio, substantial decreases in their operating profits during the five year period shall be taken into account.

### Sales / Total Borrowings




- The sector's SMEs record better performance in the particular ratio versus the Large companies that record performance of up to below one (2011, 2013).

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -219 | 86 | -163 | -179 |
| *(percentage)* | -21% | 9% | -14% | -14% |
| SMEs | -58 | 0,2 | -58 | -51 |
| *(percentage)* | -13% | 0,04% | -11% | -9% |
| **Total Sales of the Sector** | **-277** | **86** | **-221** | **-230** |
| ***(percentage)*** | **-18%** | **6%** | **-13%** | **-12%** |

- The sector's sales present a relatively similar picture in all the categories. A substantial decrease was recorded in 2013 due to the implementation of rebate and claw-back mechanism, following a provisional increase in sales in 2012.

## Sales - Profitability

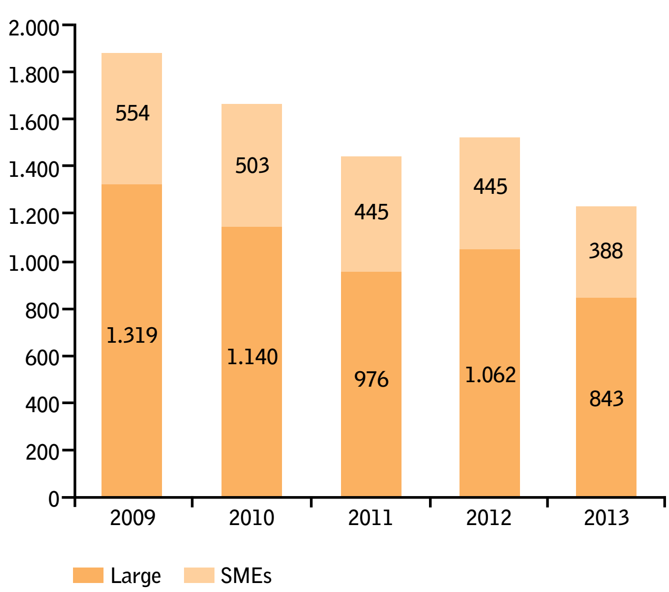
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 11 | 134 | 47 | 60 | 229 |
| SMEs | 61 | 96 | 61 | 55 | 74 |
| **Total Sector** | **72** | **230** | **109** | **115** | **304** |

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 843 | 1.062 | 976 | 1.140 | 1.319 |
| SMEs | 388 | 445 | 445 | 503 | 554 |
| **Total Sector** | **1.231** | **1.507** | **1.421** | **1.643** | **1.872** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -127,8 | -155,4 | -203,8 | -130,3 | 77,3 |
| SMEs | 15,7 | 43,4 | 8,6 | 7,9 | 32,5 |
| **Total Sector** | **-112,1** | **-112,1** | **-195,2** | **-122,3** | **109,8** |

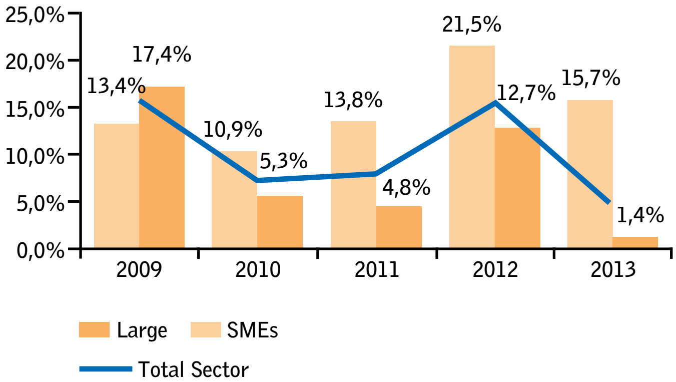
- Large companies of the sector record losses before tax from 2010 onwards, while the profitability of SMEs is presented decreased, with the exception of 2012, when a substantial increase is presented.

### Sales



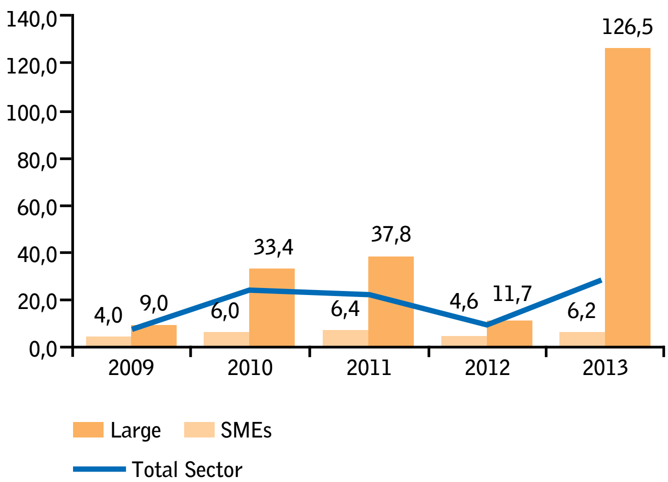

 

### EBITDA Margin




- From 2010 onwards, SMEs hold substantially higher EBITDA margin than the Large companies of the sector due to smaller decreases in their operating profits.

### EV /EBITDA




- The sector's SMEs steadily present more investment interest.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 43 | 68 | 45 | 10 |
| SMEs | 99 | 16 | 27 | -4 |
| **Total Sector** | **142** | **84** | **72** | **5** |

- Cash flows from operating activities present increasing trends within the four year period, with the substantial increases recorded by SMEs in 2013.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -23 | -16 | -29 | -90 |
| SMEs | -9 | -12 | -27 | -24 |
| **Total Sector** | **-32** | **-28** | **-56** | **-114** |

- Cash outflows from investing activities are decreased, in particular regarding the Large companies of the sector.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -39 | 2 | -31 | 47 |
| SMEs | -63 | -16 | -3 | 17 |
| **Total Sector** | **-102** | **-14** | **-34** | **64** |

- The sector presents relative stability in financing within the last four year period, mainly due to already increased loan burdening.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**35%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**9%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**33%** of the total companies of the sector,<br>**65%** of the total sales of the sector,<br>**87%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**17%** of the total companies of the sector,<br>**6%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Healthcare Services Sector

- Decrease in turnover is more intense, especially reaching 36% in respect of the Large companies of the sector.
- In contrast, SMEs seem to have adapted their operating expenses to the current conditions and therefore, the decrease in turnover has not so adversely affected the profit margins, which have substantially improved.
- Large companies of the sector record negative working capital due to high short-term borrowings.
- As a result of high borrowings of the Large companies, in line with decreased EBITDA margins, operating profits are not sufficient to cover financial expenses in 2011 and 2013.

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# Hotels Sector

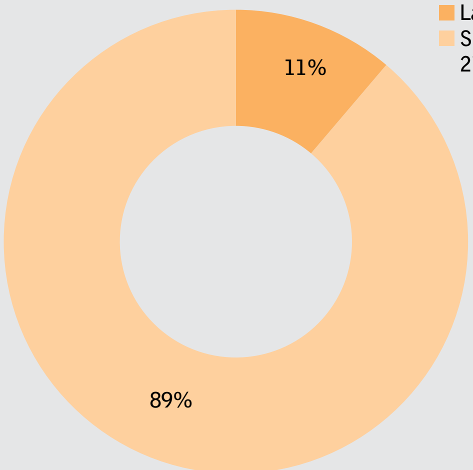
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

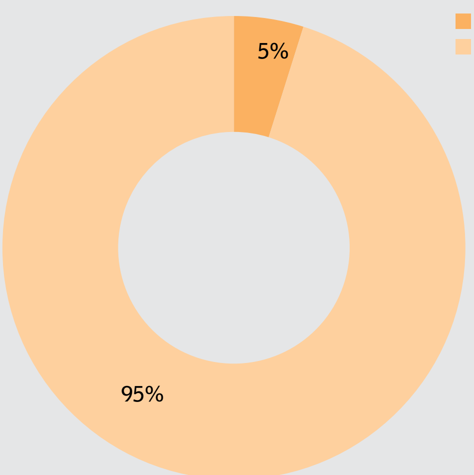
- **220** companies represent over **61%** of the sector's total operations. However, Micro companies strongly participate in the sector's operations (39%).
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 219 companies represent 89% of the sector's total sales in 2013.

### Headcount 2013




- 95% of the sector's headcount are employed in SMEs.

## Sector Characteristics

- The sector is largely affected by international political disturbances and, in particular, by the promotion of political stability abroad, with respect to creating a feeling of security to potential tourists.
- In 2013, the increase in tourists' arrivals in Greece, reaching 17.9 million, positively affected the sector's performance, which was also adversely affected by the decrease in domestic tourism due to reduction in the domestic purchasing power of the consumers.
- The sector is characterized by substantial dispersion - both geographically and in terms of sales -with varied hotel infrastructure, addressing different incomes.
- The de-investment in infrastructure due to economic crisis and reducing the accessibility of popular tourist destinations due to internal social turmoil have adversely affected the sector's performance.
- A large variety of companies with limited market shares creates opportunities to form larger entities, either by introducing new companies or by consolidating the existing business units.
- The sector that constitutes the "heavy" tourism industry of Greece, benefiting from promotion campaigns in order to attract foreign tourists.
- The sector that records high profit margins.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | Almost no homogeneity in the sector with a variety of SMEs, geographically spread, with different market shares, facing various operating risks. |
| **Does a small number of companies dominate the sector?** | There is no small number of companies dominating the sector, since only one company represents only 11% of the sector's sales. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector records the highest recovery rates in the country's economy. It has very high capital employed given the size of the companies operating in the sector. |
| **Has the sector overcome the economic crisis?** | Given the liquidity of the sector's economic operating environment, the crisis seems to have been overcome, since the sector records an increase in sales of 13% in 2013 compared to 2012 and increased operating profits by 47%. |
| **How hard was it for the sector to face the crisis?** | The sector does not seem to have strongly experienced the consequences of the economic crisis, recording marginal losses in profit margins in 2011, maintaining its net debt at sustainable levels and recording positive cash flows from operating activities during the five years. Pressure was created by the increased financing needs for working capital. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector follows the opposite course from the one recorded by the Greek Economy and in 2013 records an increase of almost 10% compared to 2009, while the Greek Economy records losses of nearly 20%. |
| **What is the financial performance of the sector's SMEs?** | Almost all the companies are classified as SMEs, having different market shares and recording a wide variety of financial characteristics. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Given the high dispersion of the companies, with 89% of the market share belonging to SMEs, a safe conclusion would be that the market share is not related to the viability of a company. |
| **What are the prospects for the sector?** | Regarding the already made bookings, it seems that a further increase in international tourist arrivals will be recorded in 2014, expected to exceed 19 million. Issues of infrastructure and accessibility to popular tourist destinations, which now appear to be resolved, as well as the mild climate changes will have a positive effect on the performance of the sector's companies.<br>The companies should focus on the services they render and the types of foreign tourists visiting Greece, which, as based on data collected in 2013, by more than 20% come from "mature" economies. The companies shall be oriented towards rendering tailor-made and 'exclusive' services.<br>Moreover, attracting a very demanding type of the so called congress tourism, such as the International Maritime Exhibition Posidonia, through coordinated efforts with the competent bodies, especially in times of low season, can bring further positive results. |

## CONDENSED FINANCIAL DATA

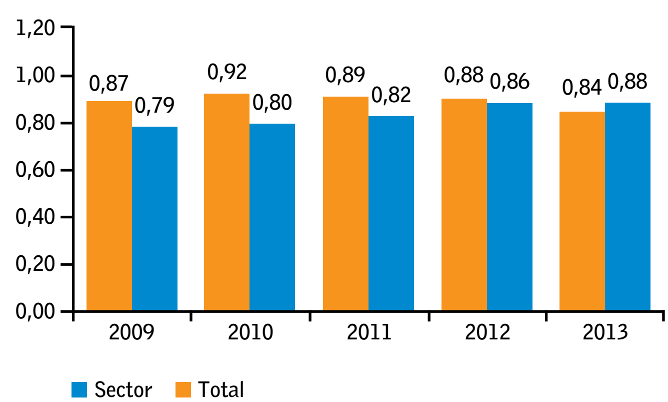
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 6.333 | 6.332 | 6.328 | 6.571 | 6.489 |
| Current Assets | 1.301 | 1.247 | 1.235 | 1.165 | 1.149 |
| **Total Assets** | **7.634** | **7.579** | **7.563** | **7.736** | **7.638** |
| **Equity** | **3.340** | **3.373** | **3.377** | **3.547** | **3.597** |
| Long-term Loan Liabilities | 2.021 | 2.070 | 2.067 | 2.156 | 2.216 |
| Other Long-term Liabilities | 312 | 333 | 416 | 404 | 360 |
| **Total Long-term Liabilities** | **2.333** | **2.402** | **2.483** | **2.561** | **2.576** |
| Short-term Loan liabilities | 903 | 840 | 704 | 672 | 609 |
| Other Short-term Liabilities | 1.057 | 965 | 1.000 | 956 | 856 |
| **Total Short-term Liabilities** | **1.961** | **1.804** | **1.703** | **1.628** | **1.465** |
| **Total Liabilities** | **4.294** | **4.206** | **4.186** | **4.189** | **4.041** |
| **Total Equity and Liabilities** | **7.634** | **7.579** | **7.563** | **7.736** | **7.638** |
| Working Capital | -660 | -558 | -468 | -463 | -315 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.828 | 1.622 | 1.767 | 1.661 | 1.689 |
| EBITDA | 446 | 303 | 265 | 267 | 320 |
| EBIT | 166 | -11 | -46 | -41 | 12 |
| EBT | -18 | -231 | -260 | -171 | -116 |
| EAT | -60 | -234 | -268 | -183 | -131 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,9 | 0,9 | 0,8 | 0,8 | 0,8 |
| Current Assets/ Short-term Liabilities | 0,7 | 0,7 | 0,7 | 0,7 | 0,8 |
| EV/EBITDA | 13,5 | 20,0 | 22,2 | 22,8 | 19,2 |
| EBITDA Margin | 24,4% | 18,7% | 15,0% | 16,1% | 19,0% |

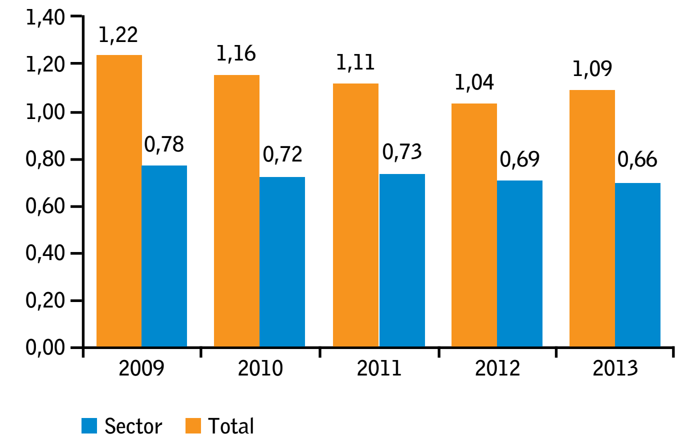
### Loan Liabilities / Equity




- The sector records steadily low borrowings versus the general total, financing its operations through its equity. However, this fact shall be examined in line with the value of property, plant and equipment, significantly reduced in many cases. This fact, as a rule, has not been reflected in the companies' financial statements.

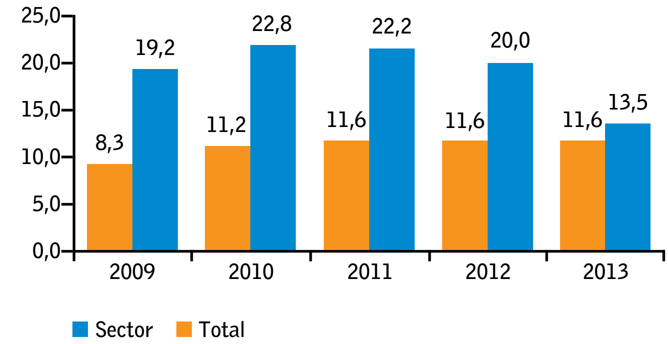
 

### Current Assets / Short-term Liabilities



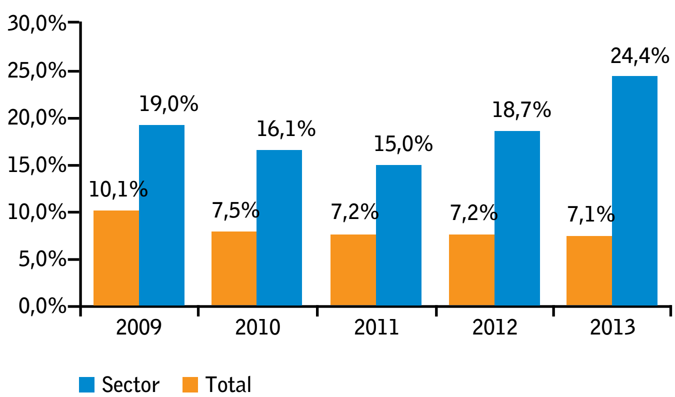

- The ratio records increased needs for financing the working capital and, in some cases, difficulties in continuing as going concern.

### EV/EBITDA



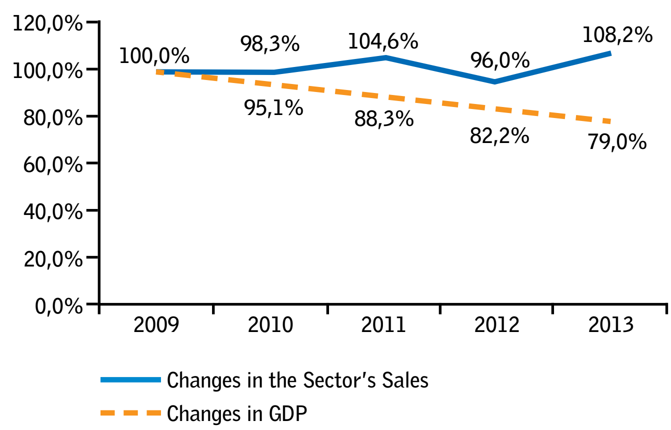

- High level of employed capital has burdened the sector and made it non-attractive regarding investments. An impressive increase in EBITDA, recorded in 2013, has substantially changed the picture.

### EBITDA Margin




- The sector records the opposite tendencies in profit margins versus the other sectors of the Greek Economy.
- An impressive increase in operating profit margins within the last years.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- A completely different picture from that presented by the Greek Economy.

# SECTOR ANALYSIS

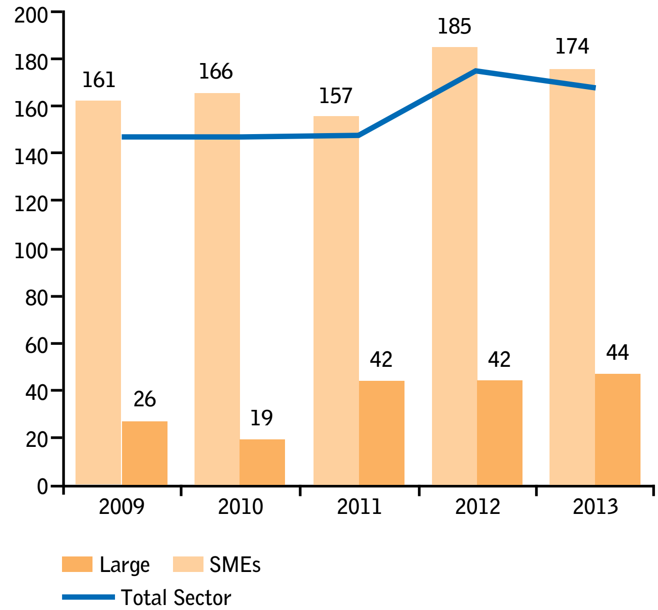
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -122 | -96 | -74 | -72 | -63 |
| SMEs | -538 | -461 | -394 | -391 | -252 |
| **Total Sector Working Capital** | **-660** | **-558** | **-468** | **-463** | **-315** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 28 | 28 | 52 | 19 | 4 |
| SMEs | 216 | 254 | 184 | 190 | 290 |
| **Total Sector Working Capital** | **244** | **282** | **236** | **209** | **294** |

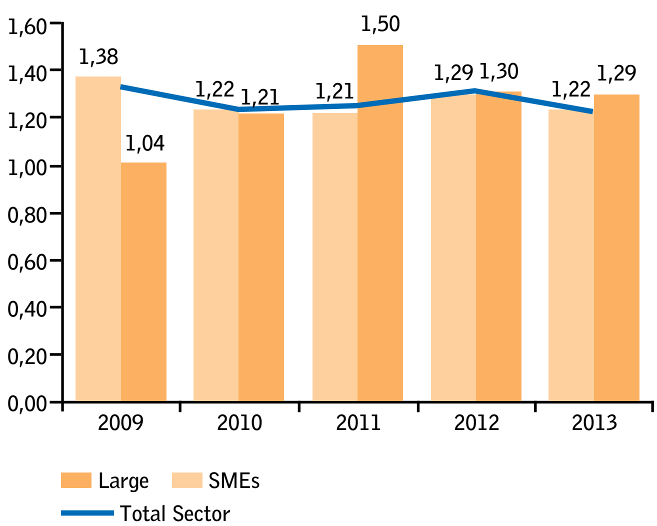
** Borrowings are not included*

### Average Collection Period of Receivables



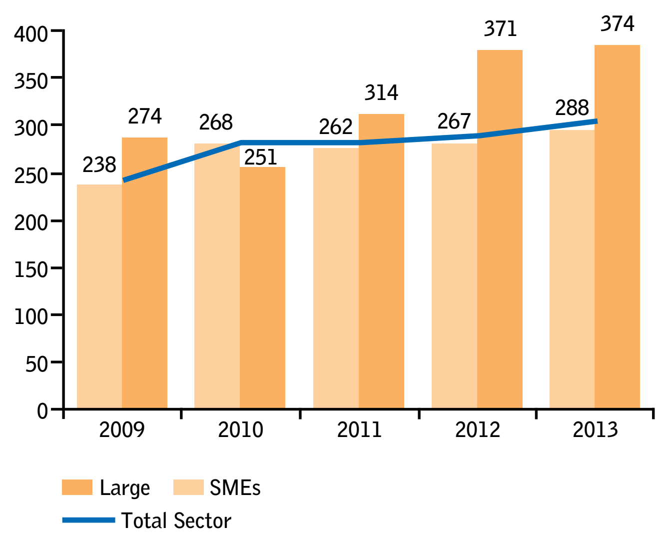

- The average collection period of receivables is steadily presented as that over 4 months within the five year period, with the Large company of the sector presenting the period of approximately one month in 2013.

### Current Assets / Short-term Liabilities*




** Borrowings are not included*

### Average Period of Paying Liabilities




- The sector records negative working capital mainly due to high short-term bank loans.
- Given the dispersion of the sector's sales, with almost all the companies recording sales under € 50 million, it does not seem that the sector as a total is in need of financing. The level of borrowings in line with the current value of the installations and the need to maintain them set the financing requirements for the companies.
- The sector holds steadily favorable suppliers repayment margins, with the average period exceeding 8 months, thus justifying low needs for bank financing.

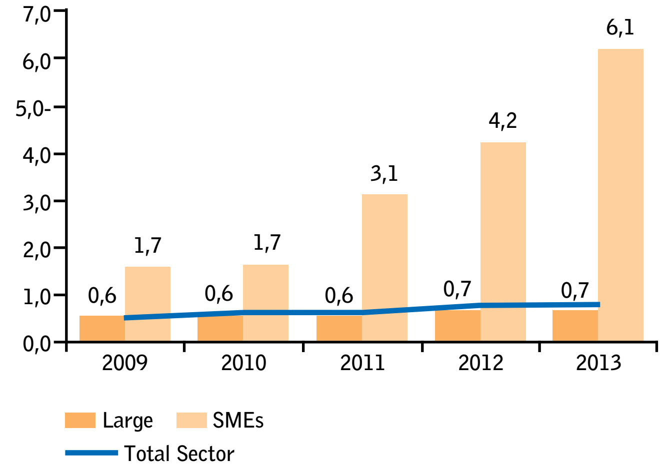
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 434 | 421 | 424 | 401 | 421 |
| SMEs | 2.256 | 2.257 | 2.070 | 2.141 | 2.126 |
| **Total Sector** | **2.689** | **2.677** | **2.494** | **2.542** | **2.548** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 11 | 10 | 16 | 16 | 21 |
| SMEs | 134 | 149 | 143 | 113 | 110 |
| **Total Sector** | **145** | **158** | **158** | **129** | **131** |

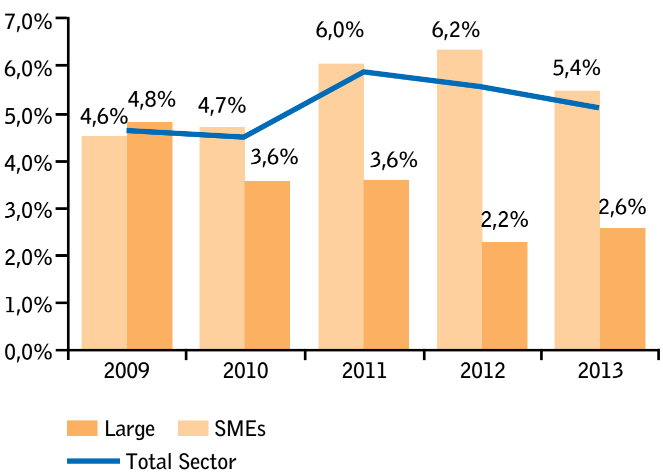
- The sector records a marginal increase of 6% in net borrowings within the five year period. It is particularly worth noticing that short-term loans have doubled due to reclassification of loans, thus indicating, in several cases, inability of the companies to repay their loans.

### Net Borrowings / Equity



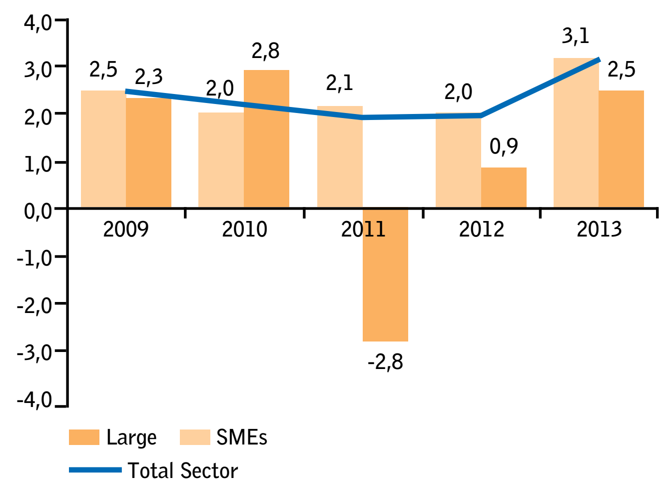

- Apart from the Large company, almost all the companies of the sector seem to finance their operations through equity, maintaining the borrowings at lower levels versus equity. However, it is to be noted that the ratio can change if the current values of property, plant and equipment are taken into account.

### Average Borrowing Interest Rate




- Given the fact that the sector's short-term borrowings have doubled, the sector records a marginal increase in the average borrowing interest rate from 2009 to 2013, with the Large company recording particular favorable interest rates.
- It is to be noted that the sector's companies record lower average borrowing interest rate than that presented by the general total.

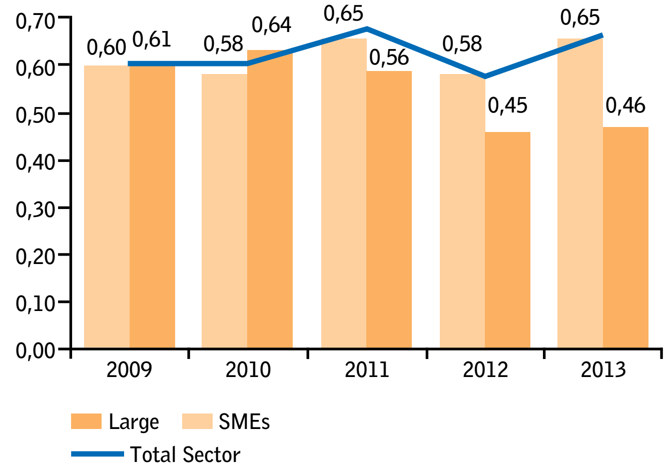
### EBITDA / Financial Expenses




- It seems that the total of the companies, also taking into account the low average borrowing rates, cover the cost of financing through their operating profits.

### Sales / Total Borrowings




- It causes concern that despite increased operations, the sector's sales are significantly lower than its loan liabilities, casting doubt on their settlement.

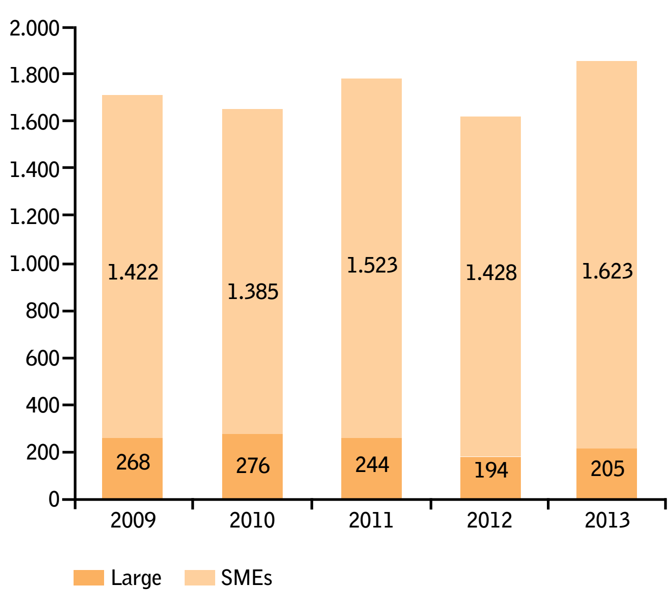
| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 11 | -50 | -31 | 8 |
| *(percentage)* | 6% | -21% | -11% | 3% |
| SMEs | 195 | -95 | 137 | -36 |
| *(percentage)* | 14% | -6% | 10% | -3% |
| **Total Sales of the Sector** | **206** | **-145** | **106** | **-28** |
| ***(percentage)*** | **13%** | **-8%** | **6%** | **-2%** |

- Given the decrease in domestic tourism caused by reduction in the consumer's spending power as a result of the crisis, the sector focused on foreign tourism.
- Since foreign tourism in 2011 increased by 9%, recording 16,4 million arrivals and in 2013 increased by 13%, recording 17,9 million arrivals, the sector's sales seem to have benefited by 6% and 13% respectively.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 205 | 194 | 244 | 276 | 268 |
| SMEs | 1.623 | 1.428 | 1.523 | 1.385 | 1.422 |
| **Total Sector** | **1.828** | **1.622** | **1.767** | **1.661** | **1.689** |

### Sales



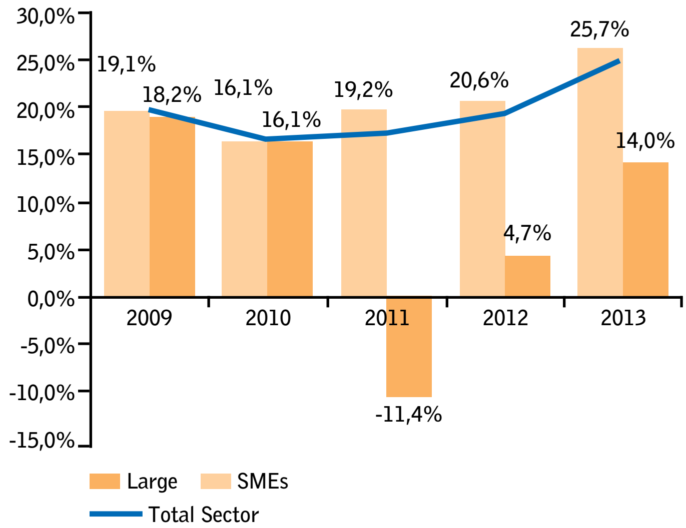

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 29 | 9 | -28 | 44 | 49 |
| SMEs | 417 | 294 | 293 | 223 | 272 |
| **Total Sector** | **446** | **303** | **265** | **267** | **320** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -18,7 | -39,1 | -82,3 | -10,9 | -11,4 |
| SMEs | 1,1 | -192,4 | -178,1 | -160,2 | -104,2 |
| **Total Sector** | **-17,6** | **-231,5** | **-260,3** | **-171,1** | **-115,6** |

- Despite the impressive performance recorded by the sector in EBITDA Margin, standing at 24% in 2013, losses before tax were recorded in the period 2009 - 2013.
- High historical cost of construction of the premises, leading to high depreciations, is the main reason delaying increases in operating profits.

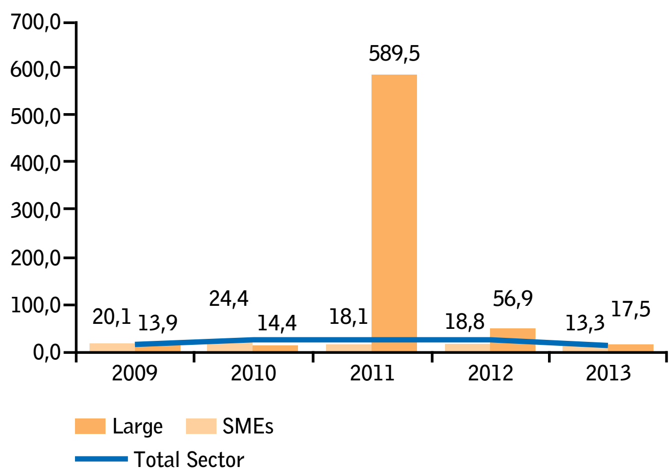
 | 

### EBITDA Margin




- Operating profit margins record impressive increases due to increase in sales.

### EV /EBITDA




- SMEs start presenting increased investment interest in 2013.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 30 | 22 | 32 | 48 |
| SMEs | 399 | 44 | 299 | 334 |
| **Total Sector** | **430** | **66** | **331** | **382** |

- The sector generates positive cash flows from operating activities within the entire four year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -19 | 10 | -23 | 2 |
| SMEs | -255 | -293 | -206 | -383 |
| **Total Sector** | **-274** | **-283** | **-229** | **-380** |

- The sector records stable investments in the entire four year period.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -20 | -31 | -29 | -41 |
| SMEs | -138 | 203 | -84 | 46 |
| **Total Sector** | **-158** | **172** | **-113** | **5** |

- The investments were financed by bank loans, while good performance recorded in 2013, made it possible to repay a part of the borrowings.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**42%** of the total companies of the sector,<br>**41%** of the total sales of the sector,<br>**47%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**20%** of the total companies of the sector,<br>**18%** of the total sales of the sector,<br>**5%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**32%** of the total companies of the sector,<br>**37%** of the total sales of the sector,<br>**48%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**6%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Hotels Sector

- Recovery in sales, recording an impressive increase in 2013 and favorable prospects for the following years. Increase in the sector's sales of 8% for the period 2009 – 2013, also due to increased arrivals of foreign tourists by 20%, reaching 17,9 million in 2013.
- Particularly higher profit margins (over 24%) than those recorded by the general total in 2013.
- Negative working capital due to high borrowings, with the sector's companies borrowing at particularly low rates.
- High cost of construction, leading to high depreciations that minimize operating profits.
- High borrowings not covered by sales.
- High equity that is, however, to be examined in line with the current value of property, plant and equipment.

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# Industrial Machinery Sector

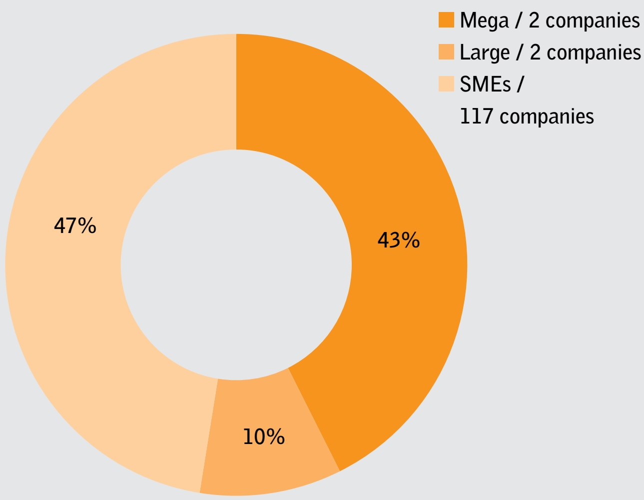
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

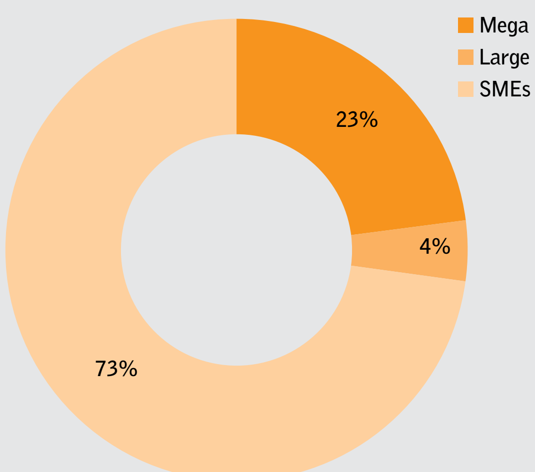
- **121** companies represent **81%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - SMEs**:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 2 companies represent 43% of the total sector's sales in 2013.

### Headcount 2013




- 73% of the sector's headcount are employed by 117 SMEs.

## Sector Characteristics

- A small sector with a broad range of operations and significant imports. In some cases, the companies depend on a small number of clients.
- Decrease in turnover, but satisfactory profit margins.
- Decrease in sales does not equally affect the profit margins, which record a relative increase.
- Intense international competition leads to decreases in sale prices and reduces the profit margins.
- The sector records decreases in turnover. The domestic market does not present particular growth prospects; therefore, the companies try to penetrate into new markets in order to obtain the market share.
- The sector is mainly financed through bank loans. In 2013, a part of bank borrowings was refinanced through renewal of bond loans regarding one of two Mega companies, while the other Mega company holds negotiations with the bondholders.
- When bank borrowings are recorded, financing needs regarding working capital get more intense.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics vary according to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 2 companies perform 43% of the sector's total turnover and employ 23% of headcount. The sector is characterized by a big number of SMEs. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not substantially differ from the general total, presenting decreases in EBITDA Margin in 2013, lower decrease in turnover and bigger dependence on foreign funds. |
| **Has the sector overcome the economic crisis?** | The sector does not seem to have overcome the consequences of the crisis, since it records reduction in sales in the last two years and losses before tax compared to the previous years. |
| **How hard was it for the sector to face the crisis?** | The sector has been adversely affected by the crisis, as it arises from the downturn course of its turnover, decrease in profitability and high borrowings. The sector records losses of approximately 16% within the five year period. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Although the sector recorded unfavorable results in 2010, from then on the course of its development is better than that recorded by GDP. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance, although they are under considerable pressure regarding the period of collecting receivables. This fact, in line with the decreases in their operations, can potentially lead to closure of several companies in the short-term. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to the size as to the financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | The turnover of the sector companies decreased, probably as a result of the change in the product mix of sales and margin squeezes, due to intensity of competition and increased sales performed abroad, at lower prices.<br><br>Given the large range of operations of the sector's companies, individual prospects look different as well. In view of the current conditions, it seems that there is room for growth in sizes regarding the sector as a whole within the last five years, particularly through further development of exports, while as far as the domestic market is concerned, resumption of construction of some major road projects might stimulate its growth.<br><br>Strengthening SMEs of the sector, given their fairly good financial performance and their significant contribution to headcount employment, is a prospect that should be seriously considered.<br><br>Another attractive prospect is further penetration in the markets recording high growth rates, through which the sector can significantly increase its sales. |

# CONDENSED FINANCIAL DATA

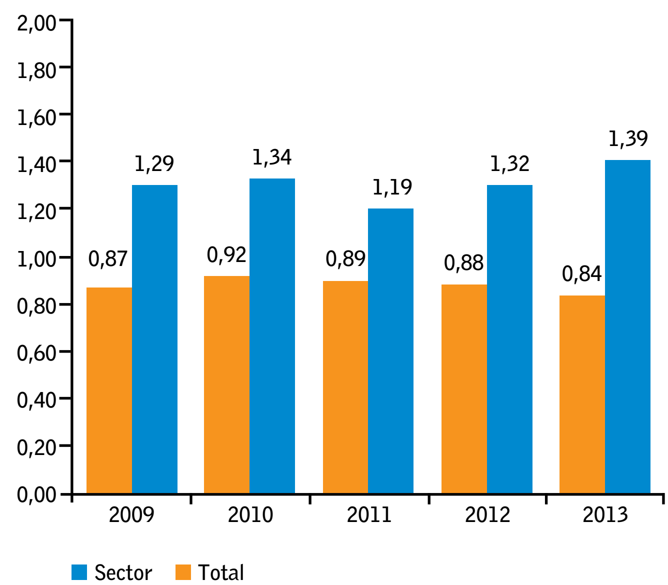
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 894 | 944 | 1.004 | 982 | 990 |
| Current Assets | 1.501 | 1.632 | 1.791 | 1.881 | 1.979 |
| **Total Assets** | **2.395** | **2.575** | **2.795** | **2.863** | **2.969** |
| **Equity** | **654** | **720** | **855** | **785** | **806** |
| Long-term Loan Liabilities | 384 | 201 | 496 | 225 | 285 |
| Other Long-term Liabilities | 114 | 132 | 133 | 123 | 107 |
| **Total Long-term Liabilities** | **497** | **333** | **630** | **349** | **391** |
| Short-term Loan liabilities | 527 | 748 | 519 | 823 | 758 |
| Other Short-term Liabilities | 716 | 774 | 791 | 907 | 1.014 |
| **Total Short-term Liabilities** | **1.243** | **1.523** | **1.311** | **1.730** | **1.772** |
| **Total Liabilities** | **1.741** | **1.856** | **1.940** | **2.079** | **2.163** |
| **Total Equity and Liabilities** | **2.395** | **2.575** | **2.795** | **2.863** | **2.969** |
| Working Capital | 258 | 109 | 480 | 152 | 207 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.838 | 1.892 | 2.046 | 1.988 | 2.181 |
| EBITDA | 127 | 115 | 162 | 135 | 149 |
| EBIT | 64 | 48 | 99 | 71 | 82 |
| EBT | -25 | -49 | 66 | 5 | 24 |
| EAT | -56 | -80 | 44 | -25 | -8 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,4 | 1,3 | 1,2 | 1,3 | 1,3 |
| Current Assets/ Short-term Liabilities | 1,2 | 1,1 | 1,4 | 1,1 | 1,1 |
| EV/EBITDA | 10,6 | 12,5 | 10,2 | 11,7 | 10,5 |
| EBITDA Margin | 6,9% | 6,1% | 7,9% | 6,8% | 6,8% |

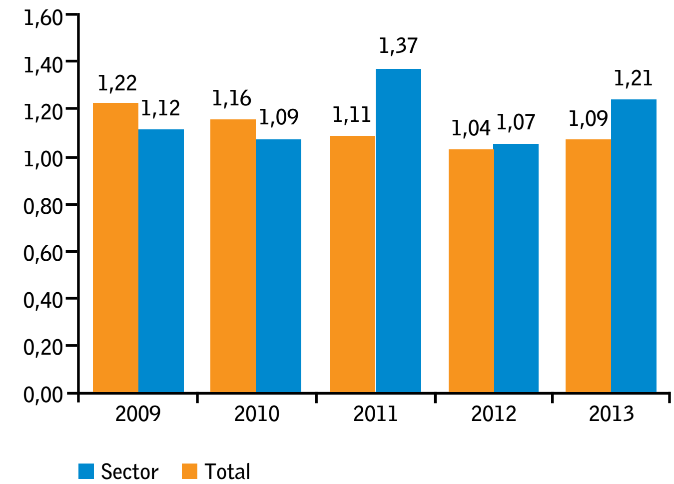
### Loan Liabilities / Equity




- Loan to equity ratio is steadily recorded over the general total within the period under survey.
- The sector finances its activities through loans within the entire period under survey.

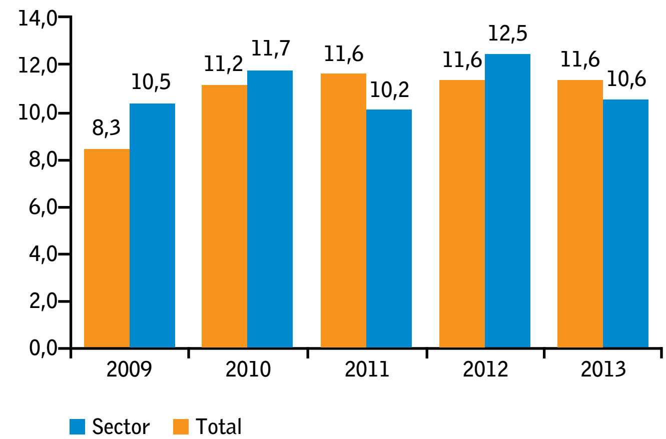
 

## Current Assets / Short-term Liabilities



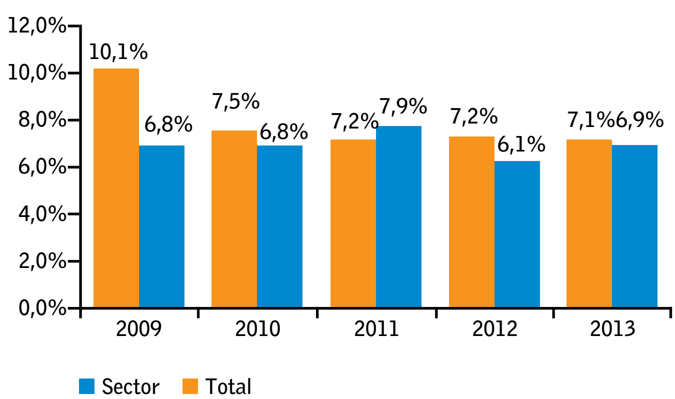

- The sector's companies steadily present positive working capital. From 2011 onwards the ratio in question is higher than that recorded by the general total.

## EV/EBITDA



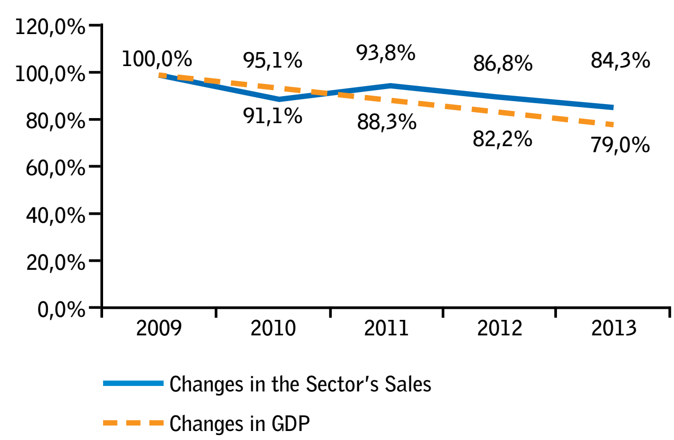

- The sector presents less investment interest versus the general total, while in 2013 its investment attractiveness is improving.

## EBITDA Margin




- EBITDA margin fluctuates from 6% to 8% within the five year period and is lower than that of the general total with the exception of 2011.

## Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales are similar to those in GDP (decrease), apart from 2011, when a relative increase is recorded.
- In 2009, the sector records losses of 16%, while the losses recorded by the Greek Economy versus 2013 stand at 21%.

# SECTOR ANALYSIS

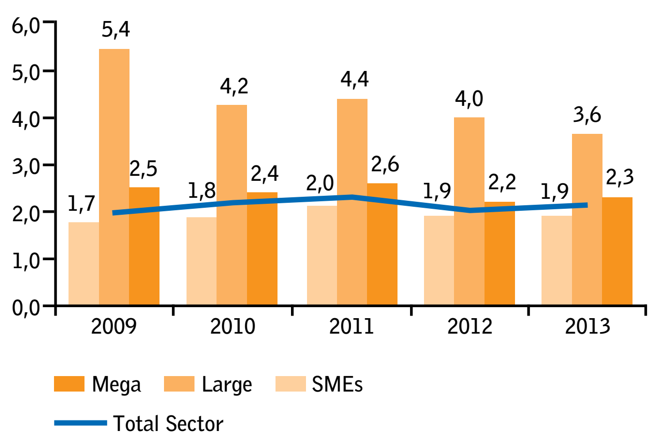
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -42 | -215 | 103 | -194 | -146 |
| Large | 68 | 76 | 79 | 77 | 89 |
| SMEs | 232 | 247 | 298 | 269 | 265 |
| **Total Sector Working Capital** | **258** | **109** | **480** | **152** | **207** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 247 | 270 | 336 | 276 | 220 |
| Large | 99 | 106 | 125 | 137 | 156 |
| SMEs | 439 | 481 | 538 | 562 | 589 |
| **Total Sector Working Capital** | **785** | **857** | **999** | **974** | **965** |

** Borrowings are not included*

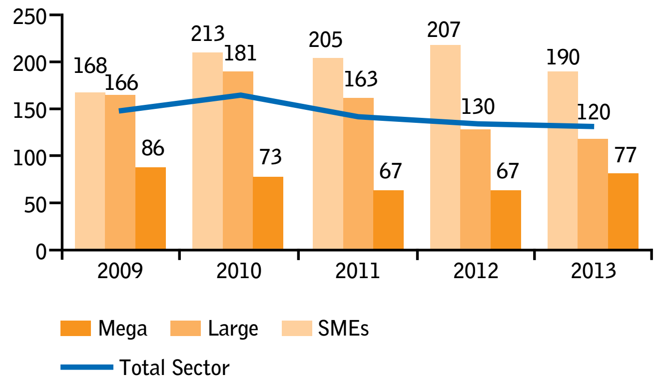
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

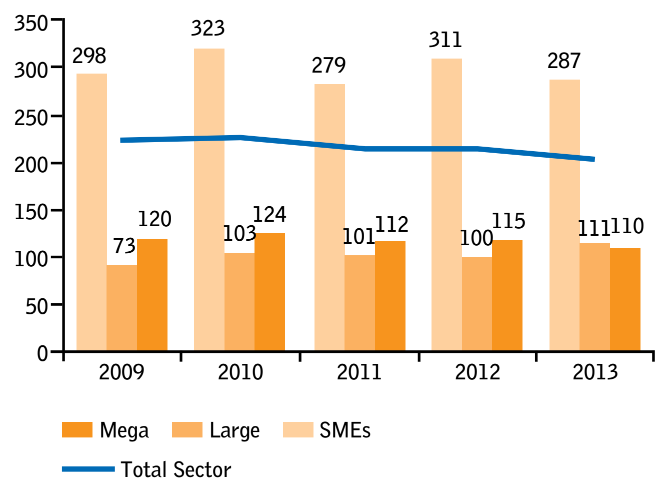
- Large companies steadily present lower needs for financing, while SMEs record higher needs, while presenting satisfactory levels of working capital.
- Working capital of the Mega companies was affected by the decrease in inventory and trade receivables, due to low sales and implementation of discounts on the sales of the products by one of two Mega companies.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the size of the sector companies with SMEs and Large companies recording substantially longer periods of collecting receivables than the Mega companies.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily exceeds 6 months, with SMEs hold steadily more favorable margins in paying their suppliers.
- Large companies record problems, since the days of paying the suppliers are 20 days behind the days of collecting receivables.
- Given the economic conditions, one of two Mega companies received worse credit limits from raw materials suppliers, who increased their prices, thus resulting in non-performance of the orders.

 | 

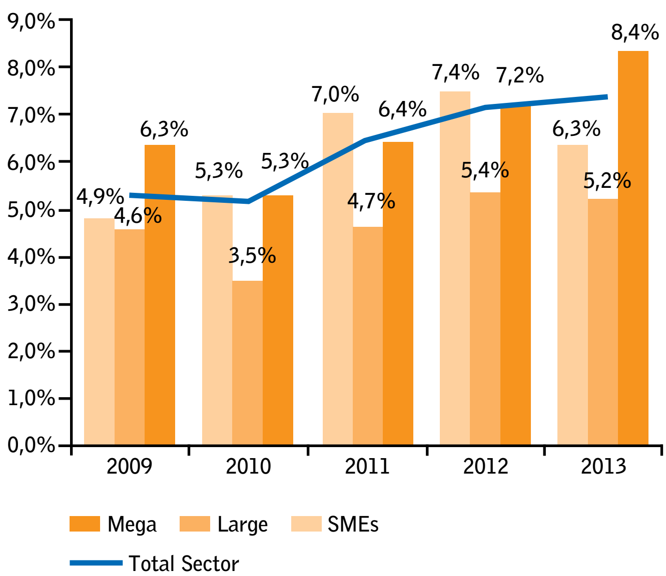
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 463 | 440 | 452 | 432 | 402 |
| Large | 13 | 27 | 55 | 69 | 84 |
| SMEs | 222 | 245 | 293 | 289 | 272 |
| **Total Sector** | **699** | **713** | **799** | **790** | **758** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 45 | 39 | 34 | 26 | 29 |
| Large | 3 | 4 | 4 | 3 | 5 |
| SMEs | 21 | 27 | 28 | 24 | 24 |
| **Total Sector** | **69** | **70** | **67** | **53** | **57** |

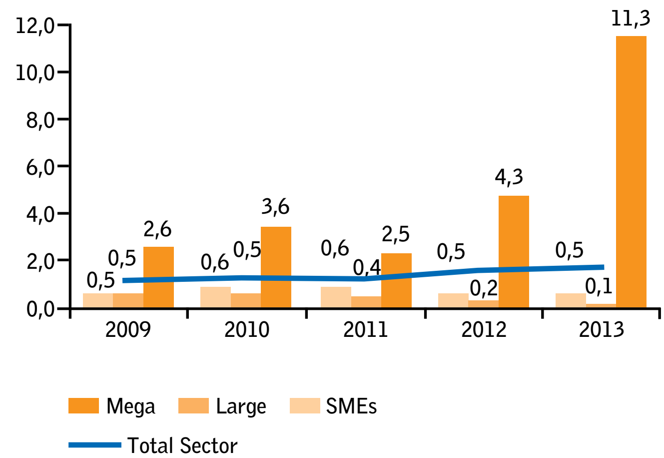
- Mega companies increase their net borrowings, while an even bigger increase is recorded in their financial expenses.
- Large companies proceed with repayment of a part of their net borrowings within the five year period, reaching rather low levels in 2013.

### Average Borrowing Interest Rate



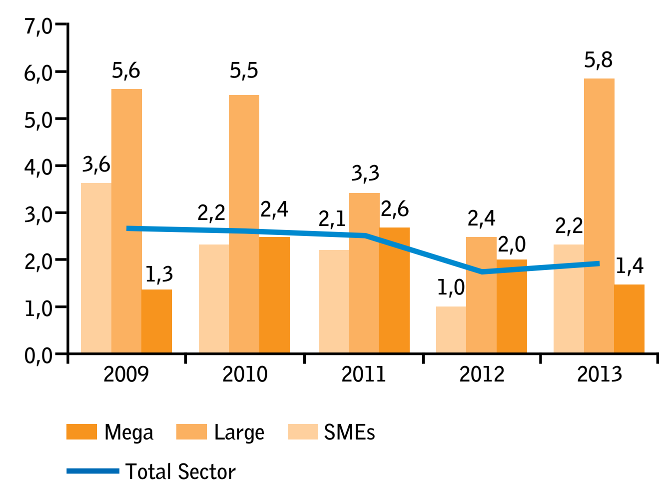

- The average borrowing interest rate of the sector, recorded at 5,5% in 2009 and at 5,1% in 2010, significantly increases in 2011, and stands at 7,4% in 2013.
- In 2013, one of two Mega companies issued bonds amounting to € 250 million, of five-year maturity, with a fixed annual interest rate of 8.25%, while one of two Large companies proceeded with issuing a bond loan amounting to € 17 million for the purposes of refinancing the existing debt and a part of its short-term borrowings.
- Large companies of the sector steadily record lower borrowing costs.

### Net Borrowings / Equity




- Mega companies record high loan burdening, with the ratio drastically increasing in 2013 given significant decreases in equity.
- In contrast, regarding the Large companies of the sector, loan burdening decreases from 2011 onwards, while SMEs record stable levels.

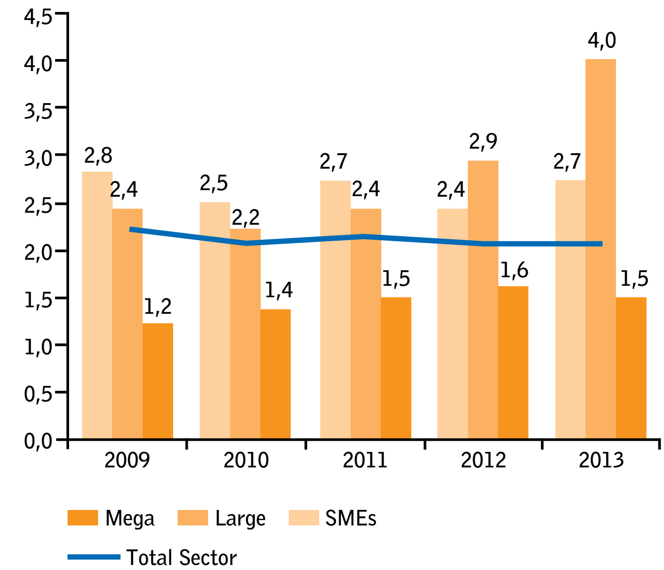
### EBITDA / Financial Expenses




- The increase in costs of financing coupled with the decreases in operating costs have decreased almost by 30% the ability of the companies to cover their costs of financing through operating profits.
- Large companies record better performance than the other companies' categories, taking into account the fact that they borrow at lower rates.

### Sales / Total Borrowings




- Large companies of the sector present, at average, better performance in the ratio, while Mega companies record the worst results.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -65 | 13 | 115 | 160 |
| *(percentage)* | -8% | 2% | 16% | 29% |
| Large | 4 | -10 | -19 | -35 |
| *(percentage)* | 2% | -6% | -9% | -14% |
| SMEs | 7 | -157 | -38 | -319 |
| *(percentage)* | 1% | -15% | -4% | -23% |
| **Total Sales of the Sector** | **-54** | **-154** | **58** | **-193** |
| ***(percentage)*** | **-3%** | **-8%** | **3%** | **-9%** |

- A significant increase is recorded in the turnover of the Mega companies till 2012 inclusively, while decreases are recorded in 2013.
- In contrast, the sales of the Large companies and SMEs present decreases till 2012 inclusively and relative increases in 2013.

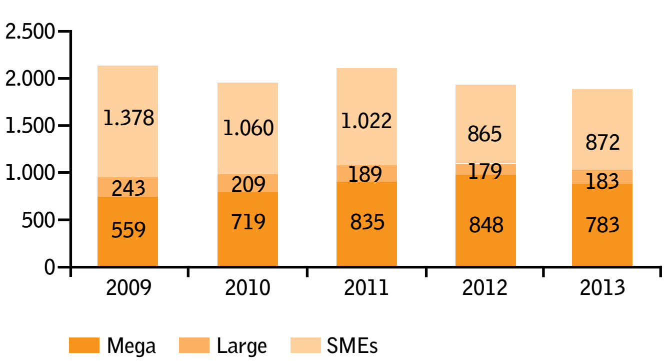
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 783 | 848 | 835 | 719 | 559 |
| Large | 183 | 179 | 189 | 209 | 243 |
| SMEs | 872 | 865 | 1.022 | 1.060 | 1.378 |
| **Total Sector** | **1.838** | **1.892** | **2.046** | **1.988** | **2.181** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 64 | 78 | 88 | 63 | 37 |
| Large | 16 | 9 | 14 | 19 | 26 |
| SMEs | 47 | 27 | 60 | 53 | 85 |
| **Total Sector** | **127** | **115** | **162** | **135** | **149** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -43,9 | -39,0 | 36,8 | -23,6 | -39,2 |
| Large | 8,3 | 0,6 | 4,1 | 10,0 | 17,2 |
| SMEs | 10,2 | -10,6 | 25,2 | 18,3 | 46,5 |
| **Total Sector** | **-25,3** | **-49,0** | **66,1** | **4,7** | **24,5** |

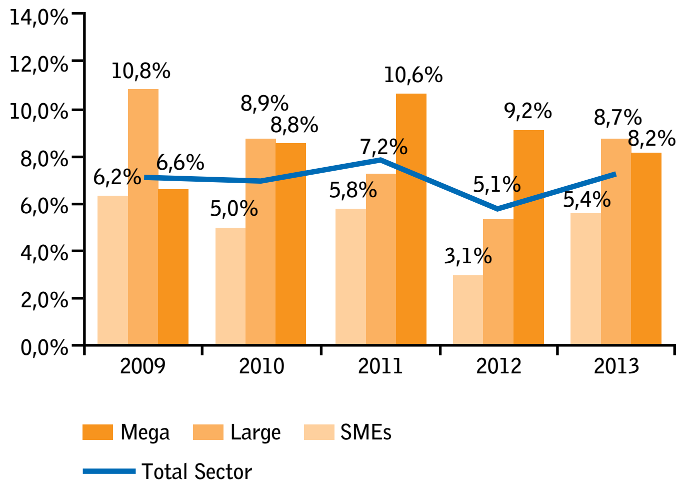
### Sales




- Significant losses before tax are recorded by the Mega companies of the sector, with the exception of 2011, when provisional profits were recorded, while profitability of SMEs decreases within the five year period.

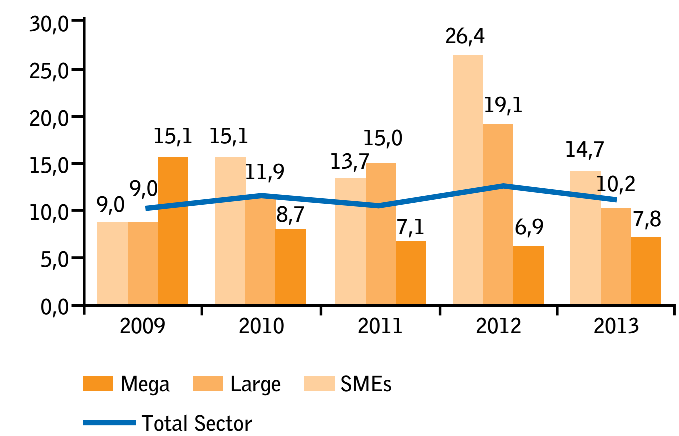
 | 

### EBITDA Margin




- Mega companies, at average, record higher EBITDA margin than the other categories of companies, presenting increase till 2011 inclusively and decreases in 2012 and 2013.

### EV /EBITDA




- Mega companies of the sector steadily present more investment interest in the last four years, while the ratio fluctuates within the years under survey.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 46 | 102 | 3 | 29 |
| Large | 15 | 31 | 20 | 27 |
| SMEs | 55 | 99 | 25 | 5 |
| **Total Sector** | **116** | **231** | **48** | **60** |

- Cash flows from operating activities are increased within the four year period, with Mega companies recording significant increase in 2012.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -26 | -42 | -47 | -29 |
| Large | -1 | 0,2 | -2 | -6 |
| SMEs | -8 | 6 | -13 | -16 |
| **Total Sector** | **-35** | **-37** | **-62** | **-52** |

- Cash outflows from investing activities constantly decrease regarding all the categories of the companies.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -27 | -62 | 53 | 40 |
| Large | -15 | -23 | -18 | -13 |
| SMEs | -54 | -83 | -63 | -61 |
| **Total Sector** | -97 | -167 | -28 | -35 |

- No significant changes are recorded regarding cash flows from financing activities, with SMEs and Large companies proceeding with repayment of a part of their borrowings.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**9%** of the total companies of the sector,<br>**33%** of the total sales of the sector,<br>**35%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**13%** of the total companies of the sector,<br>**11%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**56%** of the total companies of the sector,<br>**33%** of the total sales of the sector,<br>**51%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**22%** of the total companies of the sector,<br>**23%** of the total sales of the sector,<br>**11%** of the total borrowings of the sector. |

## CONCLUSIONS
## Industrial Machinery Sector

- Mega companies record different performance from that recorded by SMEs and Large companies of the sector, which, in turn, present similarities.
- Regarding the Mega companies, the increase in turnover recorded within the five year period contributed to the increase in profit margins, though slightly, given unfavorable management of operating expenses.
- In contrast, it seems that SMEs and Large companies have adapted their operating expenses to the current economic conditions. As a result, in 2013, the relative increase in turnover more favorably affects their profit margins compared to the previous years.
- Borrowings are mainly recorded by the Mega companies of the sector and act as the factor blocking the increases in their profit margins.
- When borrowings are recorded, the increase in interest rates and the decrease in profit margins result in recording EBITDA, which, in many cases, is not sufficient in order to cover financial expenses.
- All the sector's companies record decreases in investing activities due to unfavorable market conditions and high loan burdening.

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# Marine Transportations Sector

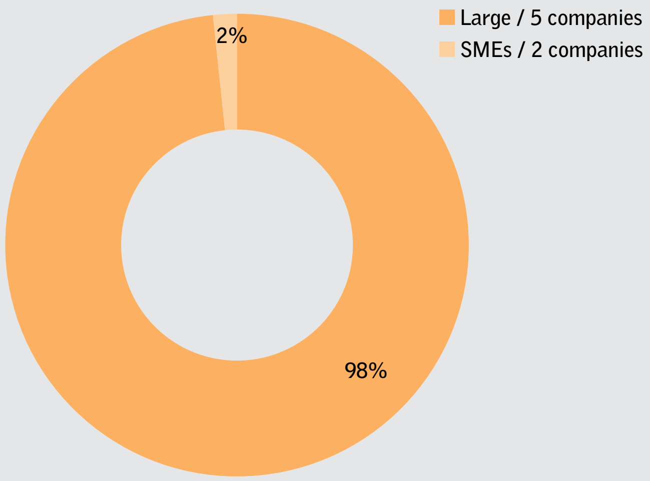
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

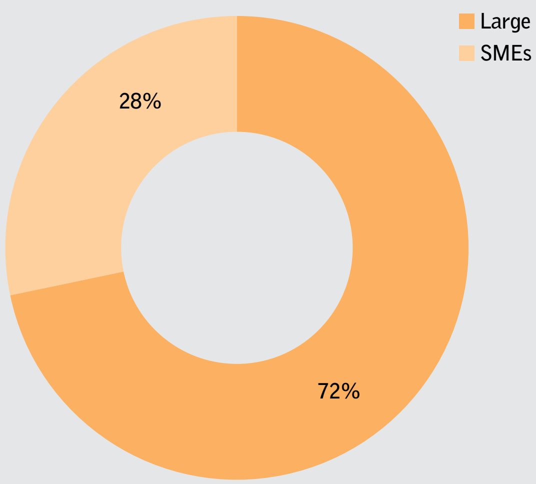
- **7** companies represent over **99%** of the sector's total operations.
- **2** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 270 million.

### Sales 2013




- 5 companies represent 98% of the sector's total sales in 2013.

### Headcount 2013




- 72% of the sector's headcount is employed in 5 Large companies.

## Sector Characteristics

- The sector that records an exceptionally significant contribution to the country's economy and tourism.
- Constant decrease in turnover, with negative EBITDA within the last four years, tendencies for improvement recorded in 2013.
- Strong dependence on the cost of fuels and lubricants and global oil prices. The participation in the sector's cost of cost of fuels and lubricants in 2013 stood at 51% of the total cost versus 40% in 2006.
- Over borrowing. The majority of the companies is at the final stage of negotiations with the credit institutions.
- Negative working capital throughout all the period under survey due to reclassification of loan liabilities into short-term due to non-compliance with contractual obligations. Intense need of financing the working capital especially regarding Mega companies of the sector.
- Disposal of vessels constitutes the key liquidity boosting instrument, which has been used in the recent years by the majority of the sector's companies. Disposal of vessels indicates decrease in operating activities.
- The companies' P&Ls have been burdened with substantial non-recurring expenses mainly related to impairment of vessels.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics diversify depending on the companies' sizes. 5 Large companies shape the general image. |
| **Does a small number of companies dominate the sector?** | 5 companies constitute 98% of the turnover and employ 72% of headcount. The sector is characterized by a small number of companies versus other sectors under survey. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector significantly differs from the overall picture, presenting very high borrowings, negative EBITDA, very low profit margins, and protracted negative working capital and significant refinancing needs. |
| **Has the sector overcome the economic crisis?** | No. Increase in demand is expected in 2014, while the increase in turnover in respect of the sector's companies is going to be small. |
| **How hard was it for the sector to face the crisis?** | The sector was seriously faced with the crisis consequences, recording losses in revenues, profit margins and significant liquidity and financing problems. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records the sharpest decline in 2012-2013 regarding the course of the economy. However, the total loss recorded by both – the sector and the Greek Economy as a total in 2013 compared to 2009 will stand approximately at 22%. |
| **What is the financial performance of the sector's SMEs?** | SMEs have more satisfactory financial performance than the Large companies. They record marginally negative working capital, while, in 2013, present 1% sales decline, when as far as the Large companies are concerned, the relative percentage stands at 22%. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | The sector is characterized by intense competition, aimed at increasing market share. Viability does not seem to be related either to the sizes or to the financial structure of the companies. However, in a market with low profit margins, the market share is a key sustainability factor. |
| **What are the prospects for the sector?** | Increase in tourist traffic and a slight increase in turnover of the companies are expected to be recorded in the future. At operational level, there may be a further reduction of costs, leading to better operating results.<br><br>It is also expected that serious restructuring in debt obligations of the companies will be performed as well as and new sources of refinancing will be found. Vessels routing along subsidized lines is another significant factor, although the total amount of subsidies is diminishing.<br><br>Multiple destinations, diversity of vessels and diversification of users (passengers / vehicles / cargo) gives a different dimension to the marine transportation market and monopolies margins can no longer exist. In contrast, we can see that in order to save the few existing companies, the market moves towards creating partnerships and mergers. |

# CONDENSED FINANCIAL DATA

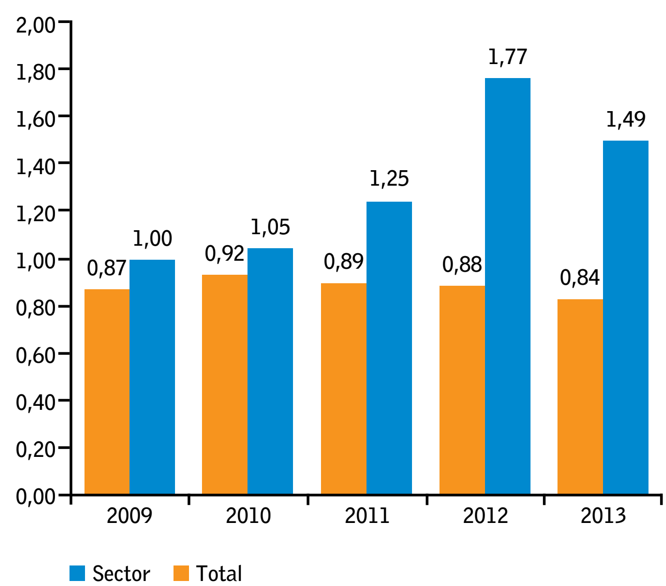
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.764 | 1.962 | 2.100 | 2.205 | 2.271 |
| Current Assets | 251 | 266 | 313 | 402 | 494 |
| **Total Assets** | **2.015** | **2.229** | **2.414** | **2.607** | **2.766** |
| **Equity** | **683** | **668** | **941** | **1.140** | **1.251** |
| Long-term Loan Liabilities | 319 | 108 | 689 | 1.001 | 780 |
| Other Long-term Liabilities | 38 | 76 | 28 | 29 | 28 |
| **Total Long-term Liabilities** | **357** | **184** | **717** | **1.029** | **808** |
| Short-term Loan liabilities | 698 | 1.075 | 483 | 193 | 474 |
| Other Short-term Liabilities | 277 | 302 | 272 | 246 | 233 |
| **Total Short-term Liabilities** | **975** | **1.377** | **755** | **438** | **707** |
| **Total Liabilities** | **1.332** | **1.561** | **1.472** | **1.467** | **1.515** |
| **Total Equity and Liabilities** | **2.015** | **2.229** | **2.414** | **2.607** | **2.766** |
| Working Capital | -724 | -1.111 | -442 | -36 | -213 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 767 | 801 | 926 | 929 | 979 |
| EBITDA | -1 | -62 | -76 | -61 | 89 |
| EBIT | -83 | -162 | -131 | -142 | 8 |
| EBT | -173 | -275 | -240 | -242 | -8 |
| EAT | -174 | -275 | -239 | -251 | -12 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,5 | 1,8 | 1,2 | 1,0 | 1,0 |
| Current Assets/ Short-term Liabilities | 0,3 | 0,2 | 0,4 | 0,9 | 0,7 |
| EV/EBITDA | 1.647,5 | 1.868,5 | 2.152,5 | 2.311,2 | 26,9 |
| EBITDA Margin | -0,1% | -7,8% | -8,3% | -6,6% | 9,1% |

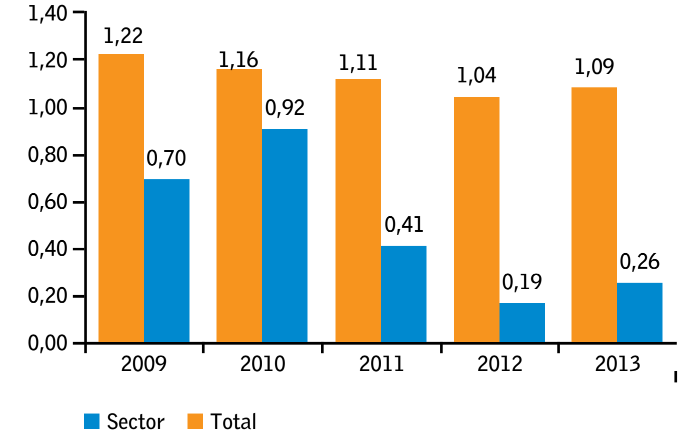
### Loan Liabilities / Equity




- The sector maintains steadily higher borrowings than the total companies. The ratio has been significantly burdened due to recurring high losses recorded by the sector within the period under survey.
- Losses are caused by the combination of rising costs of fuel and decrease in operations, especially regarding the Ionian lines.

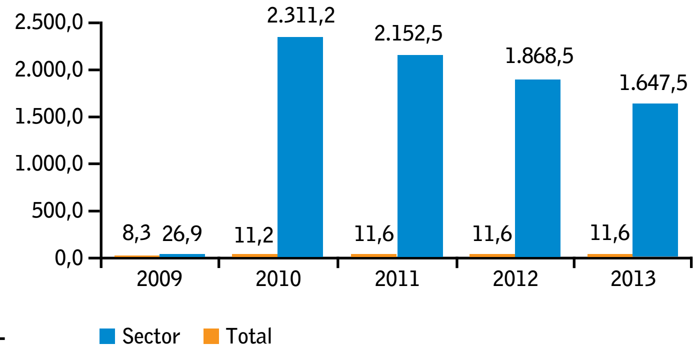
 

### Current Assets / Short-term Liabilities



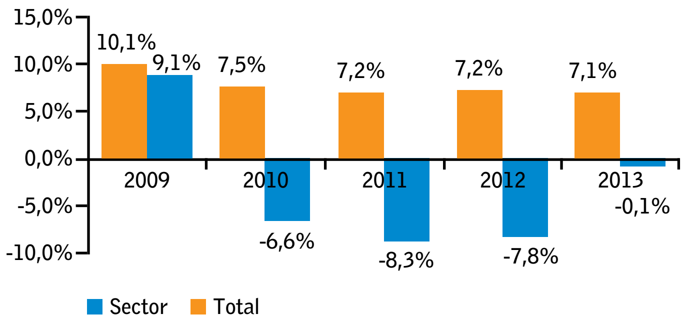

- The sector's companies constantly record negative working capital and are substantially lower than the overall total, mainly due to reclassification of loan liabilities into short-term for failure to meet contractual obligations.

### EV/EBITDA



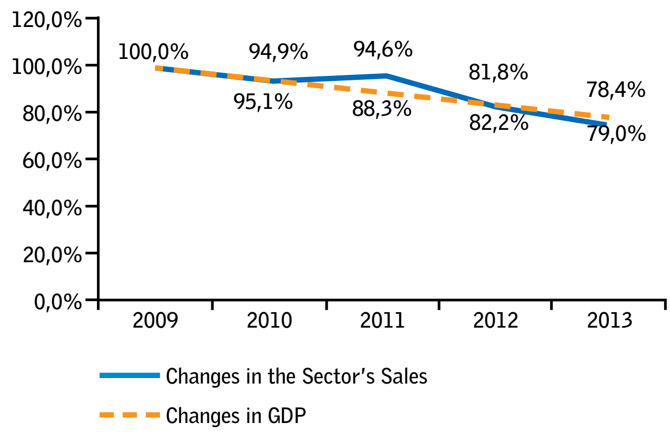

- Negative EBITDA makes projections for investments in the sector rather difficult.

### EBITDA Margin




- EBITDA margin for the sector within the five years is significantly lower than the overall total. The fact that since 2010 onwards the majority of the sector's companies have presented negative EBITDA is of particular importance.
- An improvement is recorded in 2013, however, while 50% of the companies present positive EBITDA, overall EBITDA remains negative.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales follow the tendencies, depicted by changes in GDP. It's quite worrying that in 2012-2013, the sector presents higher decreases versus GDP, thus failing to recover part of its operations.

# SECTOR ANALYSIS

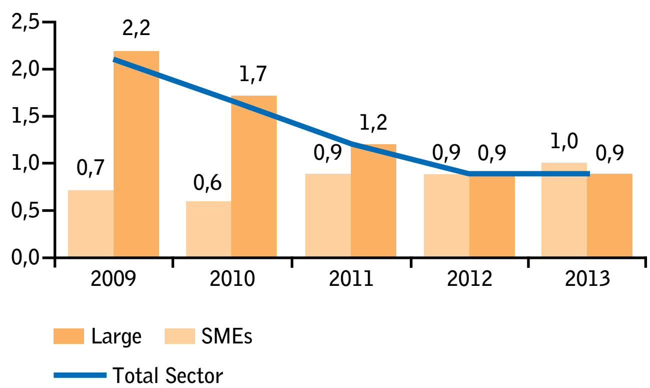
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -723 | -1.109 | -438 | -30 | -207 |
| SMEs | -1 | -1 | -4 | -5 | -6 |
| **Total Sector Working Capital** | **-724** | **-1.111** | **-442** | **-36** | **-213** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -26 | -35 | 42 | 159 | 264 |
| SMEs | 0,2 | -1 | -1 | -2 | -2 |
| **Total Sector Working Capital** | **-26** | **-36** | **41** | **157** | **261** |

** Borrowings are not included*

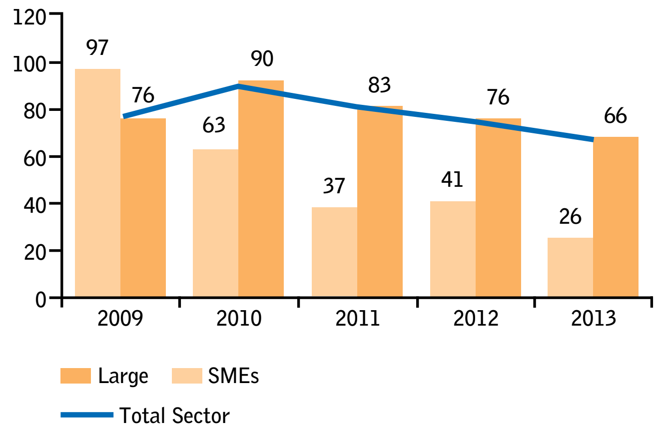
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

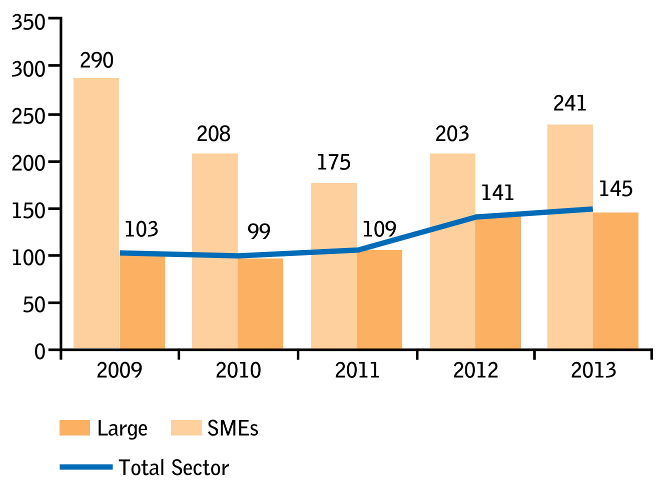
- Steadily negative working capital is recorded by the total sector within the period under survey, as loan liabilities substantially burden the working capital.
- Large companies of the sector are particularly burdened, since the ratio in question in 2013 stands at 0,9 versus 2,2 in 2009.

### Average Collection Period of Receivables




- In order to address liquidity issues, the sector's companies gradually reduced the days of the collection period of receivables.

### Average Period of Paying Liabilities




- Since 2011 onwards the average period of paying liabilities has increased.

 | 

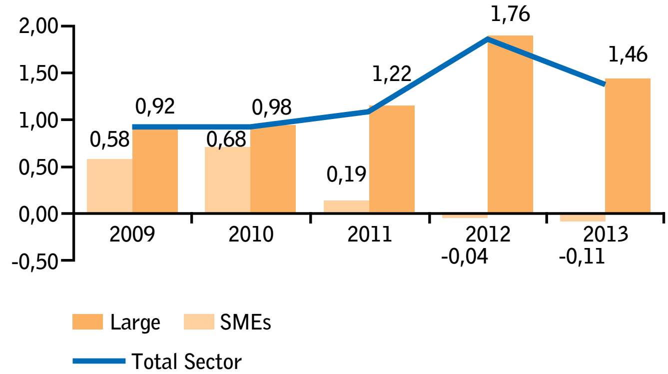
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 966 | 1.139 | 1.132 | 1.103 | 1.147 |
| SMEs | -2 | -1 | 3 | 8 | 5 |
| **Total Sector** | **964** | **1.138** | **1.135** | **1.111** | **1.151** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 47,4 | 48,1 | 54,1 | 47,1 | 48,2 |
| SMEs | 0,2 | 0,4 | 0,7 | 0,6 | 0,9 |
| **Total Sector** | **47,6** | **48,5** | **54,7** | **47,7** | **49,0** |

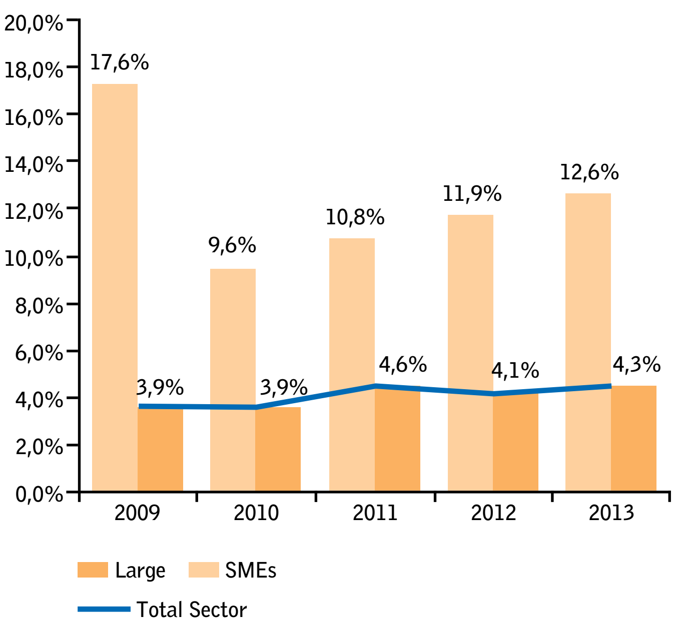
- Net borrowings decreased by 16% within the five years, however, recording a change in time of payment, given the increase in short-term borrowings  due to non-compliance with contractual obligations.
- Decrease in borrowings of the Large companies is mainly due to disposal of vessels.

### Net Borrowings / Equity



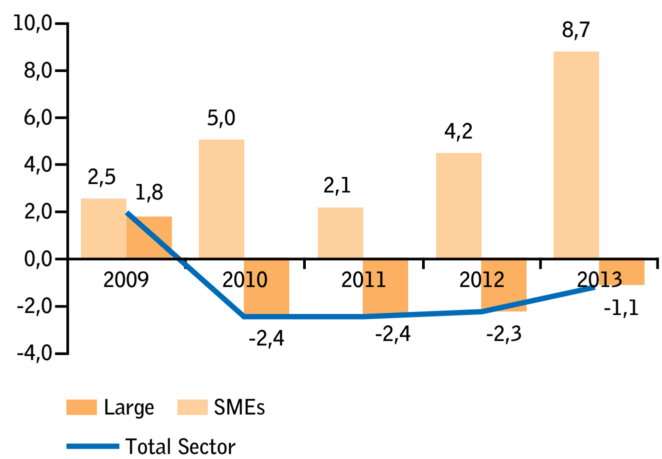

- It is worth noticing that SMEs record very low loan burdening.
- In contrast, regarding the Large companies, loan burdening is high due to burdening equity by recurring losses of the sector's companies.

### Average Borrowing Interest Rate




- Within the five years, the average borrowing interest rate for the sector fluctuates between 3,9% and 4,6%.

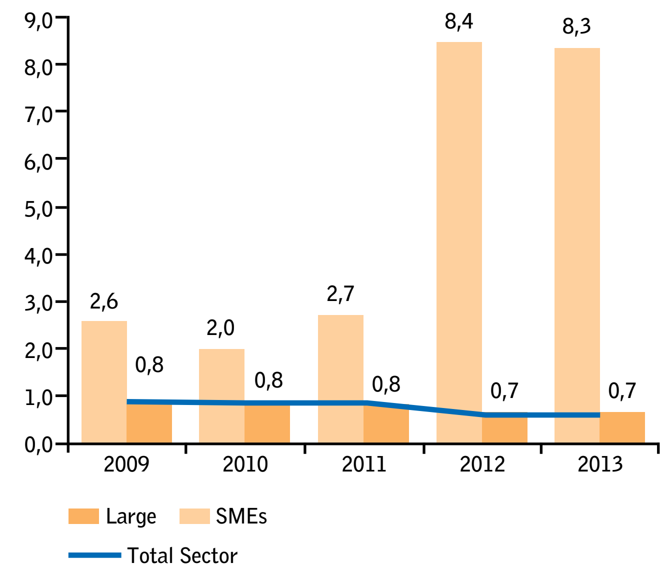
### EBITDA / Financial Expenses




- While the cost of financing remains at the same levels, burdening on operating results has made the Large companies of the sector unable to cover their cost of financing through their operating profits.

### Sales / Total Borrowings

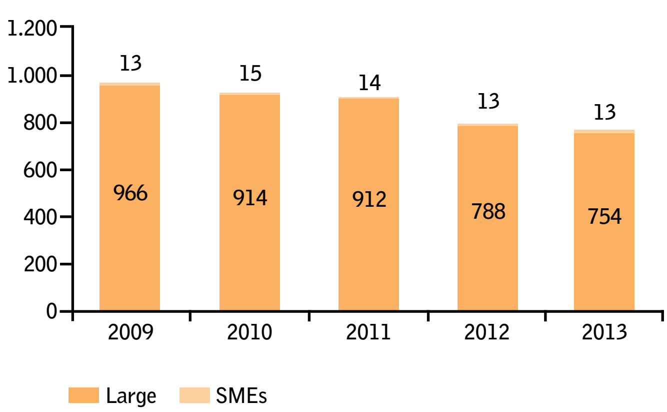



- Large companies' turnover does not cover their loan liabilities.
- Given the particular characteristics of the sector, coverage of loans should be examined through the value of vessels held by the companies. Subject to potential impairment loss, it seems that the value of vessels covers the value of the sector's liabilities.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 754 | 788 | 912 | 914 | 966 |
| SMEs | 13 | 13 | 14 | 15 | 13 |
| **Total Sector** | **767** | **801** | **926** | **929** | **979** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -34 | -124 | -2 | -52 |
| *(percentage)* | -4% | -14% | -0,3% | -5% |
| SMEs | -0,5 | -0,9 | -1,2 | 2,5 |
| *(percentage)* | -4% | -6% | -8% | 20% |
| **Total Sales of the Sector** | **-34** | **-125** | **-4** | **-50** |
| ***(percentage)*** | **-4%** | **-13%** | **0,4%** | **-5%** |

- The sector's turnover has been constantly decreasing within the entire period under survey. The main reasons are the decreases in passenger traffic and commercial transportations, especially regarding the Ionian lines.
- EBITDA decrease due to increase in oil prices and decline in turnover.

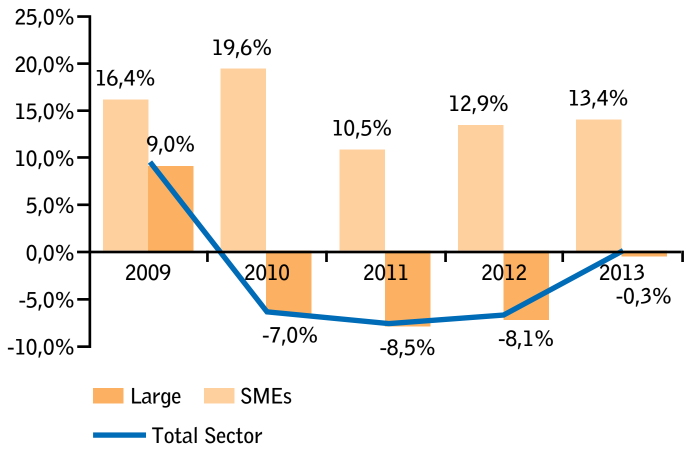
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -2 | -64 | -78 | -64 | 87 |
| SMEs | 2 | 2 | 1 | 3 | 2 |
| **Total Sector** | **-1** | **-62** | **-76** | **-61** | **89** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -172,6 | -276,4 | -240,0 | -244,4 | -3,7 |
| SMEs | -0,6 | 1,5 | 0,4 | 2,8 | -4,0 |
| **Total Sector** | **-173,2** | **-274,9** | **-239,6** | **-241,6** | **-7,7** |

- In 2009-2013, the Large companies of the sector record losses before tax. Total losses stood at € 1 billion and represent 22% of total sales for the five-year period.
- However, it is encouraging that an improvement was recorded in 2013 versus 2012.

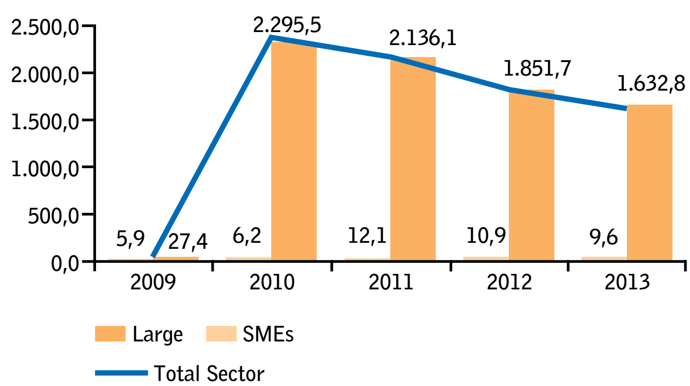
 | 

### EBITDA Margin




- Although EBITDA is obviously improved, in 2013 the ratio remains negative in respect of the Large companies.

### EV /EBITDA




- The ratio is burdened due to the burden on operating profits, thus making the sector not attractive for investments.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -26 | 1 | -37 | -80 |
| SMEs | 2 | 2 | 2 | 3 |
| **Total Sector** | **-23** | **2** | **-36** | **-77** |

- Cash flows from operating activities are negative, thus reflecting the negative tendencies in respect of the operating profits.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 52 | 0,6 | -31 | 39 |
| SMEs | 1 | -0,8 | -0,1 | -6 |
| **Total Sector** | **53** | **-0,2** | **-31** | **33** |

- Cash flows from investing activities were recorded at low levels, since the companies opted for disposal of vessels.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -19 | 5 | 21 | 21 |
| SMEs | -2 | -1 | 0,4 | 3 |
| **Total Sector** | **-20** | **4** | **22** | **24** |

- Particularly low cash flows from financing activities, aimed at decreasing borrowings and not at companies' financing.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| **Spotlighters** | **Illuminators** |
|---|---|
| Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. | Represent:<br>**14%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**86%** of the total companies of the sector,<br>**99%** of the total sales of the sector,<br>**100%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Marine Transportations Sector

- The sector presents constant decline in turnover within the entire period under survey, burdened profit margins, loan liabilities causing difficulties in repayment and overall decreases in operations.
- The main objective of all the companies is to minimize operating costs, with focus on liquidity through implementing specific strategies such as reducing operational speed, decreasing the number of visited ports per connection, replacing costly vessels, applying rationalization strategies procurement, disposing vessels, etc.
- The sector presents particular problems in liquidity, while most companies are expected to finalize loan restructuring.
- EBITDA remains negative, while intense competition leads to further decrease in profit margins.
- The sector is characterized by intense contraction trends, demanding immediate action, reinforcing the new legal framework as well as incitement for new partnerships, mergers and acquisitions.
- The sector's companies try to hedge the substantial burdening arising from fuels prices fluctuations. In 2013, fuels and lubricants constitute 51% of the total operating costs.

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# Medical Equipment Sector

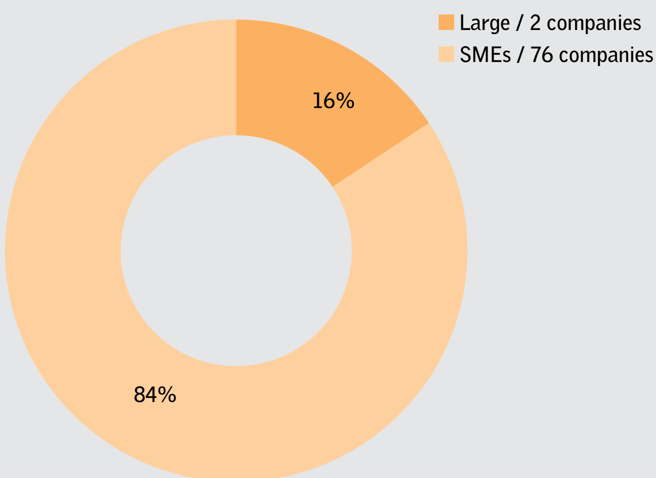
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

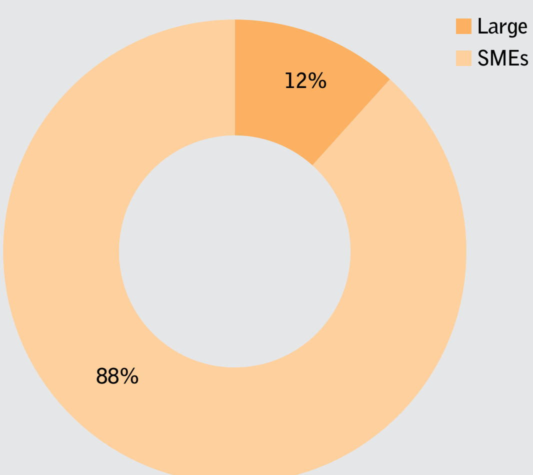
- **78** companies represent over **73%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million

### Sales 2013




- 76 SMEs represent 84% of the sector's total sales in 2013.

### Headcount 2013




- 88% of the sector's headcount are employed in 76 SMEs.

## Sector Characteristics

- The sector incudes numerous companies, operating in the context of high competition.
- The sector mainly includes representatives, given limited domestic production and investment, mostly oriented at importing the main part of the products from abroad.
- The sector, which is benefiting from the aging of the country's population.
- Particular burdening arises from the cuts in state healthcare programs and adverse conditions of public hospitals.
- Effects of application of the new pricing policy in 2010, whereby the sale price of products in state hospitals will be at the average of the three lowest prices in other EU countries.
- The sector employs workforce of high scientific level and has proceeded with cuts and staff reductions due to lack of liquidity.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity in the sector given a large number of SMEs and two Large companies, one of which records zero borrowings, while borrowing from associates. |
| **Does a small number of companies dominate the sector?** | There is no small number of companies dominating the sector, since 76 SMEs hold over 80% of market share. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector, as a total, presents over borrowing, with substantially high profit margins, which in 2013 exceed 15%. |
| **Has the sector overcome the economic crisis?** | Marginal recovery of the margin recorded in 2013, might suggest that the sector is overcoming the economic crisis. However, high total borrowings have marginally decreased and constitute a problem that shall be addressed. |
| **How hard was it for the sector to face the crisis?** | Apart from lack of liquidity, till 2012, the economic crisis caused the decrease in sales by 37%, profit margins (EBITDA Margin) by 7% as well as high losses after tax. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Given the direct connection between the sector and the state, the sector's losses follow the course of the Greek Economy, but with stronger features. |
| **What is the financial performance of the sector's SMEs?** | SMEs hold over 80% of market share and present over borrowing, marginally covering their financial costs from operating profits, while being unable to collect their receivables for longer than one year in 2013. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Two Large companies, holding only 16% market share, record lower loan burdening and steady profit margins within the five year period. |
| **What are the prospects for the sector?** | Improvement in the state financials would certainly benefit the liquidity of the sector by reducing the average collection period of receivables. Removing from public hospitals outmoded medical equipment and better recording of the hospitals' needs to avoid wastage will create opportunities for the companies to recover some of their lost sales. Decrease in paperwork and achieving transparency in transactions and supplies of public hospitals, shall promote healthy competition among the sector's companies.<br><br>Investment in innovative products, may further attract the private healthcare sector, focusing on diversification and rendering higher quality services. However, given the dispersion presented by the sectors and high investment opportunities, there shall be considered the potential creation of more viable entities through consolidation of the existing ones in order to achieve synergies. |

# CONDENSED FINANCIAL DATA

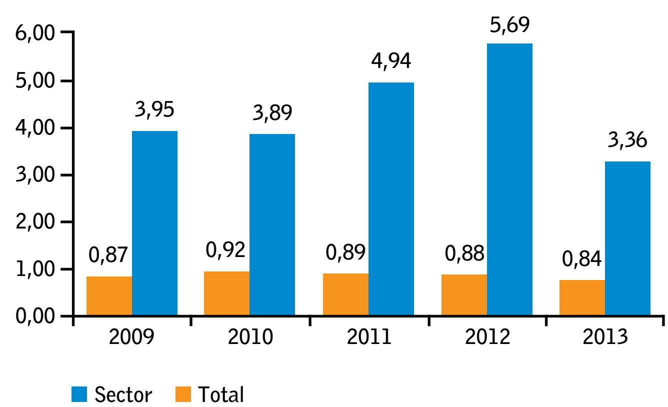
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 408 | 409 | 306 | 427 | 170 |
| Current Assets | 1.333 | 1.637 | 1.888 | 2.242 | 2.360 |
| **Total Assets** | **1.741** | **2.045** | **2.195** | **2.669** | **2.530** |
| **Equity** | **252** | **187** | **231** | **332** | **295** |
| Long-term Loan Liabilities | 125 | 157 | 197 | 165 | 225 |
| Other Long-term Liabilities | 48 | 46 | 37 | 46 | 125 |
| **Total Long-term Liabilities** | **173** | **204** | **234** | **212** | **349** |
| Short-term Loan liabilities | 724 | 909 | 944 | 1.127 | 941 |
| Other Short-term Liabilities | 592 | 745 | 786 | 999 | 945 |
| **Total Short-term Liabilities** | **1.316** | **1.654** | **1.729** | **2.126** | **1.886** |
| **Total Liabilities** | **1.489** | **1.858** | **1.963** | **2.338** | **2.235** |
| **Total Equity and Liabilities** | **1.741** | **2.045** | **2.195** | **2.669** | **2.530** |
| Working Capital | 17 | -18 | 159 | 116 | 474 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 758 | 774 | 851 | 1.010 | 1.230 |
| EBITDA | 118 | 108 | 96 | 139 | 253 |
| EBIT | 90 | 67 | 58 | 100 | 210 |
| EBT | 21 | -85 | -118 | 4 | 145 |
| EAT | 5 | -92 | -126 | -16 | 105 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 3,4 | 5,7 | 4,9 | 3,9 | 4,0 |
| Current Assets/ Short-term Liabilities | 1,0 | 1,0 | 1,1 | 1,1 | 1,3 |
| EV/EBITDA | 8,4 | 11,1 | 13,2 | 11,2 | 5,3 |
| EBITDA Margin | 15,6% | 13,9% | 11,3% | 13,8% | 20,6% |

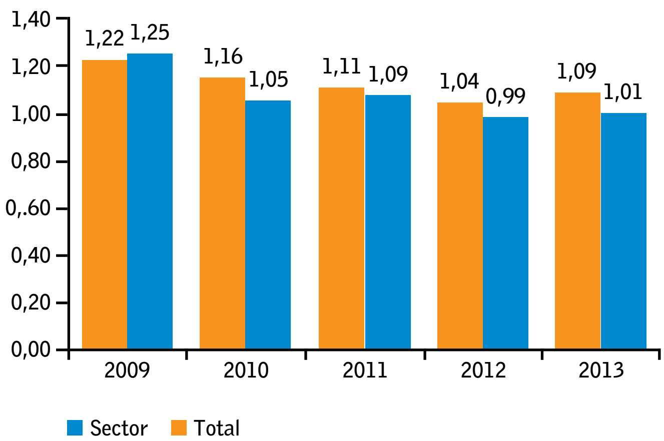
### Loan Liabilities / Equity




- The sector records over borrowing versus the general total within the entire five year period, casting doubt on the sector's ability to cover its loan liabilities.

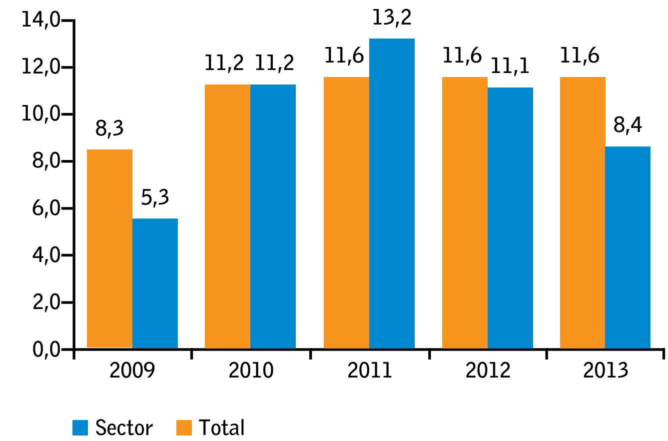
 | 

### Current Assets / Short-term Liabilities



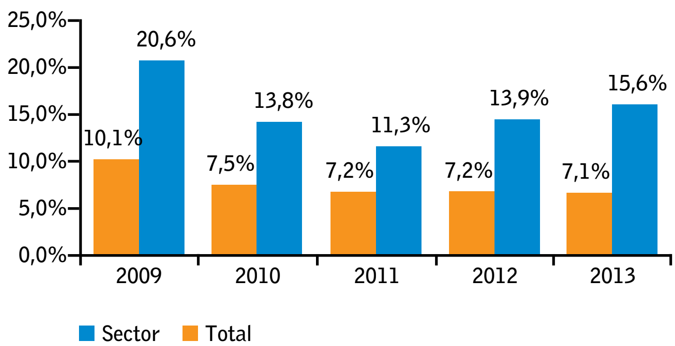

- Following the course of the Greek Economy, within the last three years the sector presents either marginally positive or negative working capital, indicating the intense liquidity problems, also linked to increased state and public hospitals debts.

### EV/EBITDA



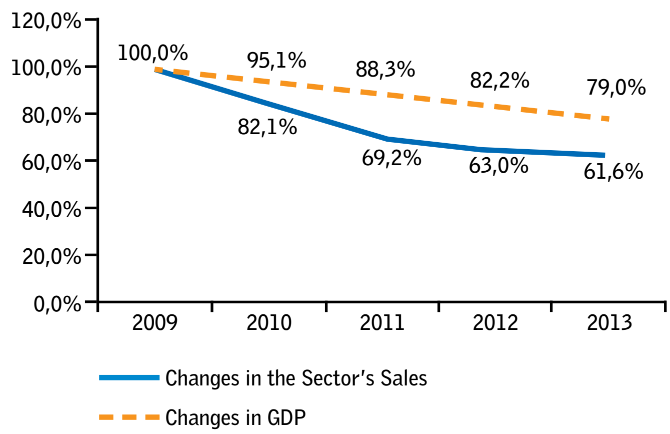

- High loan burdening does not decrease the investment attractiveness of the sector compared to the general total, indicating, through high profit margins, that the sector remains highly promising. Shareholders themselves actively affirm the sector's value, investing over € 70 million mainly through capitalization of liabilities.

### EBITDA Margin




- Despite the decrease in profit margins of approximately 5% within the last five year period, the sector proves that it constitutes of the most profitable sectors of the economy, holding profit margins that are 8% higher than the general total in 2013.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- With the implementation of the new pricing policy in 2010 for products sold in public hospitals, at the average of the three lowest prices available in other EU countries, coupled with the adverse conditions of public finances and cuts in public healthcare spending, the sector records a more difficult position than that of the Greek Economy with particularly higher losses.

# SECTOR ANALYSIS

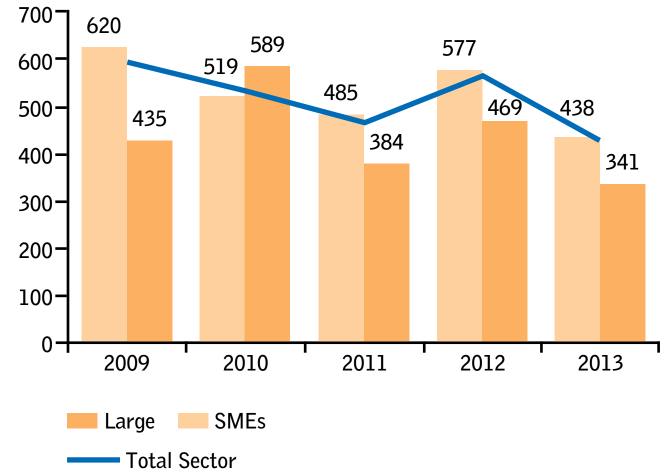
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 45 | 22 | 8 | 27 | 60 |
| SMEs | -28 | -40 | 151 | 90 | 413 |
| **Total Sector Working Capital** | **17** | **-18** | **159** | **116** | **474** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 55 | 34 | 19 | 37 | 70 |
| SMEs | 686 | 857 | 1.084 | 1.206 | 1.344 |
| **Total Sector Working Capital** | **741** | **892** | **1.103** | **1.243** | **1.415** |

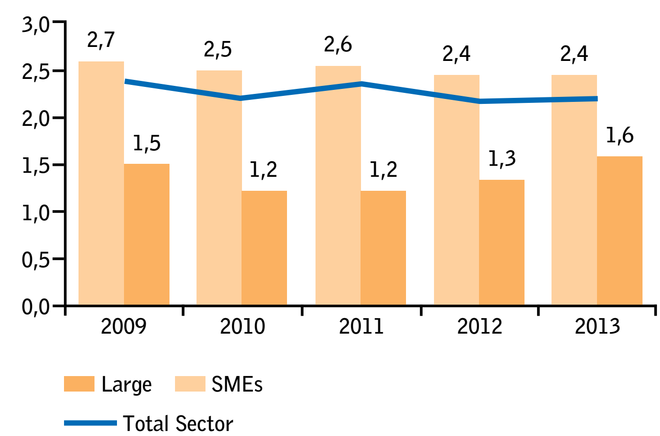
** Borrowings are not included*

### Average Collection Period of Receivables




- High fluctuation of the average collecting period of receivables, also caused by irregular payments on behalf of the State, reaching 1,5 year in 2009, make it substantially more difficult for the sector's companies to implement long-term strategies. Bad debt also significantly affects the increased ratio.
- Particularly high average collecting period of receivables, which in 2013 exceeds one year regarding SMEs and is marginally over 11 months regarding the Large companies.

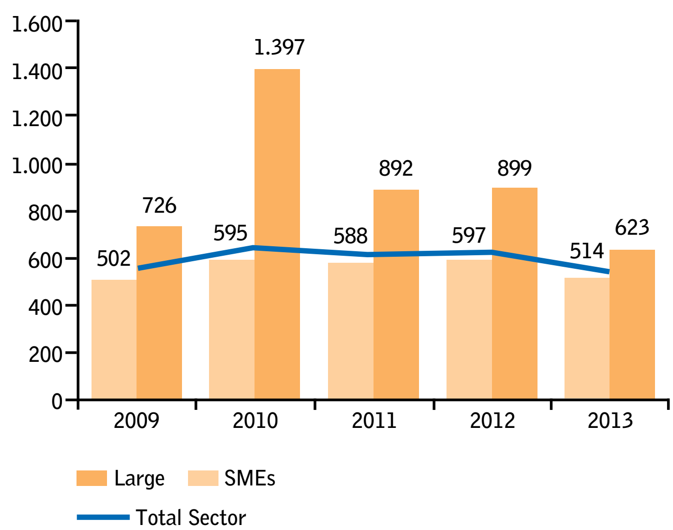
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- High dispersion and heterogeneity of SMEs do not allow making firm conclusions about their financing needs, with financial difficulties and lack of liquidity of the Greek State being, in turn, transferred to the sector and defining the level of their needs. In addition to receivables, there is considerable amount of bad debts, mentioned in independent auditor's reports, which, if quantified, will significantly change the ratio.

### Average Period of Paying Liabilities




- The average period of paying liabilities is shorter than the average collecting period of receivables within the four year period and in 2013 stands at 9 months regarding the Large companies and at 3 months regarding SMEs, while inability to collect receivables and high bad receivables lead the sector to bank borrowings.

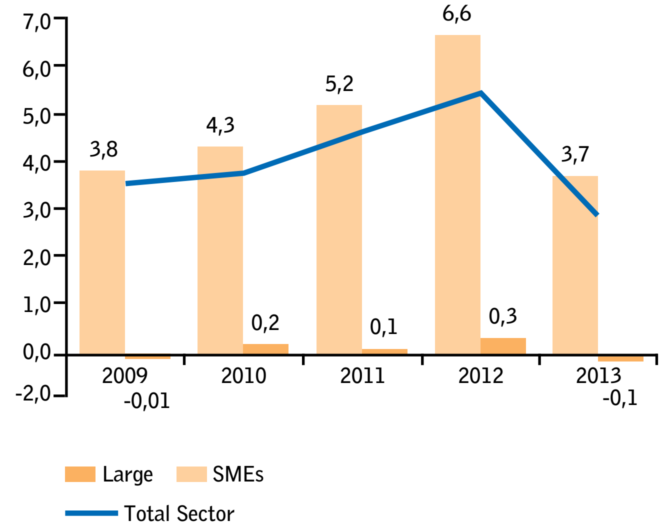
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -7 | 11 | 2 | 10 | -0,1 |
| SMEs | 751 | 995 | 1.038 | 1.215 | 1.046 |
| **Total Sector** | **744** | **1.007** | **1.041** | **1.225** | **1.046** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 1 | 1 | 1 | 0,5 | 0,5 |
| SMEs | 72 | 102 | 99 | 70 | 58 |
| **Total Sector** | **73** | **103** | **100** | **71** | **58** |

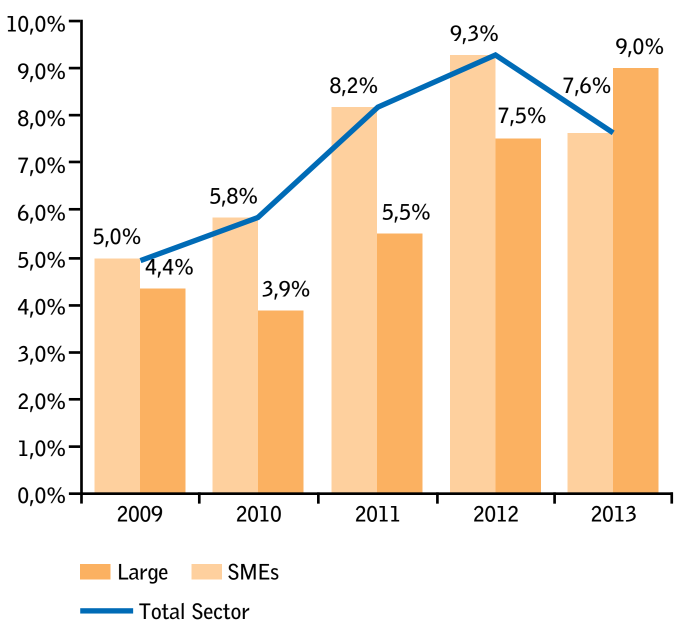
- Zero total bank borrowings of one of the Large companies of the sector, borrowing from its associates, as well as the decrease in bank borrowings of SMEs by 28% within the five year period through substantial loan repayments. A lot of the sector's companies are foreign subsidiaries and, in essence ensure indirect financing from the delay in paying their liabilities.

### Net Borrowings / Equity



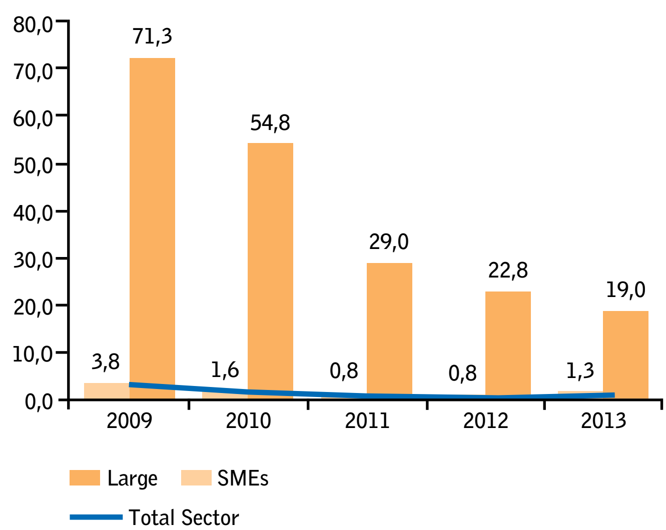

- Despite substantial loan repayments and increases in the share capital of SMEs, the sector remains over borrowed, with the Large companies retaining the ratio at almost zero levels.

### Average Borrowing Interest Rate




- Particularly high borrowing interest rate for the sector's companies in the last years, since the banks are indecisive given the prior period loans, with SMEs steadily borrowing at higher rates except in 2013.

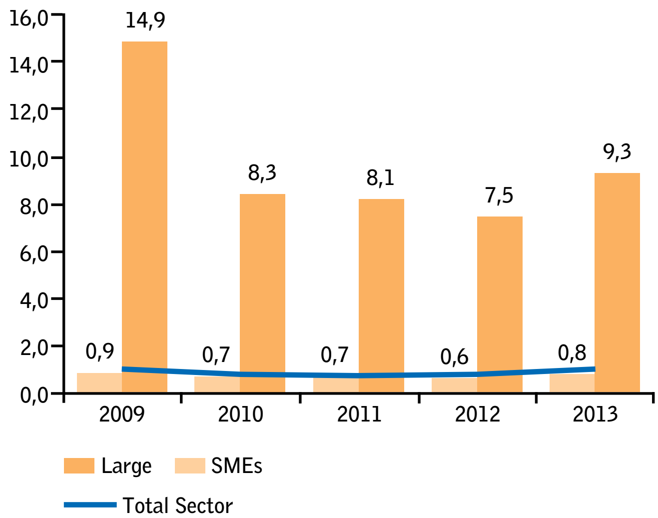
### EBITDA / Financial Expenses




- Decline in EBITDA regarding the Large companies by 29%, as well as increase in costs of financing have decreased the ratio by over 70%. However, the companies are in position to cover the costs of financing.
- High loan burdening of SMEs has resulted in marginal covering the cost of their financing from operating profits, thus casting serious doubt on repayment of their loan liabilities.

### Sales / Total Borrowings




- Despite a decrease of 28% in loan liabilities of SMEs due to substantial repayments, the sales are significantly lower than loan liabilities, casting doubt on their repayment.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 4 | 7 | -4 | -50 |
| *(percentage)* | 4% | 6% | -3% | -31% |
| SMEs | -21 | -84 | -154 | -170 |
| *(percentage)* | -3% | -11% | -17% | -16% |
| **Total Sales of the Sector** | **-16** | **-77** | **-158** | **-220** |
| ***(percentage)*** | **-2%** | **-9%** | **-16%** | **-18%** |

- Given the implementation of the new pricing policy regarding sales of products in public hospitals in 2010, in line with substantial cuts on healthcare expenses, SMEs record decreases in sales of 40%, while the Large companies present more positive results, with decreases standing at 26% in the five year period.

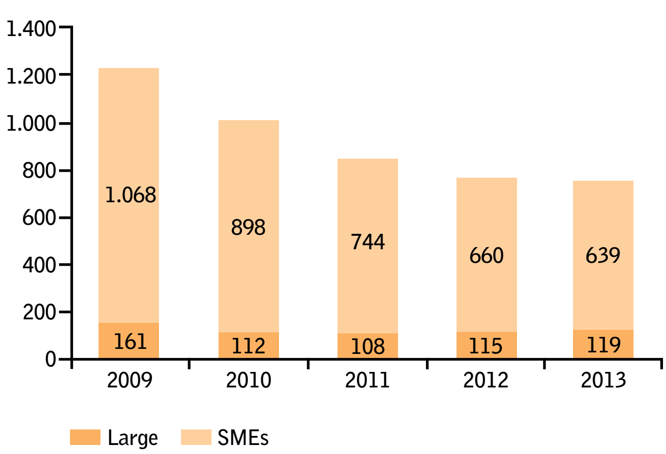
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 24 | 24 | 21 | 26 | 34 |
| SMEs | 94 | 83 | 75 | 113 | 219 |
| **Total Sector** | **118** | **108** | **96** | **139** | **253** |

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 119 | 115 | 108 | 112 | 161 |
| SMEs | 639 | 660 | 744 | 898 | 1.068 |
| **Total Sector** | **758** | **774** | **851** | **1.010** | **1.230** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 14,0 | 8,0 | -14,5 | 8,1 | 17,0 |
| SMEs | 7,3 | -92,9 | -104,0 | -4,2 | 127,8 |
| **Total Sector** | **21,3** | **-84,9** | **-118,5** | **3,9** | **144,8** |

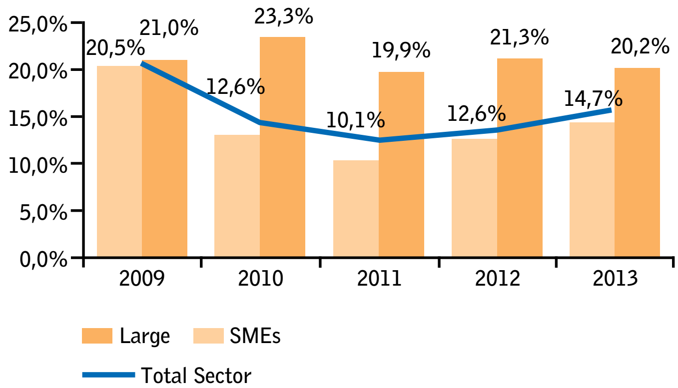
### Sales




- Particularly high losses before tax in the two year period 2011 -2012 due to the settlements regarding the receivables from the public hospitals in 2007 – 2009, under which the companies received nulliparous Greek government bonds, which due to rescheduling of Greek debt were written off by 53.5% of nominal value, as displayed in the results of 2011. Regarding the remaining nominal value, for which new bonds were issued, almost all the sector's companies proceeded with devaluation of bonds, reflecting losses in the results of 2012.

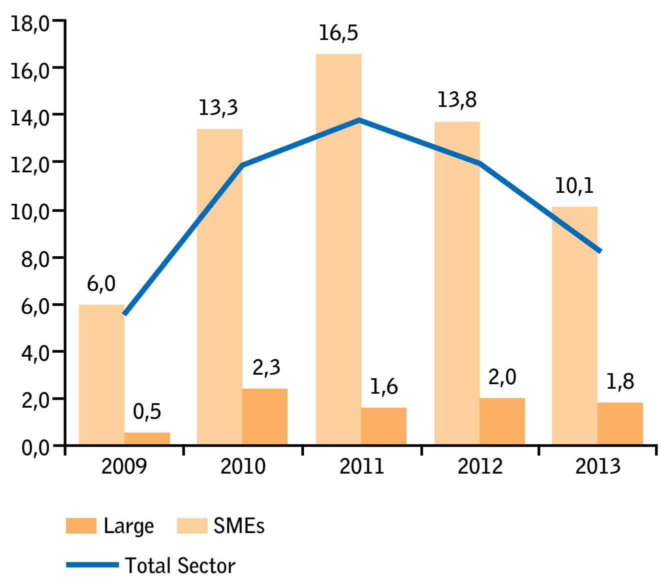
 

### EBITDA Margin




- Large companies hold the profit margins, while SMEs record losses of almost 6% within the five year period.

### EV /EBITDA




- Large companies present particularly high investment interest with almost steady ratio within the five year period, while SMEs are less attractive despite substantial repayments of loans.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 23 | 1 | 42 | -21 |
| SMEs | 277 | 276 | 212 | 151 |
| **Total Sector** | **300** | **278** | **254** | **130** |

- Cash flows from operating activities remain high, despite particularly high losses in sales, recorded by the sector.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -3 | -5 | -9 | -10 |
| SMEs | -25 | -137 | 73 | -259 |
| **Total Sector** | **-29** | **-142** | **64** | **-269** |

- Large companies of the sector record almost zero investing activities, while SMEs delay their investing activities in 2013.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -3 | -3 | -25 | 23 |
| SMEs | -222 | -173 | -261 | 63 |
| **Total Sector** | **-226** | **-176** | **-286** | **86** |

- Substantial repayments of loans by SMEs within the last three year period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**18%** of the total sales of the sector,<br>**14%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**8%** of the total companies of the sector,<br>**24%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**58%** of the total companies of the sector,<br>**34%** of the total sales of the sector,<br>**80%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**19%** of the total companies of the sector,<br>**24%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |

## CONCLUSIONS
### Medical Equipment Sector

- Particularly profitable sector, retaining higher profit margin of 8% versus the general total in 2013.
- High loan burdening of SMEs despite substantial repayments of loans within the last three year period, casting doubt on settling loan liabilities.
- High investment interest, particularly regarding the Large companies of the sector.
- Particularly high average collecting receivables period, which in 2013 exceeds one year and is 4 months longer than the average period of paying the suppliers.
- High losses before tax for the sector in the period 2011 - 2012, due to impairment of Greek bonds regarding the public hospitals.

# Mineral Water, Juices & Soft Drinks Sector

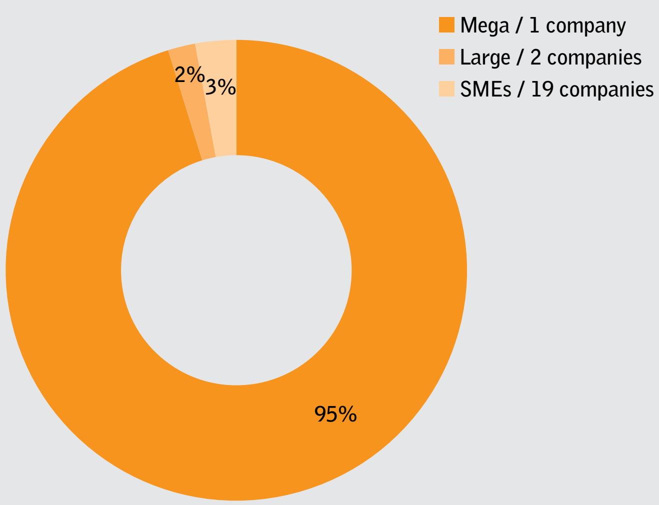
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

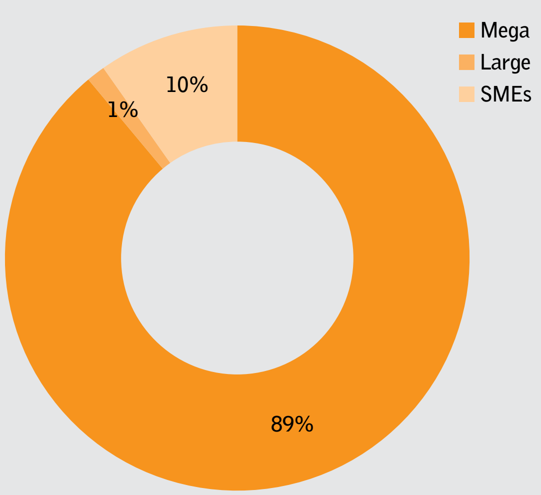
- **22** companies represent **99%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- A leading Mega company representing 95% of the sector's total sales in 2013.

### Headcount 2013




- 89% of the sector's headcount are employed by 1 Mega company.

## Sector Characteristics

- The sector, whose financial performance is dominated by the leading company, which is the only one included in the Mega companies' category regarding the sector.
- Separate examination of Large companies and SMEs presents more interest in order to clearly record the tendencies characterizing the sector.
- Unusually hot weather conditions, prevailing in Europe in the last years, have significantly increased consumption of juices and soft drinks.
- When bank loans are effective, financing needs regarding working capital get more intense.
- Newly established companies have difficulty in revenue, due to significant economies of scale and reduced access to distribution networks.
- Low products diversity resulting in high negotiating potential of the sector's clients (super market chains).
- The market is characterized by intense seasonality, since the annual demand is satisfied by 70-75% in the period from April to September. The increase in tourist traffic and hot weather, dominating in the aforementioned period, generate bigger demand for mineral water, juices and soft drinks.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics vary according to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | The sector is characterized by high degree of concentration, since one Mega company performs 95% of turnover and employs 89% of the total headcount of the sector. However, other SMEs operate in the Greek market, some of which expand their network throughout the entire territory of the country, while others operate mainly locally. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector presents better performance than that recorded by the general total, however EBITDA margin is decreasing. |
| **Has the sector overcome the economic crisis?** | Despite the signs indicating that the sector has overcome the crisis, a 2,6% decrease in sales was recorded in 2013. |
| **How hard was it for the sector to face the crisis?** | The current economic conditions have had a significant impact on the financial results of the sector. Till 2012 inclusively, a steady growth was recorded, while in 2013 there is a decrease in total sales, which return to the levels recorded in 2011. The individual analysis depicts the rise in respect of SMEs from 2010 onwards and continuous reduction for the Large companies of the sector. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector appears enhanced in relation to the overall picture as a whole, with the Large companies in the sector, however, presenting significantly lower results than the overall economic activity. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance. However, there are points at which they are at a disadvantage, such as fairly long period of collecting receivables from clients and unfavorable bank funding conditions. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked to market share, as different performance is presented regarding different ratios by the categories of the companies under survey. |
| **What are the prospects for the sector?** | Strengthening SMEs of the sector, given their fairly good financial performance, is a prospect that should be seriously considered.<br>Constant changes in consumer habits keep tension among the sector's companies, while their potential to produce differentiated products is the decisive factor in maintaining market shares and their further growth. |

# CONDENSED FINANCIAL DATA

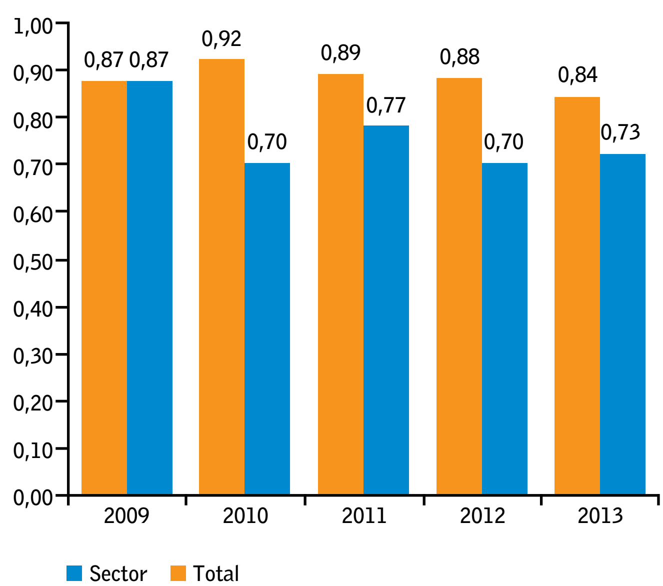
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 5.269 | 5.443 | 5.405 | 5.459 | 5.245 |
| Current Assets | 2.432 | 2.239 | 2.273 | 2.174 | 1.987 |
| **Total Assets** | **7.701** | **7.682** | **7.679** | **7.634** | **7.232** |
| **Equity** | **3.223** | **3.231** | **3.102** | **3.227** | **2.807** |
| Long-term Loan Liabilities | 1.875 | 1.630 | 2.016 | 1.720 | 2.164 |
| Other Long-term Liabilities | 451 | 476 | 507 | 495 | 470 |
| **Total Long-term Liabilities** | **2.327** | **2.106** | **2.524** | **2.215** | **2.634** |
| Short-term Loan liabilities | 486 | 624 | 357 | 539 | 281 |
| Other Short-term Liabilities | 1.665 | 1.721 | 1.696 | 1.653 | 1.510 |
| **Total Short-term Liabilities** | **2.151** | **2.346** | **2.053** | **2.192** | **1.791** |
| **Total Liabilities** | **4.478** | **4.451** | **4.576** | **4.406** | **4.425** |
| **Total Equity and Liabilities** | **7.701** | **7.682** | **7.679** | **7.634** | **7.232** |
| Working Capital | 280 | -106 | 221 | -17 | 196 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 7.220 | 7.413 | 7.183 | 7.130 | 6.934 |
| EBITDA | 755 | 777 | 866 | 1.074 | 1.059 |
| EBIT | 383 | 340 | 445 | 633 | 665 |
| EBT | 299 | 253 | 351 | 562 | 585 |
| EAT | 220 | 186 | 251 | 421 | 440 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 0,7 | 0,8 | 0,7 | 0,9 |
| Current Assets/ Short-term Liabilities | 1,1 | 1,0 | 1,1 | 1,0 | 1,1 |
| EV/EBITDA | 6,3 | 6,4 | 5,8 | 4,8 | 4,7 |
| EBITDA Margin | 10,5% | 10,5% | 12,1% | 15,1% | 15,3% |

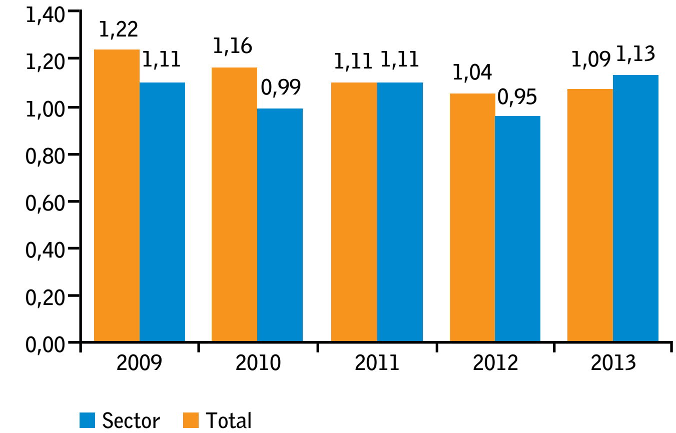
### Loan Liabilities / Equity




- Loan to equity ratio is under the average level within the five year period. This ratio is formed by the financials of one Mega company, though the picture is different regarding the other categories.

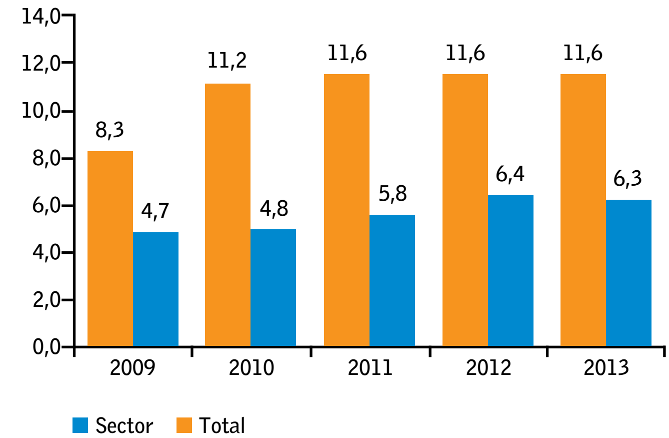
 | 

### Current Assets / Short-term Liabilities



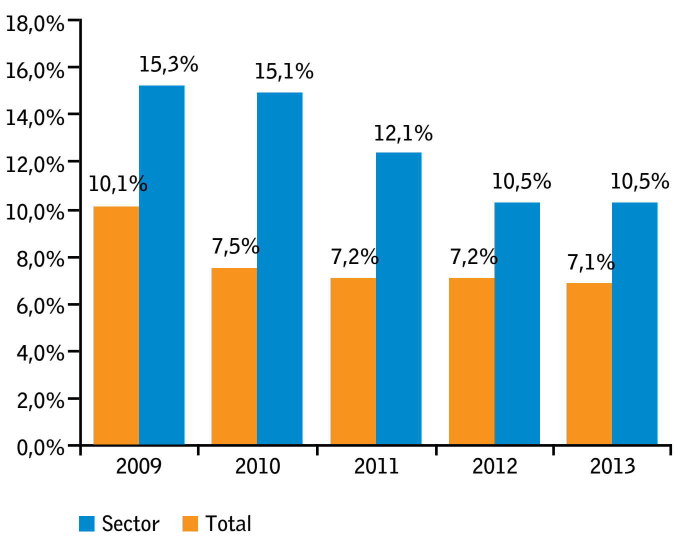

- The sector records negative working capital in 2010 and 2012, while in 2013 the sector for the first time presents the working capital that exceeds the general total.

### EV/EBITDA



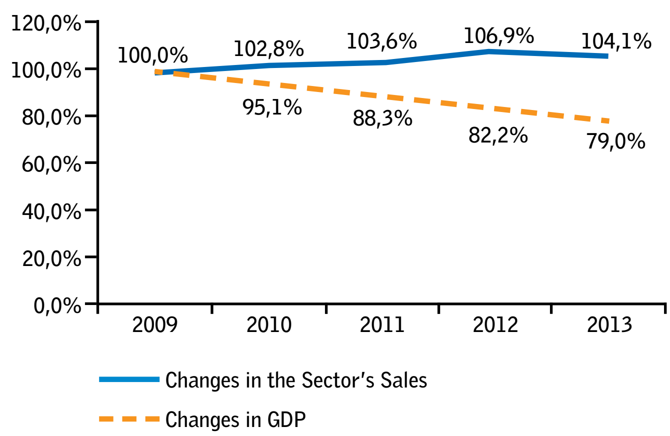

- The sector presents much more investment interest than the general total, with the ratio standing at approximately half of that recorded by the general total of the companies within the entire period under survey.

### EBITDA Margin




- The sector's EBITDA margin steadily exceeds the general total; however, it constantly decreases within the five year period.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector as a whole records substantially higher results than the general total, however the other categories present different results, in particular the Large companies, whose deficit on revenue reflects the general tendencies recorded by the Greek Economy.

# SECTOR ANALYSIS

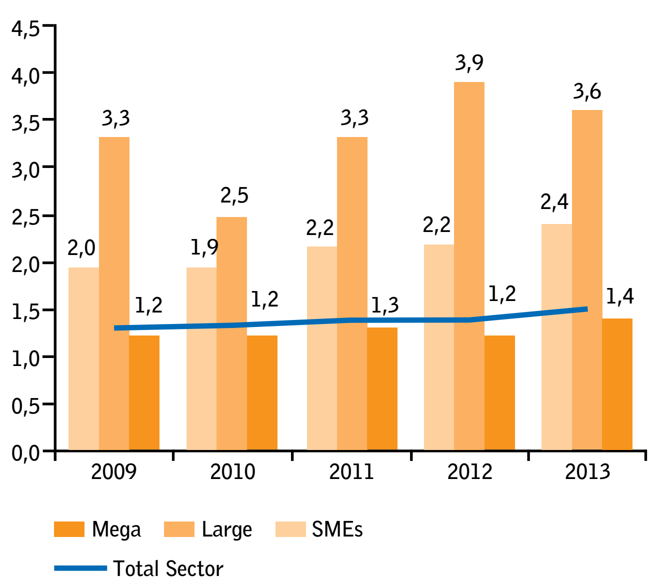
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 141 | -215 | 112 | -105 | 94 |
| Large | 77 | 46 | 54 | 42 | 61 |
| SMEs | 63 | 62 | 54 | 46 | 40 |
| **Total Sector Working Capital** | **280** | **-106** | **221** | **-17** | **196** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 587 | 340 | 412 | 378 | 331 |
| Large | 87 | 85 | 79 | 67 | 73 |
| SMEs | 93 | 93 | 86 | 77 | 72 |
| **Total Sector Working Capital** | **767** | **518** | **578** | **522** | **477** |

** Borrowings are not included*

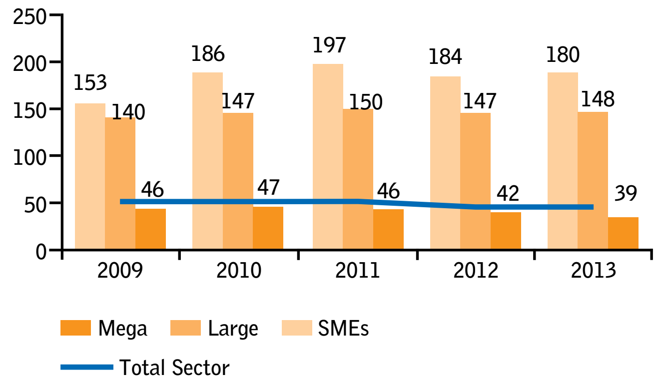
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

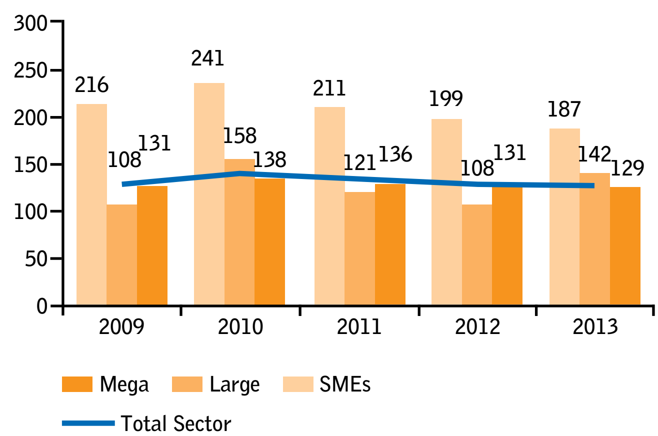
- Large companies steadily present lower needs for financing.
- The sector's working capital is dominated by the financial performance of the Mega company.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportional to the size of the sector companies with SMEs and Large companies recording substantially longer periods of collecting receivables than the Mega company that records a period of one month.

### Average Period of Paying Liabilities




- The average period of paying liabilities is steadily recorded as that of approximately 5 months.

 | 

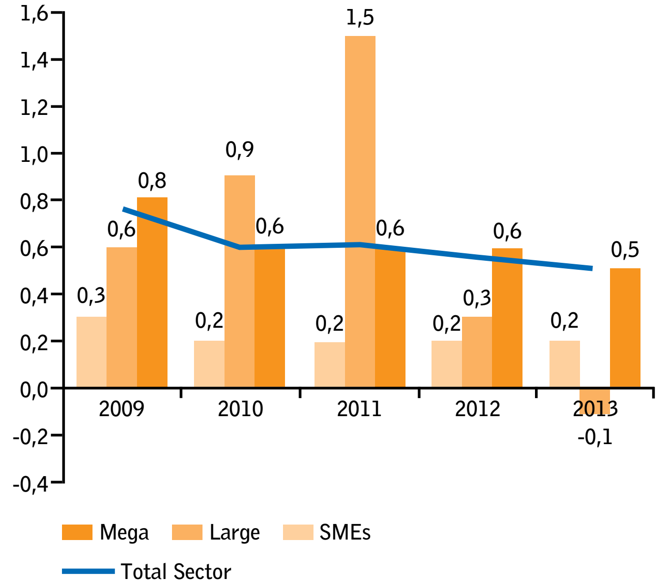
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.562 | 1.721 | 1.792 | 1.819 | 2.106 |
| Large | -16 | 28 | 73 | 58 | 52 |
| SMEs | 24 | 25 | 30 | 31 | 33 |
| **Total Sector** | **1.571** | **1.773** | **1.896** | **1.908** | **2.191** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 87 | 89 | 87 | 68 | 68 |
| Large | 0,4 | 1 | 2 | 2 | 2 |
| SMEs | 4 | 5 | 4 | 4 | 4 |
| **Total Sector** | **91** | **95** | **94** | **73** | **74** |

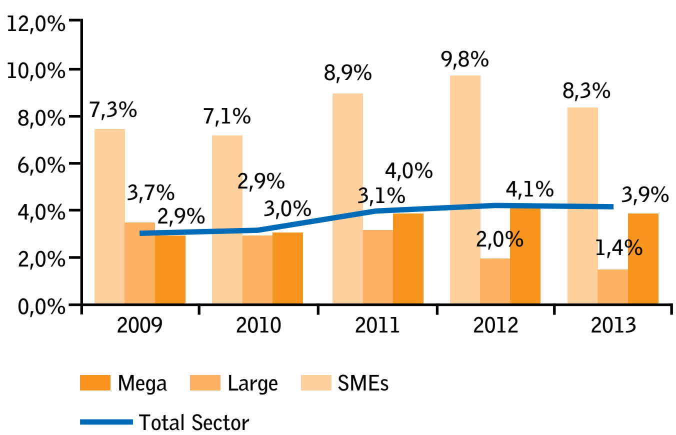
- In the last five year period, the sector records decrease in net borrowings of approximately 28%. It is noted that the total borrowings remain unchanged and the aforementioned decrease is a result of the increases in cash available of the sector's companies.
- Large companies of the sector increase their borrowings till 2011 inclusively, while in 2012 they proceed with significant repayments and their net borrowings are recorded negative in 2013 as a result of the increase in their cash available.

### Net Borrowings / Equity



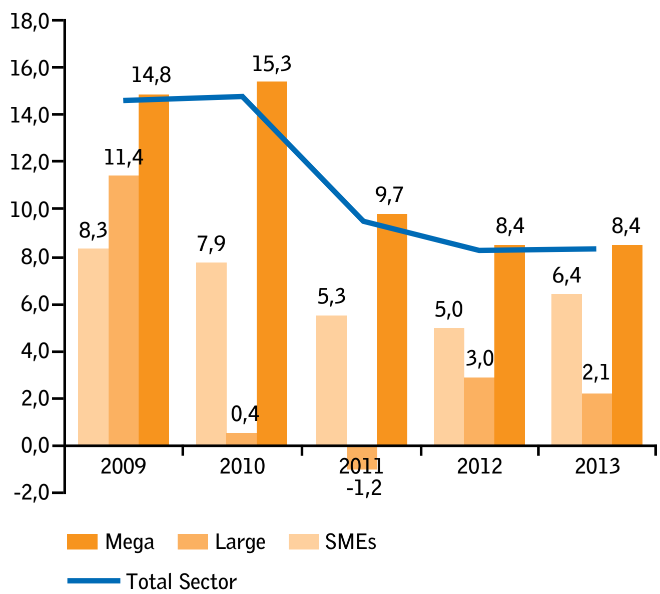

- SMEs record particularly low loan burdening, since the ratio does not exceed 0,3 in the entire period under survey.
- The Mega company has significantly high borrowings, however borrowings to equity ratio remains stable within the five year period.

### Average Borrowing Interest Rate




- Very low borrowings of the Large companies of the sector form the ratio at relatively low levels, while the average borrowing interest rate of SMEs almost approaches that of the general total.

### EBITDA / Financial Expenses

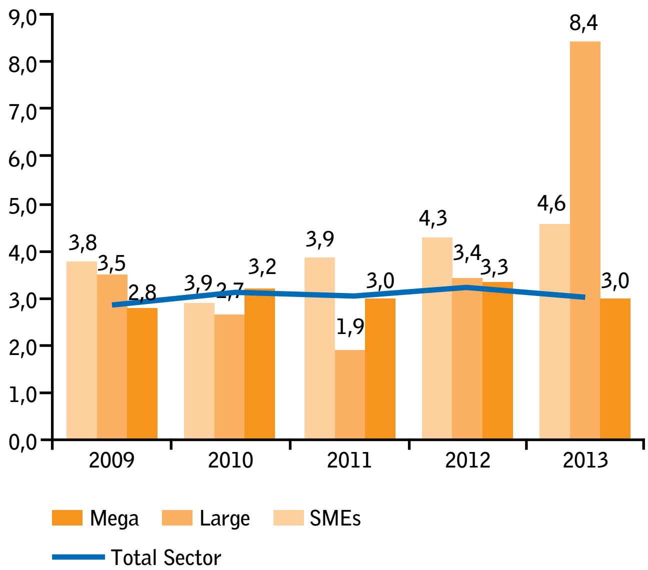



- Increase in costs of financing, in line with decrease in operating profits (losses approaching 30% regarding the financial performance recorded in 2013 versus 2009) have reduced the ability of the sector's companies to cover the costs of financing through their operating profits. The picture is even more intense as far as the Large companies are concerned.

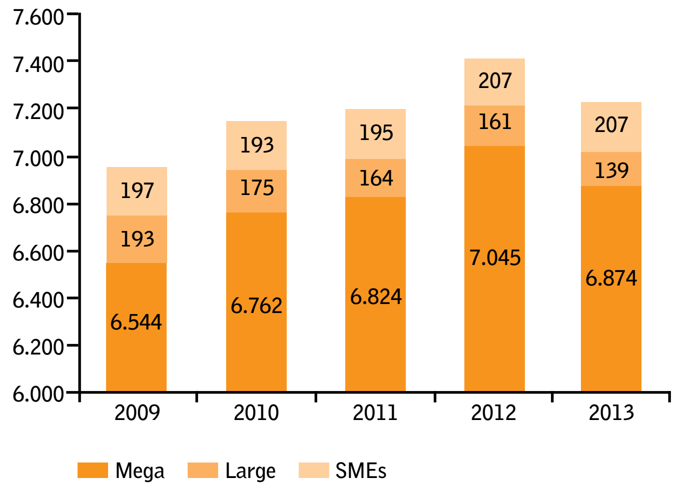
- Regarding the performance recorded by SMEs, it should be taken into account that they borrow at steadily higher rates, in contrast to the Large companies, which record bigger decreases due to reduction in operating profits in 2010.

### Sales / Total Borrowings




- SMEs, at average, present better performance in the aforementioned ratio, given that they record stable course of development within the period under survey.
- Large companies present larger variations within the five year period, recording a big increase in 2013 as a result of the decrease in borrowings.

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -171 | 220 | 63 | 218 |
| *(percentage)* | -2% | 3% | 1% | 3% |
| Large | -22 | -3 | -11 | -18 |
| *(percentage)* | -14% | -2% | -6% | -9% |
| SMEs | 0,1 | 13 | 1 | -4 |
| *(percentage)* | 0% | 6% | 1% | -2% |
| **Total Sales of the Sector** | **-193** | **230** | **53** | **196** |
| ***(percentage)*** | **-3%** | **3%** | **1%** | **3%** |

- Mega company and SMEs record a relative increase in sales, while the Large companies record decreases. The changes recorded by the Mega company significantly affect the performance of the entire sector.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 6.874 | 7.045 | 6.824 | 6.762 | 6.544 |
| Large | 139 | 161 | 164 | 175 | 193 |
| SMEs | 207 | 207 | 195 | 193 | 197 |
| **Total Sector** | **7.220** | **7.413** | **7.183** | **7.130** | **6.934** |

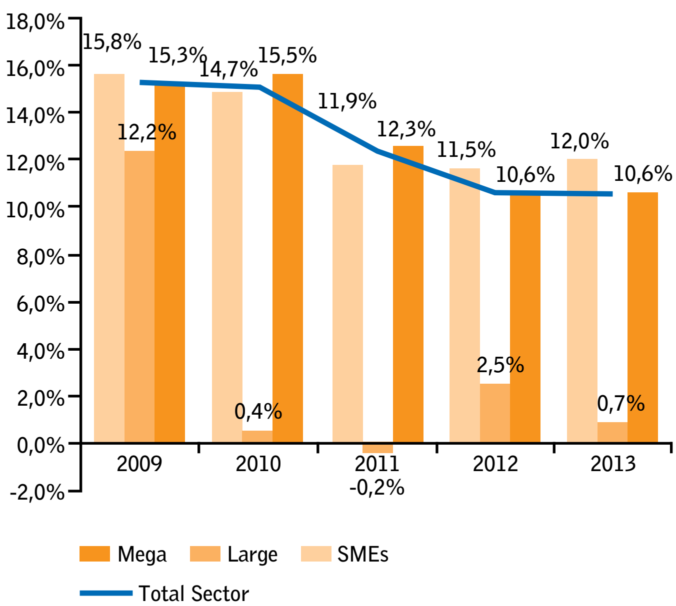
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 730 | 749 | 843 | 1.045 | 1.004 |
| Large | 1 | 4 | -0,4 | 1 | 24 |
| SMEs | 25 | 24 | 23 | 28 | 31 |
| **Total Sector** | **755** | **777** | **866** | **1.074** | **1.059** |

 | 

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 294,1 | 258,6 | 364,5 | 568,5 | 564,1 |
| Large | -4,6 | -8,0 | -15,8 | -14,8 | 9,7 |
| SMEs | 9,5 | 2,7 | 2,8 | 8,3 | 11,2 |
| **Total Sector** | **299,0** | **253,4** | **351,5** | **562,1** | **585,0** |

- The sector records high, though decreased, earnings before tax, interest, depreciation and amortization, with the Mega company of the sector affecting the general performance.

### EBITDA Margin




- EBITDA margin is steadily over 10% in respect of the Mega company and SMEs, however, the ratio presents a steadily decreasing course regarding both categories of the companies.
- One of the Large companies of the sector maintains positive EBITDA (EBITDA margin recorded by the particular company stands over 24% within the five year period) and one company records steadily negative EBITDA within the last four years, with the ratio standing very low regarding this category of companies.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 785 | 754 | 828 | 970 |
| Large | 4 | 4 | -8 | 9 |
| SMEs | 18 | 20 | 14 | 20 |
| **Total Sector** | **807** | **778** | **834** | **999** |

- Cash flows from operating activities decrease in the four year period, while the biggest reductions are recorded by the Mega company. The sector presents positive cash flows from operating activities within the four year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -331 | -404 | -372 | -357 |
| Large | 32 | -5 | -3 | -12 |
| SMEs | -8 | -8 | -8 | -11 |
| **Total Sector** | **-308** | **-416** | **-383** | **-380** |

- The Mega company records € 1,46 billion cash outflows from investing activities from 2010 to 2013.
- SMEs present relatively stable cash outflows from investing activities, which exceed € 10 million only in 2010.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -155 | -359 | -310 | -513 |
| Large | -23 | 9 | 16 | 5 |
| SMEs | -12 | -9 | -4 | -8 |
| **Total Sector** | -189 | -358 | -298 | -516 |

- The sector presents no variations in financing within the last four years, with the companies proceeding with significant repayments of loans.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**23%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**26%** of the total companies of the sector,<br>**97%** of the total sales of the sector,<br>**98%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**31%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**20%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Mineral Water, Juices & Soft Drinks Sector

- In 2013, the sector faces reduced demands for its products.
- Within the five year period under survey, the Mega company and SMEs recorded increases in turnover, while the Large companies recorded decreases.
- The sector presents better performance in most of the ratios compared to those recorded by the Greek Economy, while EBITDA margin records decreases.
- As far as the Large companies are concerned, the decrease in turnover significantly reduced the profit margins. Profits before tax recorded in 2009 were transferred into losses from 2010 onwards due to increased operating expenses regarding the particular category. In contrast, SMEs and the Mega company of the sector record profits before tax within the entire five year period.
- It seems that irrespective of the category, the sector's companies have not adapted their operating expenses to the current conditions. As a result, the increase in turnover did not to the same extent affect the profit margins.
- Almost all the sector's companies record positive cash flows from operating activities within the entire five year period.
- The Mega company and SMEs manage to maintain the level of their investments within the five year period.
- The sector's companies mainly repay their loans, while new financing activities refer to restructuring of the existing borrowings.

An instinct for growth™

# Newspapers and Magazines Publishing Sector

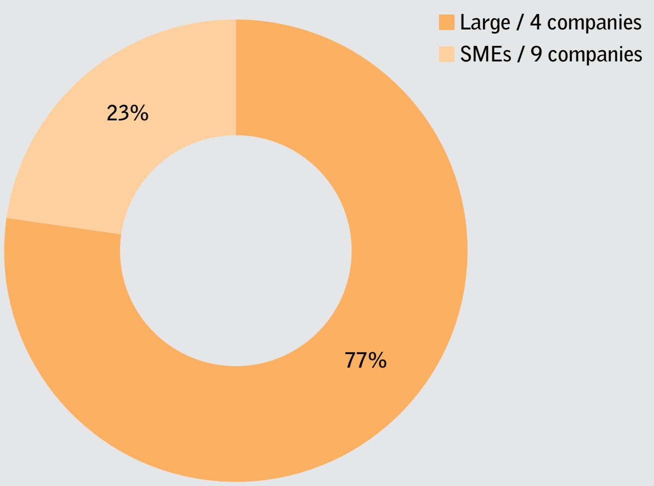
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

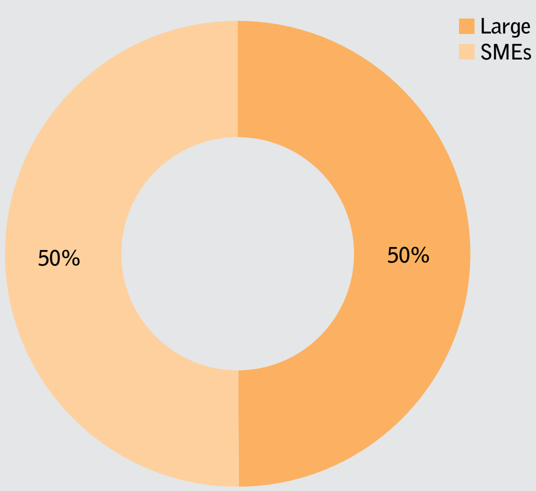
- **13** companies represent over **60%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 4 companies represent over 75% of the sector's total sales in 2013.

### Headcount 2013




- 50% of the sector's headcount are employed in 4 Large companies.

## Sector Characteristics

- A particularly competitive sector with direct dependence on the advertising sector.
- Constant decrease in turnover as a result of broader decline in the disposable income as well as the consumers turning to electronic media.
- The sector has been entrapped in recession. The volume of newspapers and magazines publishing declined, mainly due to reduced publishing products and decreases in total circulation of printed media, following the cessation of operations of several companies. Decrease in revenue from advertising has also contributed to the deterioration.
- Significant liquidity problems and difficulties in finding financing.
- Language restrictions make the sector's presence abroad particularly weak.
- The segment that has not fully exploited expansion of automation, adopting electronic information and digital versions, resulting in market share loss to free electronic forms of media.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's companies present homogeneity regarding their financial characteristics. |
| **Does a small number of companies dominate the sector?** | The sector constitutes a concentrated market, since a small number of companies hold a high proportion of sales. 4 companies represent 77% of turnover and employ 50% of the sector's headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector is negatively affected by unfavorable economic developments, with strong liquidity and profitability problems in relation to the general total. |
| **Has the sector overcome the economic crisis?** | The sector's companies make intense attempts to limit their operating costs but are not in position to decrease bank borrowings and return to positive EBITDA. |
| **How hard was it for the sector to face the crisis?** | The sector records high bank borrowings, intense liquidity problems, negative EBITDA and losses before tax, making it one of the most loss-bearing sectors. Significant drop in industrial production of newspapers and magazines prevents resetting of the sector to positive operating results. In 2012, the sector drastically reduced operating losses, but was unable to reverse the ongoing decrease in revenue in the five year period under survey. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Given the direct domestic market orientation of the sector, its losses exceed those recorded by the Greek Economy within the five year period. |
| **What is the financial performance of the sector's SMEs?** | Faced with the same problems as the Large companies in respect of liquidity and over borrowing, SMEs do not substantially differ from the other companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Exceptionally high viability issues regarding the total of the sector's companies, irrespectively of their sizes. |
| **What are the prospects for the sector?** | The sector's investments shall be redirected to the wider digital publishing and the broader electronic renovation.<br>The increase in the market share of the companies can also be achieved through the combination with their further electronic presence, thus finding ways and methods of expanding operations abroad, surpassing the language barrier.<br>Furthermore, the sector's companies can seek solutions in order to increase market share by finding new, more efficient distribution channels (new outlets to avoid geographical constraints), further reducing their costs while increasing their readability.<br>Such actions may lead to an increase in circulation volume, which is becoming a key requirement for reversing the adverse conditions faced by the sector and restore its financial stability. |

## CONDENSED FINANCIAL DATA

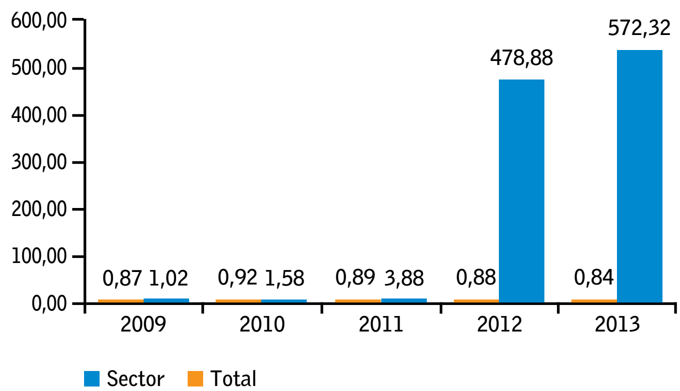
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 373 | 389 | 398 | 449 | 474 |
| Current Assets | 255 | 299 | 349 | 429 | 470 |
| **Total Assets** | **627** | **688** | **748** | **878** | **944** |
| **Equity** | **-80** | **-12** | **105** | **244** | **341** |
| Long-term Loan Liabilities | 142 | 129 | 98 | 117 | 139 |
| Other Long-term Liabilities | 44 | 46 | 53 | 58 | 65 |
| **Total Long-term Liabilities** | **186** | **176** | **151** | **175** | **204** |
| Short-term Loan liabilities | 350 | 338 | 309 | 270 | 209 |
| Other Short-term Liabilities | 171 | 186 | 183 | 189 | 191 |
| **Total Short-term Liabilities** | **521** | **524** | **492** | **459** | **400** |
| **Total Liabilities** | **707** | **700** | **643** | **634** | **604** |
| **Total Equity and Liabilities** | **627** | **688** | **748** | **878** | **944** |
| Working Capital | -267 | -225 | -143 | -29 | 70 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 375 | 404 | 470 | 648 | 769 |
| EBITDA | -18 | -31 | -67 | -62 | 1 |
| EBIT | -34 | -49 | -85 | -83 | -21 |
| EBT | -82 | -113 | -136 | -94 | -30 |
| EAT | -85 | -122 | -133 | -97 | -34 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | -6,2 | -38,8 | 3,9 | 1,6 | 1,0 |
| Current Assets/ Short-term Liabilities | 0,5 | 0,6 | 0,7 | 0,9 | 1,2 |
| EV/EBITDA | 573,9 | 479,9 | 528,3 | 613,9 | 695,2 |
| EBITDA Margin | -4,7% | -7,8% | -14,2% | -9,5% | 0,1% |

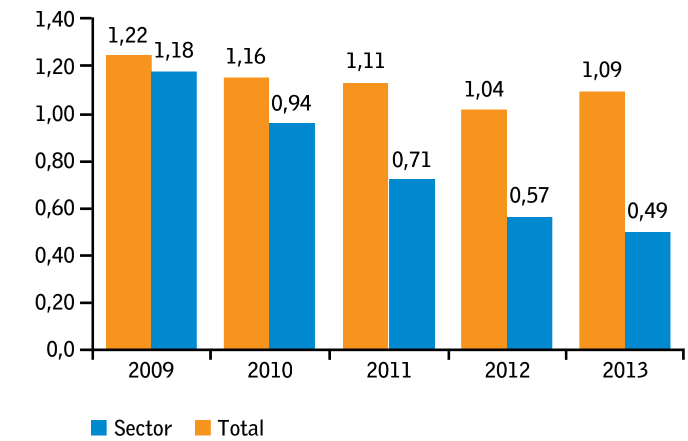
### Loan Liabilities / Equity




- A drastic decrease in equity is recorded in the five year period, which, as from 2012 onwards, becomes negative. This fact, in line with the increase in loan liabilities of the companies reflects the adverse position of the sector.
- Loan to equity ratio, in particular when compared to the relative ratio recorded by other sectors of the Greek Economy, indicates the degree of the recession faced by the sector. Existence of negative equity coupled with loss-bearing operating activities increase the instability of the sector and indicates the urgent need of new capital inflows.

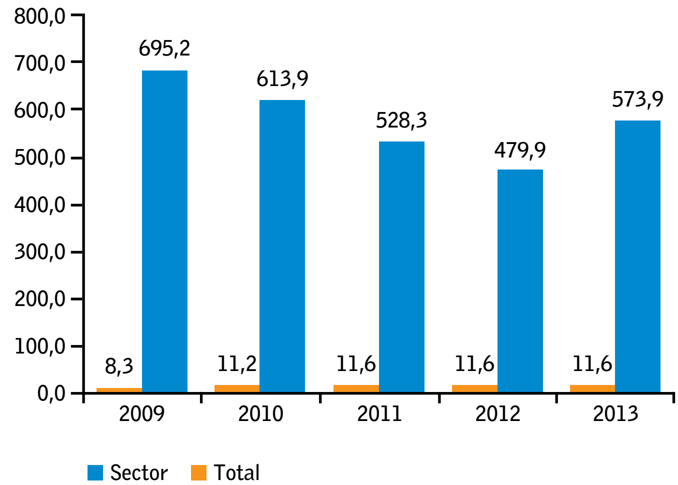
 | 

### Current Assets / Short-term Liabilities



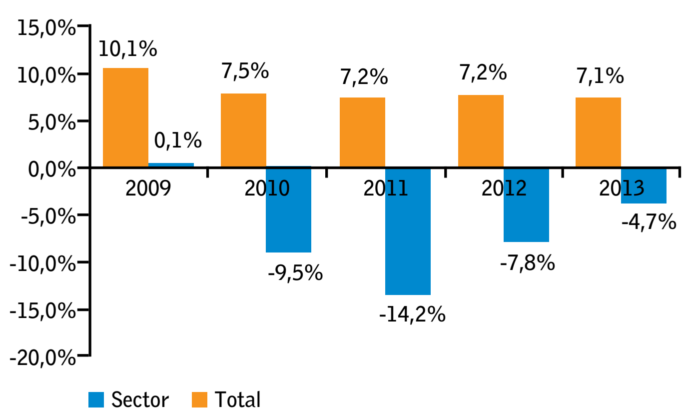

- The sector's working capital follows a constantly decreasing course and becomes negative from 2010 onwards, indicating intense liquidity problems, which, in combination with negative equity, raise issues regarding the companies' going concern. A lot of companies had to terminate their operations within the last five year period under the survey.

### EV/EBITDA



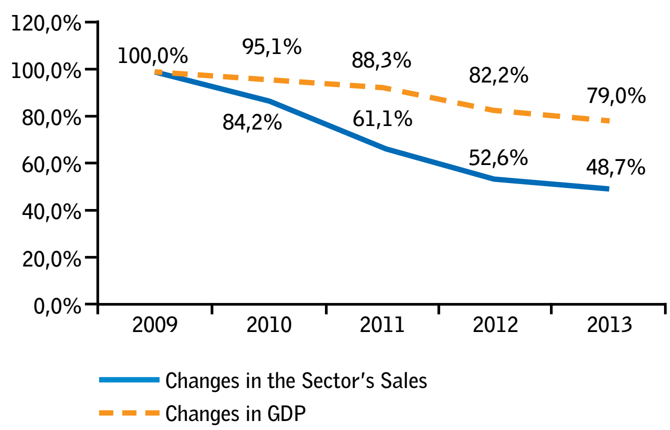

- The sector presents zero investment interest due to negative EBITDA Margin, among others.

### EBITDA Margin




- The sector's EBITDA margin substantially differs from the general total and as from 2010 is recorded negative, indicating the intense inability of the sector's companies to retain their operating costs.
- In 2012, as compared to 2011, the sector presented reduced by approximately 53% losses before tax, interest, depreciation and amortization, while its revenues decreased by approximately 14%. The similar tendency was recorded in 2013, with decreased operating losses by approximately 42% and decrease in revenue by approximately 7%.
- Decrease in operating losses is mainly due to drastic limitation of administrative and trade expenses as well as to cuts in labor costs.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector has lost 50% of its operations, presenting higher levels of losses than the Greek Economy general total.

# SECTOR ANALYSIS

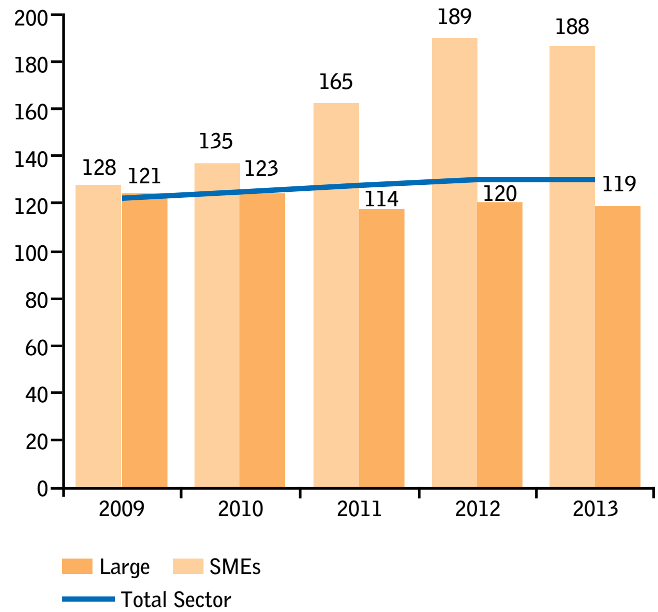
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -259 | -214 | -138 | -36 | 49 |
| SMEs | -7 | -11 | -5 | 7 | 21 |
| **Total Sector Working Capital** | **-267** | **-225** | **-143** | **-29** | **70** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 73 | 94 | 144 | 211 | 249 |
| SMEs | 11 | 18 | 23 | 30 | 30 |
| **Total Sector Working Capital** | **83** | **112** | **167** | **240** | **279** |

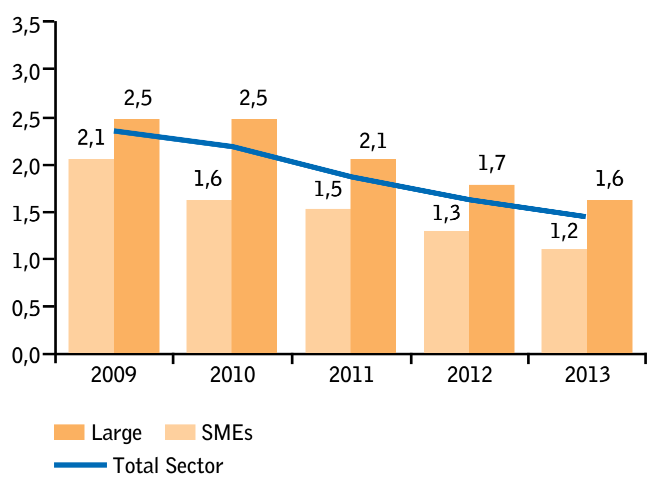
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is stable in respect of the Large companies at approximately 4 months, while SMEs present a constantly increasing tendency, while as from 2012, the period exceeds 6 months.

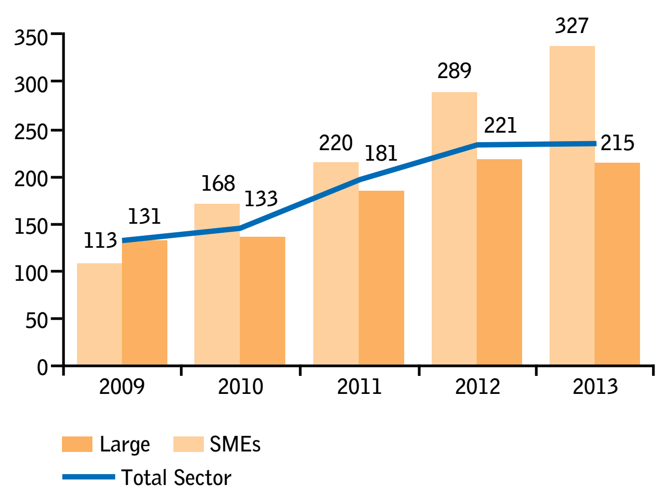
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- From 2010 onwards, the sector records negative working capital. It is mainly due to increased short-term loan liabilities, which constitute over 70% of total borrowings.

### Average Period of Paying Liabilities




- The Average Period of Paying Liabilities of the sector constantly increases, with SMEs recording average periods of approximately 11 months in 2013.

 | 

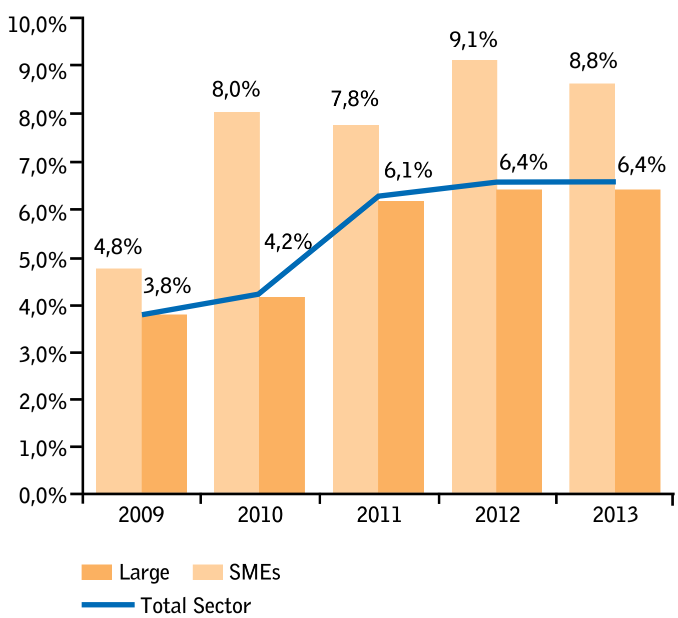
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 443 | 408 | 332 | 288 | 281 |
| SMEs | 33 | 28 | 25 | 19 | 2 |
| **Total Sector** | **476** | **436** | **357** | **308** | **283** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 29 | 26 | 23 | 15 | 13 |
| SMEs | 3 | 3 | 2 | 1 | 1 |
| **Total Sector** | **32** | **29** | **25** | **16** | **13** |

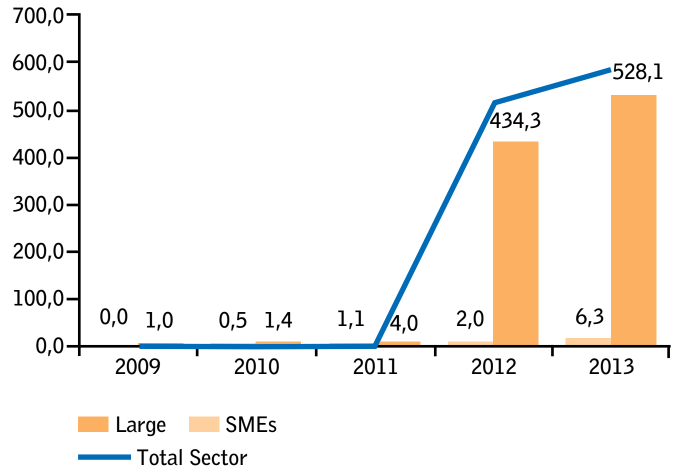
- Doubling of net borrowing for both – Large companies and SMEs – that, given the liquidity problems, makes the repayment not probable. A similar increase is recorded in the sector's companies financial costs, which substantially contributes to the fact that despite the decrease in operating losses, total losses before tax are recorded at particularly high levels.

### Average Borrowing Interest Rate



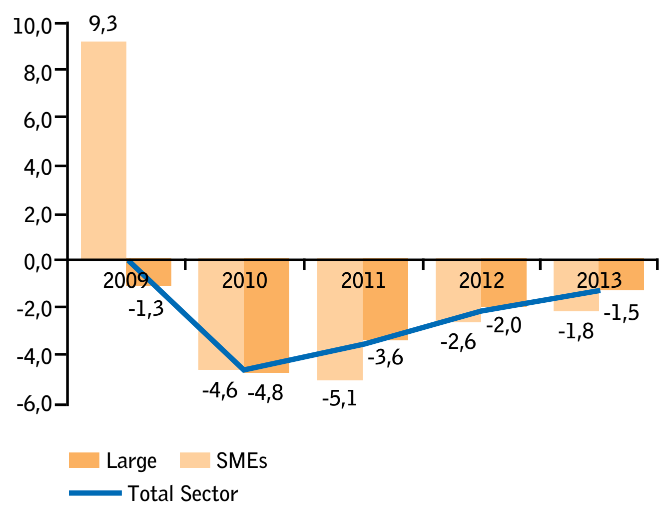

- The average borrowing interest rate is steadily higher up to 2% for SMEs in the five year period than that recorded by the Large companies.

### Net Borrowings / Equity




- Intense loan burdening on the sector's companies, with the Large companies also presenting negative equity within the last two years.

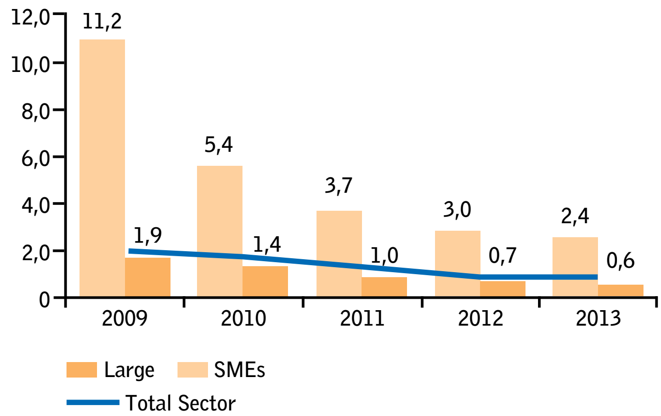
### EBITDA / Financial Expenses




- The sector's companies are not in position to cover even a part of their financial expenses from their operating results.

### Sales / Total Borrowings




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -18 | -52 | -150 | -140 |
| *(percentage)* | -6% | -15% | -29% | -22% |
| SMEs | -12 | -13 | -28 | 18 |
| *(percentage)* | -12% | -12% | -21% | 15% |
| **Total Sales of the Sector** | **-30** | **-65** | **-178** | **-121** |
| ***(percentage)*** | **-7%** | **-14%** | **-27%** | **-16%** |

- A marginally higher ratio for SMEs within the last four year period, casting doubt on the total companies of the sector ability to repay their debts.

- A substantial decrease in revenue from advertising and the decline in the circulation of the printed editions mainly due to the adverse economic environment significantly worsen the sector's companies performance in the last five year period. Moreover, through their brisk paces, radio, TV and internet (competition from other mass media) have satisfied the consumers' needs for information and, as a result, the circulation of newspapers and magazines has drastically decreased.

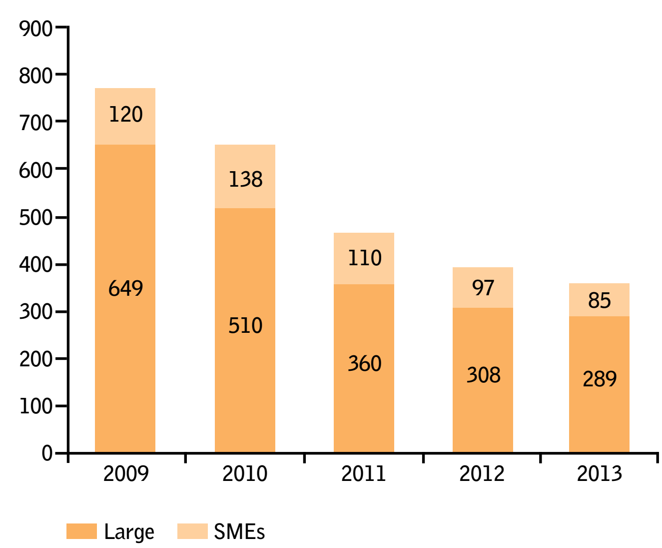
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 289 | 308 | 360 | 510 | 649 |
| SMEs | 85 | 97 | 110 | 138 | 120 |
| **Total Sector** | **375** | **404** | **470** | **648** | **769** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -15 | -27 | -58 | -56 | -4 |
| SMEs | -3 | -4 | -9 | -5 | 5 |
| **Total Sector** | **-18** | **-31** | **-67** | **-62** | **1** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -74,0 | -102,8 | -122,7 | -84,5 | -32,7 |
| SMEs | -8,4 | -10,1 | -13,4 | -9,7 | 2,2 |
| **Total Sector** | **-82,4** | **-112,8** | **-136,1** | **-94,2** | **-30,5** |

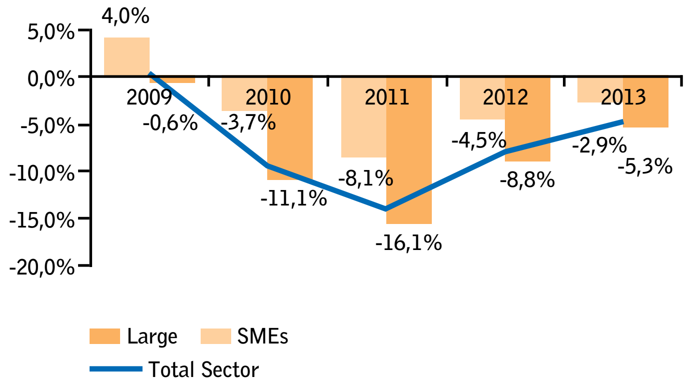
### Sales




- Significant decrease in advertising expenses in line with the decline in the printed editions circulation have doubled the sector's losses before tax in 2011 versus 2010. However, in 2013, actions aimed at strengthening the operations and the reduction of operating costs reduced the losses by almost 40%.

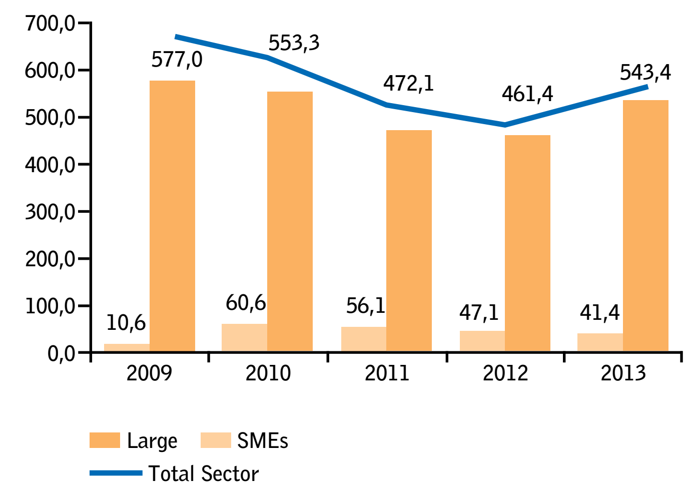
 

### EBITDA Margin




- The sector's companies were not prepared for the decrease in advertisement expenses and were limiting their operating costs till 2011 inclusively. In the last two year period, the companies limited their operating costs, however recording zero operating profits.

### EV/EBITDA




- No operating profits in line with high borrowings have made the sector unattractive in respect of investment interest. This fact is the key obstacle to financial recovery of the sector, which seems to be achieved through new capital inflows.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -31 | -19 | -52 | -46 |
| SMEs | 2 | -2 | -1 | -8 |
| **Total Sector** | **-29** | **-22** | **-54** | **-53** |

- Steadily negative cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -13 | -67 | -1 | 37 |
| SMEs | -5 | -1 | -2 | -1 |
| **Total Sector** | **-17** | **-68** | **-3** | **36** |

- Cash flows from investing activities stand at very low levels, given the sector's intense liquidity problems.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 37 | 70 | 24 | 22 |
| SMEs | 0,2 | 3 | 2 | 6 |
| **Total Sector** | **37** | **73** | **26** | **28** |

- No borrowing repayments in the sector within the entire four year period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**7%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**79%** of the total companies of the sector,<br>**97%** of the total sales of the sector,<br>**100%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**14%** of the total companies of the sector,<br>**3%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Newspapers and Magazines Publishing Sector

- Extremely low financial performance of the sector versus the results recorded by the other Greek companies under survey, regarding loan burdening, sales losses and operating profit.
- Decline in advertising expenses coupled with the decrease in printed forms as well as the competition with other media have reduced the sector's operations in half.
- Significant decreases in revenue in line with high financial costs of the companies are the main reasons preventing the sector's recovery.
- Drastic reduction in operating costs within the last two year period, which, however, did not manage to reverse the on-going decrease in revenue.
- The sector's companies face intense liquidity problems due to high level of bank loans and operating losses recorded within the five year period.
- The total of the sector's companies, and the Large companies in particular, can hardly cover their bank loans. This fact indicates the need of new capital inflows into the sector, which, based on its financials, does not present investment interest.
- The sector's companies have doubled their net borrowings, while no repayments have been made from cash flows from the companies' financing activities.

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# Olive Oil - Cooking Fats Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

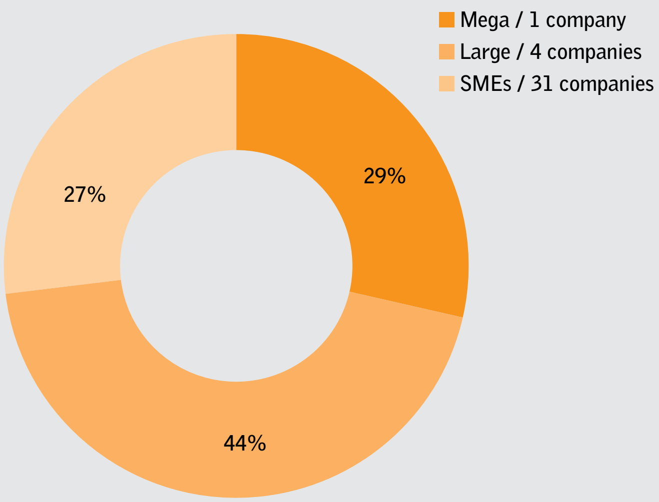
## Sector Structure

- **36** companies represent **91%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with turnover over € 250 million.

## Sector Characteristics

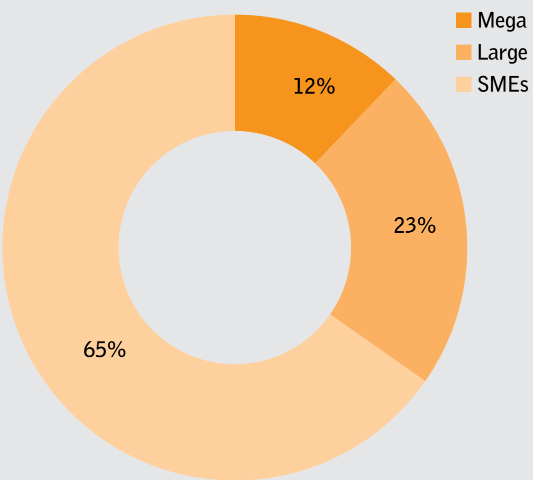
- The sector under survey holds one of the first positions globally in olive oil production, performing significant exports on annual basis. In the recent years, Greece has developed a more outward-looking strategy, export oriented, whose cornerstone is bottled brand name olive oil.
- The problems the Greek sector is faced with pertain to low price of olive oil as well as to the way of its distribution versus the other, much more competitive foreign markets.
- The sector presents particularly positive growth prospects for the near future, recording increase in sales, low borrowings and positive operating cash flows.

### Sales 2013




- 4 companies represent over 44% of the sector's total sales in 2013.

### Headcount 2013




- 65% of the sector's headcount are employed in SMEs.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is no homogeneity in the sector. One Mega company performs 29% of sales, while 27% of sales are conducted by a big number of SMEs. |
| **Does a small number of companies dominate the sector?** | Yes. Five companies hold 73% of the total market share. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not seem to follow the general trends, since it records low loan burdening, steadily positive working capital and increased sales. |
| **Has the sector overcome the economic crisis?** | The course of the sector's sales development and its financial performance indicate that the sector has successfully overcome the crisis consequences. |
| **How hard was it for the sector to face the crisis?** | The sector does not seem to have intensely experienced the consequences of the crisis, recording increase in sales from 2010 onwards and generating positive cash flows from operating activities and high liquidity. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector followed the opposite path regarding the Greek Economy in 2013 recording an increase of almost 18% compared to 2009, while in the same period, the Greek Economy as a total recorded losses of almost 20%. |
| **What is the financial performance of the sector's SMEs?** | Holding 27% of market share, SMEs have improved their sizes, however, not so much their profitability, something that should improve to facilitate the sector's growth. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Looks like it. The Mega company of the sector records better profitability, increase in sales and improvement in capital structure, which does not seem to happen as the size of the companies diminishes. |
| **What are the prospects for the sector?** | The sector is one of the fastest growing and simultaneously most crisis- resistible domains of the Greek Economy regarding international food production.<br><br>Problems such as disposal of olive oil at low prices especially in Italy due to non-standardization, generating long lasting olives stock, and business opportunities such as big markets in Russia and China are of extreme importance to the sector and shall be urgently addressed.<br><br>The superior quality of Greek olive oil, its considerable diversity, and diversification of domestic production and recognition of nutrition value internationally are crucial to the sector's growth and prospects.<br><br>High quality olive oil in combination with effective packaging and marketing strategies are the perfect combination for the sector, which can create a Greek brand-name in the global markets. |

# CONDENSED FINANCIAL DATA

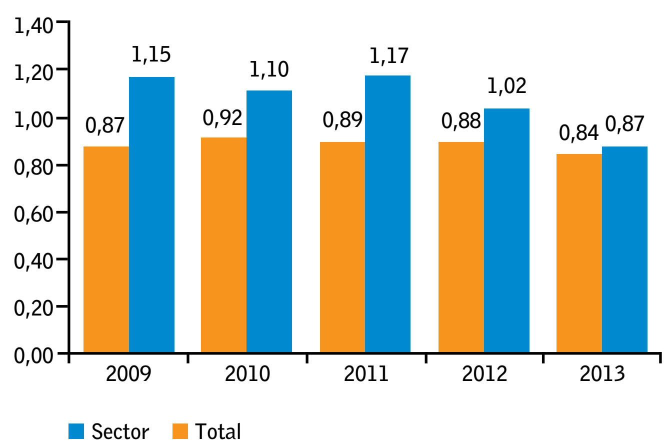
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 159 | 170 | 179 | 182 | 178 |
| Current Assets | 485 | 509 | 541 | 437 | 397 |
| **Total Assets** | **644** | **679** | **720** | **619** | **575** |
| **Equity** | **273** | **257** | **243** | **233** | **215** |
| Long-term Loan Liabilities | 47 | 64 | 78 | 110 | 128 |
| Other Long-term Liabilities | 16 | 19 | 22 | 23 | 18 |
| **Total Long-term Liabilities** | **63** | **83** | **100** | **133** | **146** |
| Short-term Loan liabilities | 191 | 197 | 207 | 148 | 120 |
| Other Short-term Liabilities | 117 | 143 | 170 | 104 | 94 |
| **Total Short-term Liabilities** | **308** | **340** | **377** | **252** | **214** |
| **Total Liabilities** | **372** | **422** | **477** | **386** | **360** |
| **Total Equity and Liabilities** | **644** | **679** | **720** | **619** | **575** |
| Working Capital | 177 | 169 | 164 | 185 | 184 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.076 | 1.031 | 1.000 | 889 | 914 |
| EBITDA | 63 | 54 | 58 | 54 | 48 |
| EBIT | 49 | 36 | 41 | 38 | 32 |
| EBT | 25 | 18 | 27 | 28 | 20 |
| EAT | 18 | 13 | 21 | 22 | 16 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,9 | 1,0 | 1,2 | 1,1 | 1,1 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,5 | 1,4 | 1,7 | 1,9 |
| EV/EBITDA | 7,7 | 9,1 | 8,3 | 8,4 | 9,3 |
| EBITDA Margin | 5,9% | 5,2% | 5,8% | 6,1% | 5,2% |

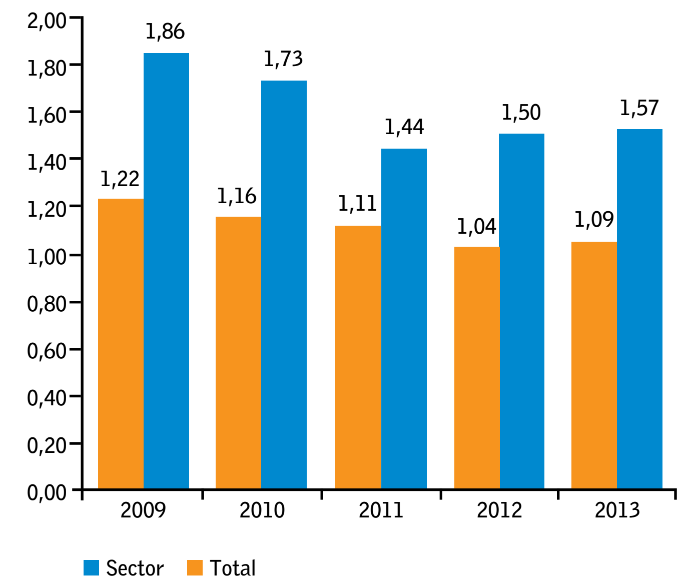
### Loan Liabilities / Equity




- The sector seems to be improving loan liabilities to equity ratio, which in 2013 is lower than a unit, standing at almost the average of the total companies under survey.

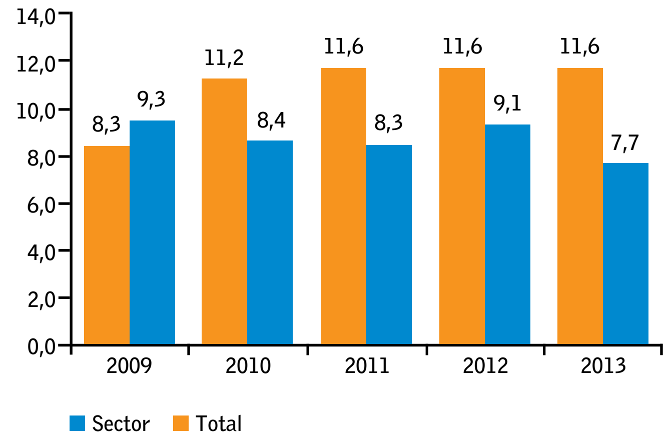
 

### Current Assets / Short-term Liabilities



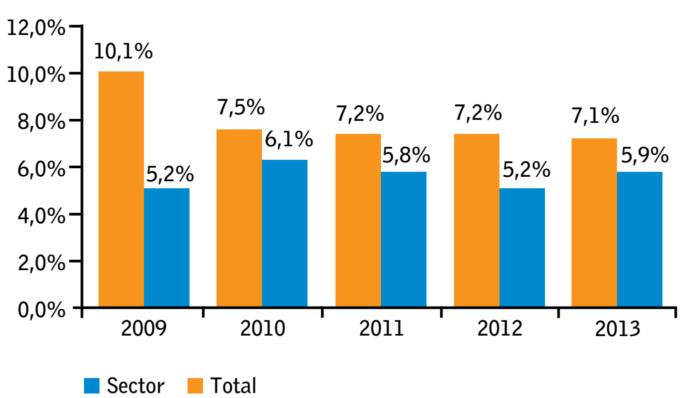

- The sector records a much better liquidity than average and presents improvements in the last three years. The working capital is steadily positive within the period under survey.

### EV/EBITDA



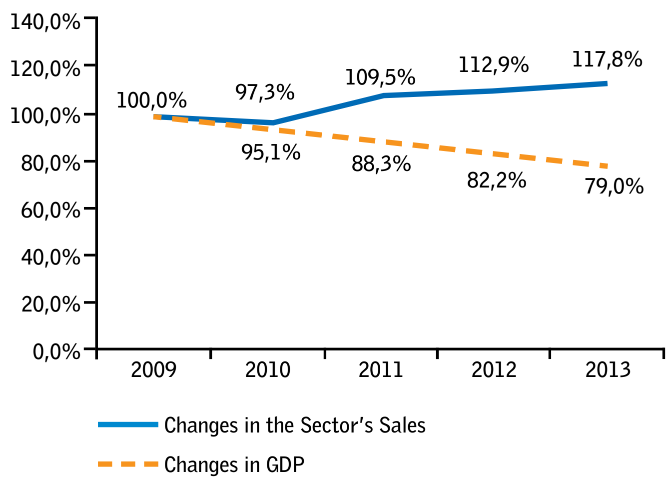

- In the last years, the companies present more investment interest than the Greek Companies at average.

### EBITDA Margin




- Profit margin, though lower than average, is higher in 2013 than in the previous years.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- While in 2013 the Greek Economy recorded total accumulated losses of 20% versus 2009, the sector presents increases of 18%, following a positive course within the entire five year period.

# SECTOR ANALYSIS

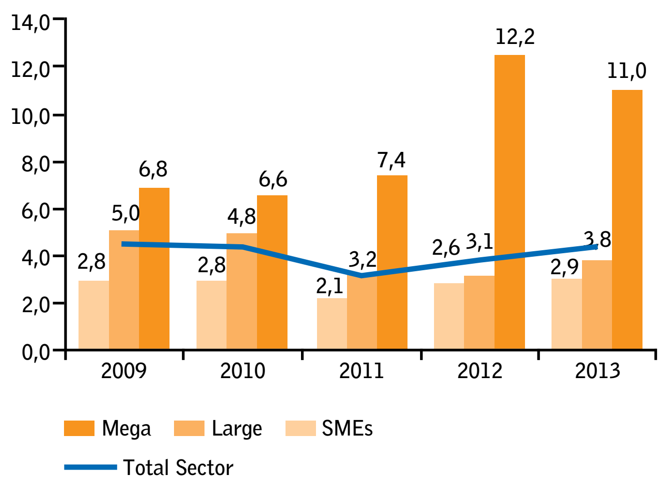
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 66 | 56 | 56 | 59 | 62 |
| Large | 82 | 93 | 88 | 103 | 103 |
| SMEs | 29 | 20 | 20 | 23 | 19 |
| **Total Sector Working Capital** | **177** | **169** | **164** | **185** | **184** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 103 | 113 | 99 | 84 | 79 |
| Large | 180 | 178 | 203 | 171 | 147 |
| SMEs | 84 | 75 | 69 | 78 | 78 |
| **Total Sector Working Capital** | **368** | **366** | **371** | **333** | **304** |

** Borrowings are not included*

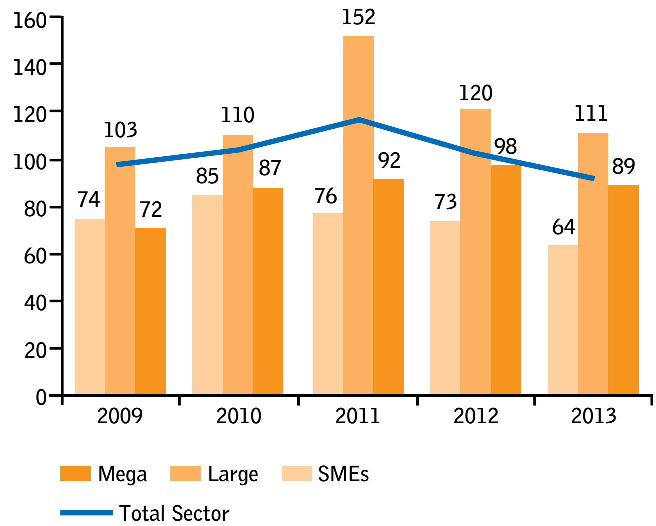
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- Positive working capital for the total sector. In particular, the Mage company presents very strong liquidity.

### Average Collection Period of Receivables




- The Average Collection Period of Receivables stands at approximately 3 to 4 months regarding the Large companies, while in 2013, SMEs collect receivables in 2 months.

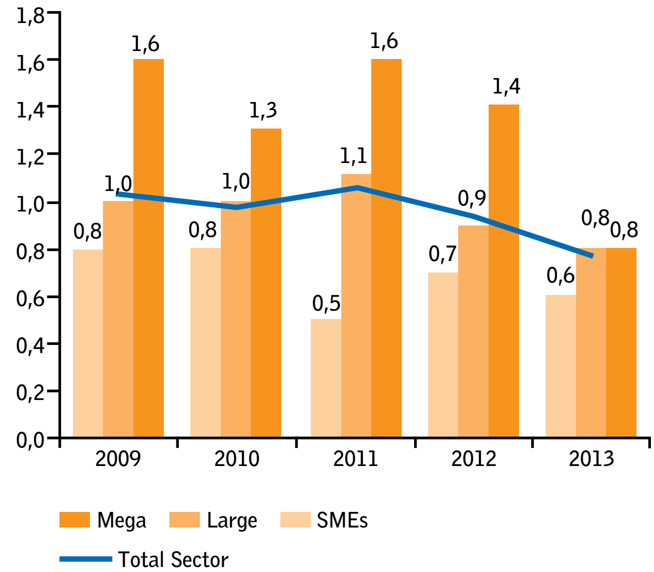
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 52 | 74 | 68 | 51 | 58 |
| Large | 105 | 110 | 129 | 115 | 105 |
| SMEs | 53 | 53 | 43 | 60 | 64 |
| **Total Sector** | **209** | **237** | **240** | **226** | **228** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 5 | 6 | 3 | 2 | 5 |
| Large | 8 | 9 | 7 | 5 | 5 |
| SMEs | 5 | 5 | 5 | 4 | 4 |
| **Total Sector** | **18** | **20** | **16** | **11** | **14** |

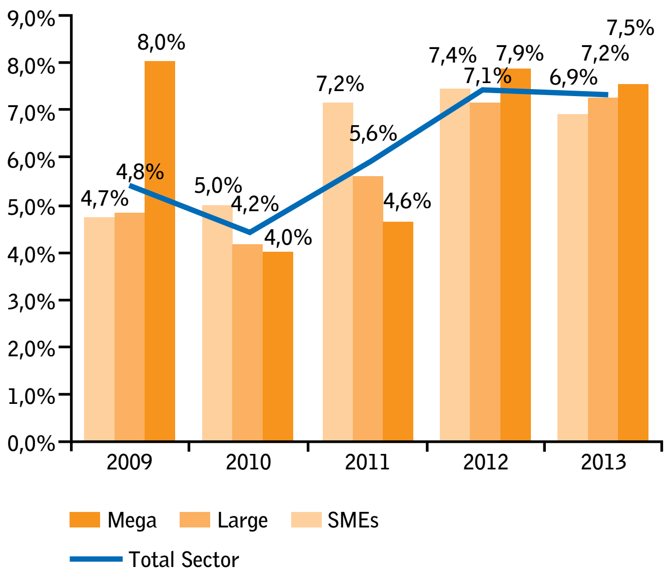
- Decrease of 8% in net borrowings within the five year period. However, in 2013, maturity time of loan liabilities is more short-term versus 2009.

### Net Borrowings / Equity



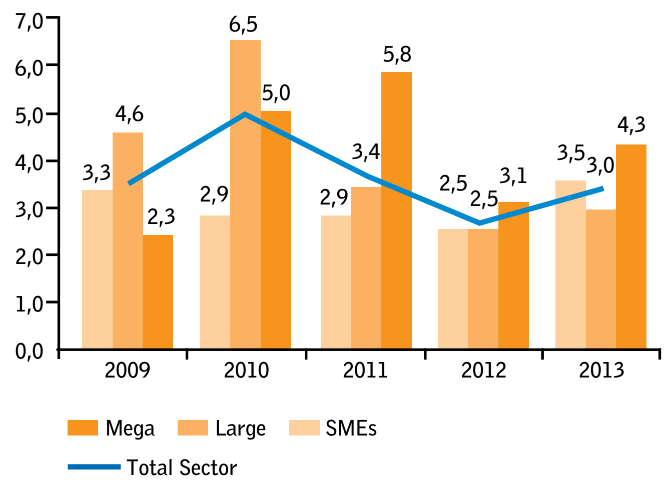

- Net borrowings to equity ratio is steadily improving, given the good performance of the sector and decrease in borrowings. In 2013, equity exceeds net borrowings irrespectively of the companies' sizes. SMEs present strong capital structure.

### Average Borrowing Interest Rate




- The average borrowing interest rate records increases and in 2013 stands at almost 7,2%.

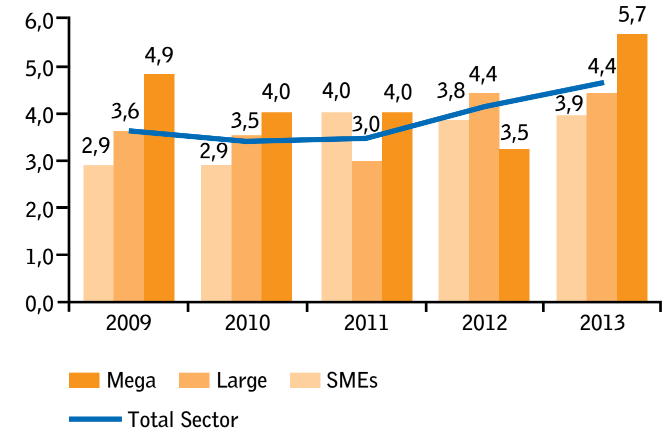
### EBITDA / Financial Expenses




- All the companies easily cover financial costs through operating profits.

### Sales / Total Borrowings




- The companies cover bank liabilities through sales considerably within the entire period, while the ratio constantly improves within the last two years.

| **Changes in Sales in Absolute Numbers and Percentage** | **2013-2012** | **2012-2011** | **2011-2010** | **2010-2009** |
|---|---|---|---|---|
| Mega | 42 | -26 | 39 | -45 |
| *(percentage)* | 16% | -9% | 15% | -15% |
| Large | -17 | 54 | 29 | 28 |
| *(percentage)* | -3% | 12% | 7% | 7% |
| SMEs | 20 | 3 | 44 | -7 |
| *(percentage)* | 7% | 1% | 20% | -3% |
| **Total Sales of the Sector** | **44** | **31** | **111** | **-25** |
| ***(percentage)*** | **4%** | **3%** | **13%** | **-3%** |

- The sector's growth is reflected in the increase in turnover in 2013 versus 2009, irrespectively of the companies' sizes.

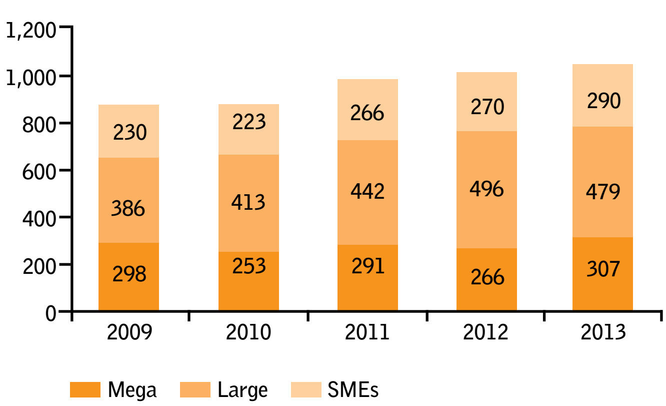
## Sales - Profitability

| **Sales** | **2013** | **2012** | **2011** | **2010** | **2009** |
|---|---|---|---|---|---|
| Mega | 307 | 266 | 291 | 253 | 298 |
| Large | 479 | 496 | 442 | 413 | 386 |
| SMEs | 290 | 270 | 266 | 223 | 230 |
| **Total Sector** | **1.076** | **1.031** | **1.000** | **889** | **914** |

| **EBITDA** | **2013** | **2012** | **2011** | **2010** | **2009** |
|---|---|---|---|---|---|
| Mega | 21 | 18 | 18 | 12 | 11 |
| Large | 24 | 23 | 25 | 31 | 24 |
| SMEs | 18 | 13 | 15 | 11 | 12 |
| **Total Sector** | **63** | **54** | **58** | **54** | **48** |

| **EBT** | **2013** | **2012** | **2011** | **2010** | **2009** |
|---|---|---|---|---|---|
| Mega | 14,1 | 10,0 | 12,4 | 7,0 | 4,1 |
| Large | 10,6 | 6,7 | 10,3 | 18,4 | 12,2 |
| SMEs | 0,5 | 1,0 | 4,1 | 2,5 | 4,0 |
| **Total Sector** | **25,3** | **17,6** | **26,8** | **27,9** | **20,3** |

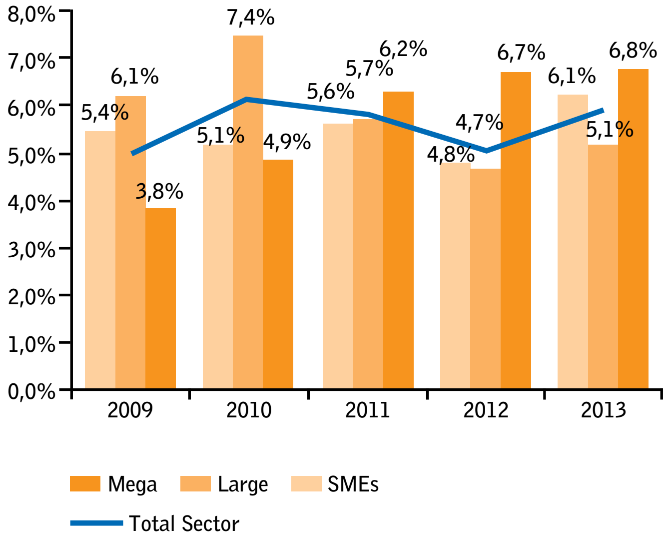
### Sales




- Operating profitability of the sector, and, especially that of SMEs, constantly improves. However, such improvements do not pertain to the total of SMEs, but to a part of them, since the remaining SMEs are not in position to take advantage of the sector's growth prospects and present losses before tax in 2013.

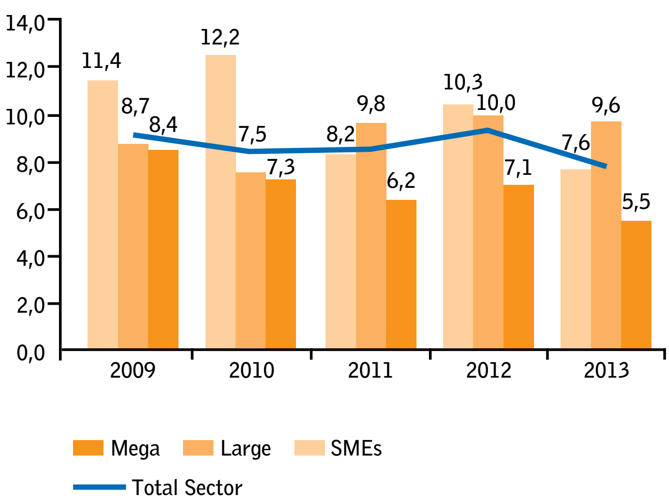
 | 

## EBITDA Margin




- EBITDA Margin has increased at average. However, it pertains to the Mega company and SMEs, while it has decreased in respect of the Large companies.

## EV /EBITDA




- The sector's companies are becoming all the more attractive to investments, in particular the Mega company and several SMEs.

# CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 27 | 4 | -11 | 12 |
| Large | 25 | 16 | 19 | 42 |
| SMEs | 8 | 1 | 28 | 13 |
| **Total Sector** | **61** | **20** | **35** | **67** |

- The sector presents positive cash flows from operating activities within the four year period and the results improve in 2013.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -0,1 | -0,1 | -0,4 | -1 |
| Large | -6 | -3 | -18 | -12 |
| SMEs | 1 | -6 | -5 | -6 |
| **Total Sector** | **-5** | **-9** | **-23** | **-20** |

- All the companies record decreases in investing activities within the four year period.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -27 | -6 | 4 | -2 |
| Large | -18 | -27 | 12 | -27 |
| SMEs | -6 | -0,3 | -16 | -6 |
| Total Sector | -51 | -33 | 1 | -36 |

- Significant outflows from financing activities in the last two years, mainly aimed at loans repayments.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**35%** of the total companies of the sector,<br>**68%** of the total sales of the sector,<br>**71%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**18%** of the total companies of the sector,<br>**6%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**41%** of the total companies of the sector,<br>**17%** of the total sales of the sector,<br>**29%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**6%** of the total companies of the sector,<br>**9%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Olive Oil - Cooking Fats Sector

- In the last years, the sector improves its capital structure and in 2013 debt to equity ratio stands at 0,87.
- Positive working capital with tendencies towards improvement as also reflected by diminishing receivables collection days within the last two years.
- Borrowings seem to be decreasing and it is particularly encouraging that the companies easily cover their financial expenses through their operating profits.
- Regarding investment, the sector looks more attractive than the general total.
- It is exceptionally positive that at times of crisis, the sector presents steady increases in sales, while some SMEs do not seem to be in position to take advantage of this fact in order to increase their profitability.
- Positive cash flows from operating activities within the entire five year period with the best results recorded in 2010.

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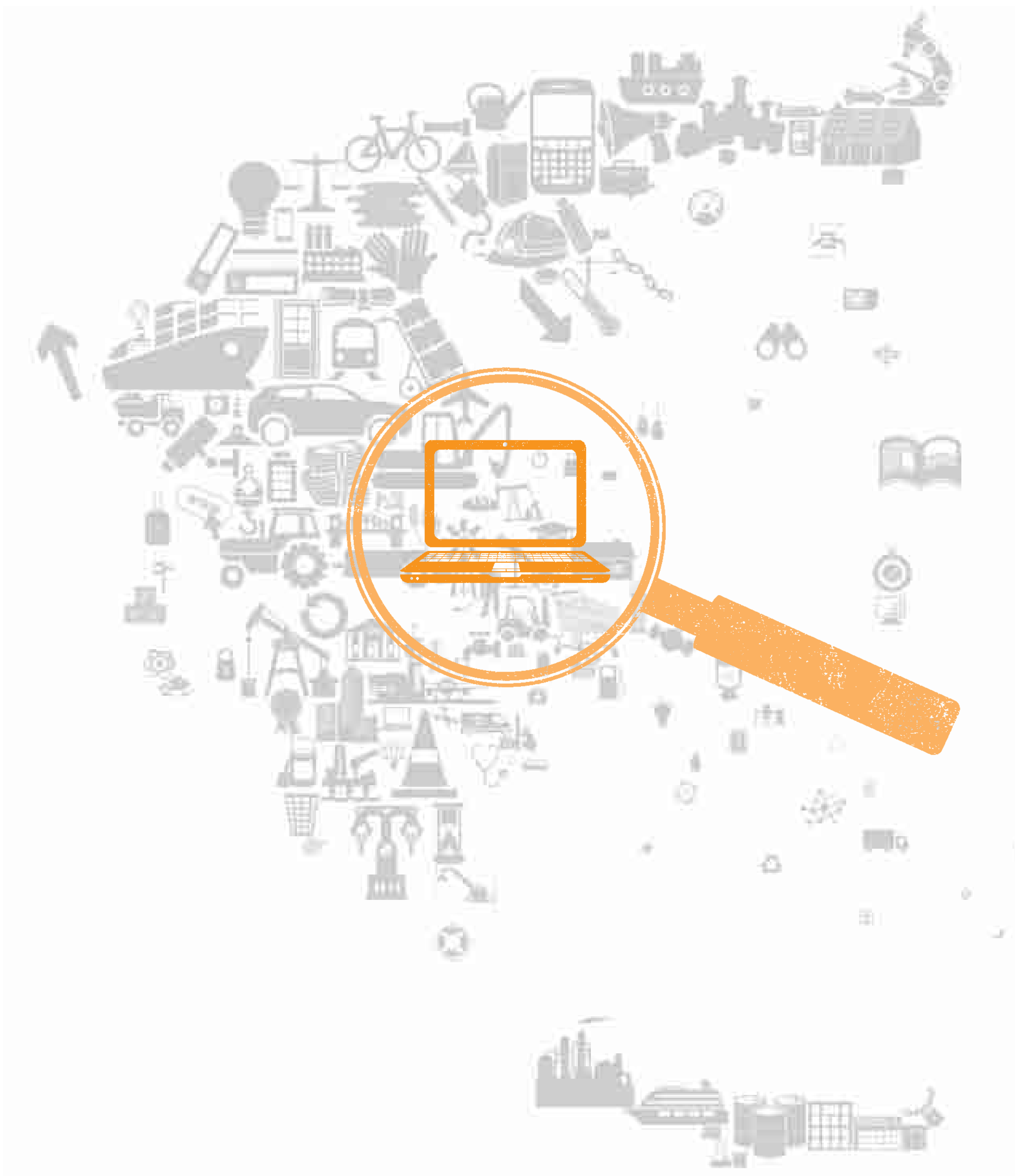
# PC and Electronic Equipment Trade Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

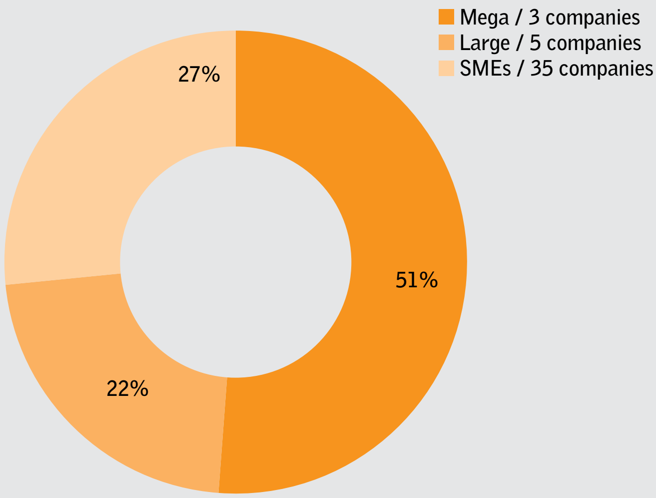


# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

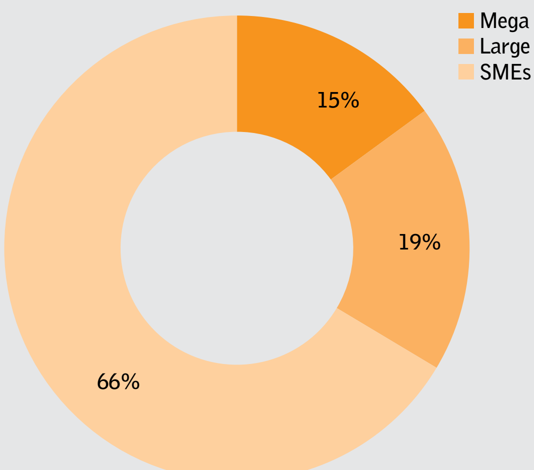
- **43** companies represent over **75%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 3 companies represent approximately 51% of the sector's total sales in 2013.

### Headcount 2013




- 66% of the sector's headcount are employed in SMEs.

## Sector Characteristics

- A significant sector, mainly addressing the young people that follow technological developments.
- The economic crisis and the restricted consumers' income have contributed to the decrease in demand for electronic equipment in the last two years.
- Decrease of 23% in turnover was recorded by the sector in the period 2009-2013, with the decline in the demand.
- Market downturn has been recorded in all the categories, depending on the type (desktops and laptops) and the use (home or office). The recession trends are higher in the category of computers aimed at home use, as consumer priorities have now considerably changed.
- The sector's companies, supplying public bodies with PC and other products, are faced with liquidity problems due to delay in payments.
- Retail segment has already lost a number of stores that were not in position to resist the intense competition of the big chains in terms of pricing and mainly product variety.
- The companies with updated product base, broadening their market penetration through handy portable products, which offer internet access and complete comprehensive entertainment (eg smartphones, tablet PCs) prove to be more resistant to recession.
- The sector's financial structure significantly differs depending on the company size.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No. Completely differential financial picture that depends on the size of the companies. Unlike many sectors of the Greek Economy, Mega companies show great adaptability, operating successfully under the new conditions. |
| **Does a small number of companies dominate the sector?** | 3 Mega companies hold 51% market share, employing 15% headcount. Mega companies rely on sales volume while operating at low margins, but also affecting the other companies. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Common tendencies regarding the reduction of turnover (-23%). Mega companies show adaptability, absorbing the reduction in contrast to the other companies, which are faced with liquidity problems. |
| **Has the sector overcome the economic crisis?** | The sector does not seem to have overcome the crisis, given that it records a continuing decline in turnover and very low profit margins. Nevertheless, it maintains low leverage and positive working capital for the entire period under survey. Mega companies seem to have overcome the crisis, expecting an increase in operations. |
| **How hard was it for the sector to face the crisis?** | The sector intensely experienced the economic recession. Companies with high borrowings do not seem to be in position to adjust their costs in order to balance the decrease in turnover. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Losses in the sector's sales value appear to follow the course of the Greek Economy within the five year period, recording 22% losses. |
| **What is the financial performance of the sector's SMEs?** | SMEs are characterized by relative stability in financial performance, with less intense fluctuations compared to the other companies of the sector. They record decreases in sales and small losses, while maintaining nearly stable profit margins. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Mega companies operate under better conditions and essentially determine the market operations. The sector is characterized by intense competition and forces all the companies to operate at low margins. |
| **What are the prospects for the sector?** | The performance of the sector is linked to that of GDP. For companies with low borrowings, a potential growth of GDP will bring increased operations and profits, as it seems that such companies have adapted their operating costs. It is assumed that companies with high borrowings will face uncertainty in respect of going concern, which will benefit the other companies.<br><br>Most companies of the sector will have to revise their expansion plans and focus on reducing their operating costs. The reduction in inventory volumes is also significant as close monitoring of cash flows is now imperative to every company.<br><br>The strategic choice of electronic store in the future, with simultaneous enrichment of products range and services in order to offer solutions to customers, will improve the overall picture of the sector.<br><br>The sector shall have prospects, since Information and Communication Technologies are instrumental to creating a favorable business environment through adapting businesses to the digital economy, encouraging innovation and creating investment opportunities that facilitate the exit from the general economic crisis. |

# CONDENSED FINANCIAL DATA

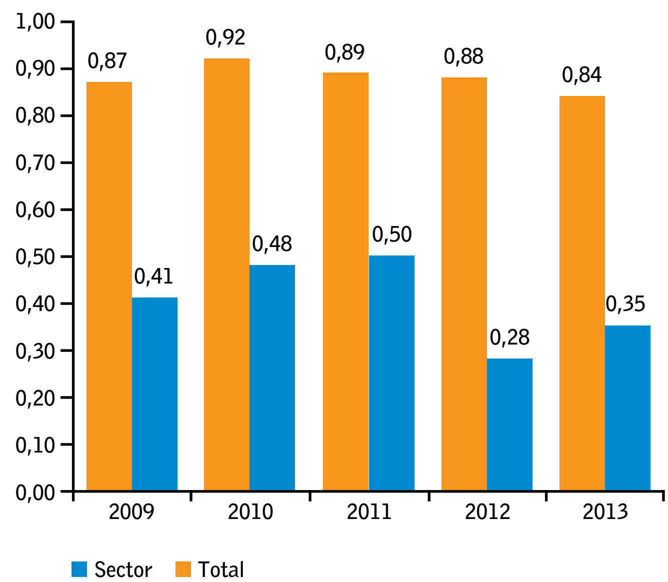
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 302 | 285 | 294 | 302 | 309 |
| Current Assets | 847 | 810 | 792 | 858 | 921 |
| **Total Assets** | **1.150** | **1.095** | **1.086** | **1.160** | **1.230** |
| **Equity** | **434** | **514** | **441** | **457** | **490** |
| Long-term Loan Liabilities | 47 | 43 | 97 | 120 | 97 |
| Other Long-term Liabilities | 44 | 59 | 50 | 50 | 43 |
| **Total Long-term Liabilities** | **91** | **102** | **147** | **169** | **140** |
| Short-term Loan liabilities | 105 | 102 | 124 | 102 | 104 |
| Other Short-term Liabilities | 520 | 378 | 374 | 431 | 496 |
| **Total Short-term Liabilities** | **625** | **479** | **498** | **533** | **600** |
| **Total Liabilities** | **716** | **581** | **645** | **702** | **740** |
| **Total Equity and Liabilities** | **1.150** | **1.095** | **1.086** | **1.160** | **1.230** |
| Working Capital | 222 | 331 | 294 | 325 | 321 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.884 | 1.919 | 2.049 | 2.200 | 2.440 |
| EBITDA | 51 | 57 | 40 | 46 | 81 |
| EBIT | 25 | 29 | 8 | 14 | 49 |
| EBT | 30 | 21 | -8 | -2 | 39 |
| EAT | 5 | 8 | -22 | -20 | 18 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/Equity | 0,4 | 0,3 | 0,5 | 0,5 | 0,4 |
| Current Assets/Short-term Liabilities | 1,4 | 1,7 | 1,6 | 1,6 | 1,5 |
| EV/EBITDA | 7,9 | 9,6 | 12,2 | 11,6 | 7,1 |
| EBITDA Margin | 2,7% | 3,0% | 2,0% | 2,1% | 3,3% |

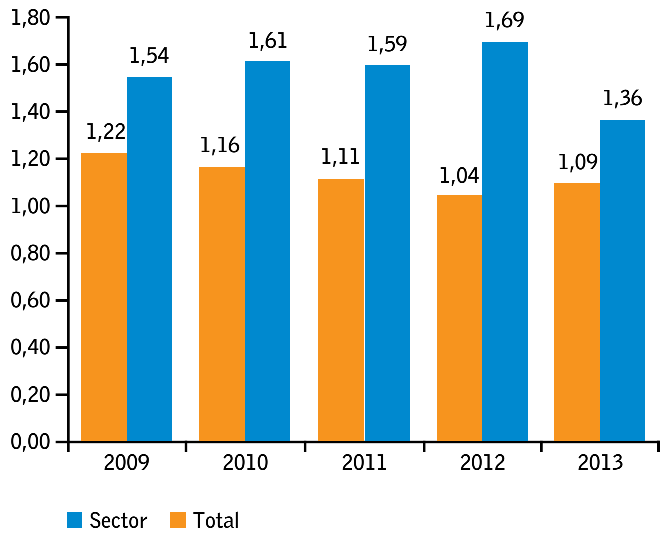
### Loan Liabilities / Equity




- The sector maintains steadily lower borrowings than the general total and finances its operations through its equity.
- Borrowed funds have decreased in proportion to equity thus keeping the ratio stable.
- The sector's companies seem to have adjusted their costs in order to absorb the decrease in operations.

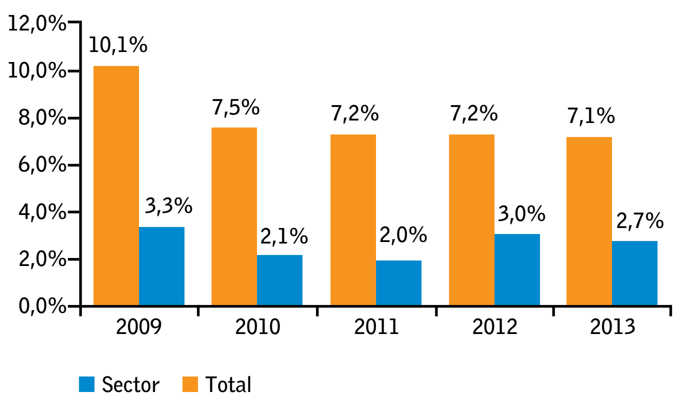
 | 

### Current Assets / Short-term Liabilities



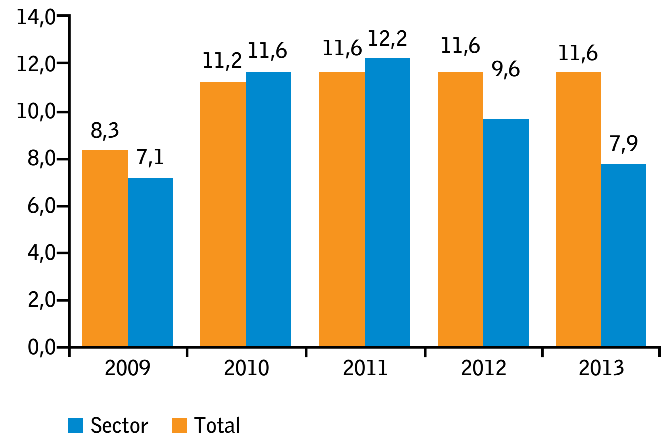

- The sector traditionally maintains high working capital. The decrease in current assets is smaller versus the decrease in sales, thus indicating increased credit risk and potential existence of bad receivables.

### EBITDA Margin



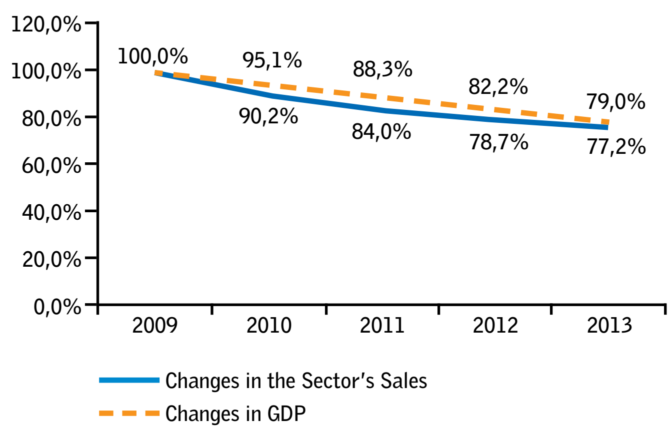

- Particularly low profit margin regarding the sector versus the general total, since the average level fluctuates at 2,5% within the entire period.

### EV/EBITDA




- Following an additional burdening, the ratio stood at the levels recorded in 2009.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector's losses seem to follow the course of the Greek Economy and the changes in GDP.
- It seems that the downfall stops in 2013, generating hopes for recovery in 2014.

# SECTOR ANALYSIS

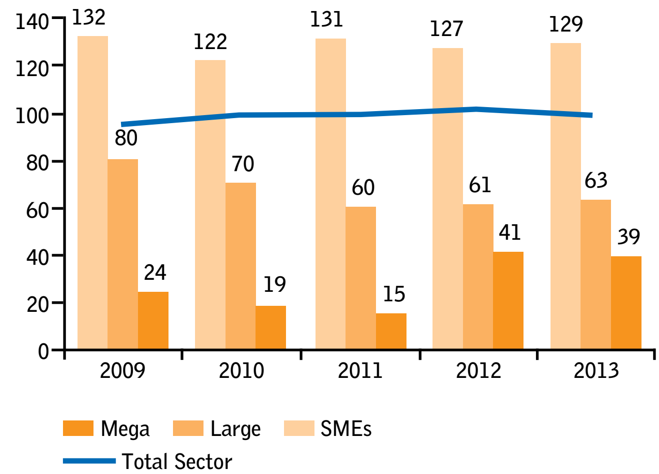
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 191 | 243 | 197 | 207 | 185 |
| Large | -33 | 11 | 11 | 25 | 34 |
| SMEs | 64 | 77 | 85 | 92 | 102 |
| **Total Sector Working Capital** | **222** | **331** | **294** | **325** | **321** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 195 | 246 | 205 | 209 | 189 |
| Large | 15 | 60 | 77 | 82 | 89 |
| SMEs | 117 | 127 | 135 | 136 | 147 |
| **Total Sector Working Capital** | **327** | **432** | **417** | **427** | **425** |

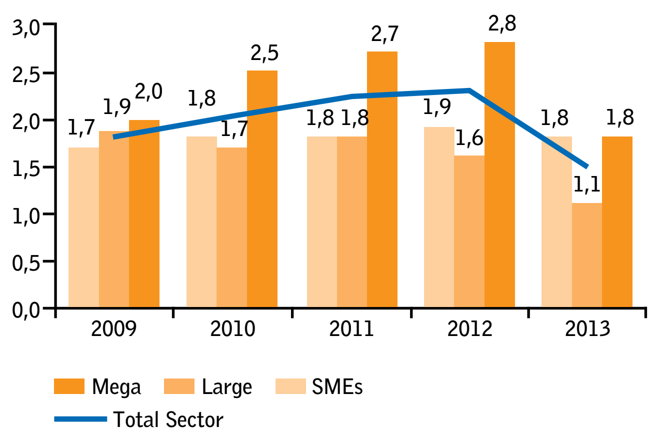
** Borrowings are not included*

### Average Collection Period of Receivables




- Mega companies record particularly low days of collecting receivables that marginally exceed one month.
- In contrast, SMEs record four month at average within the period under survey.

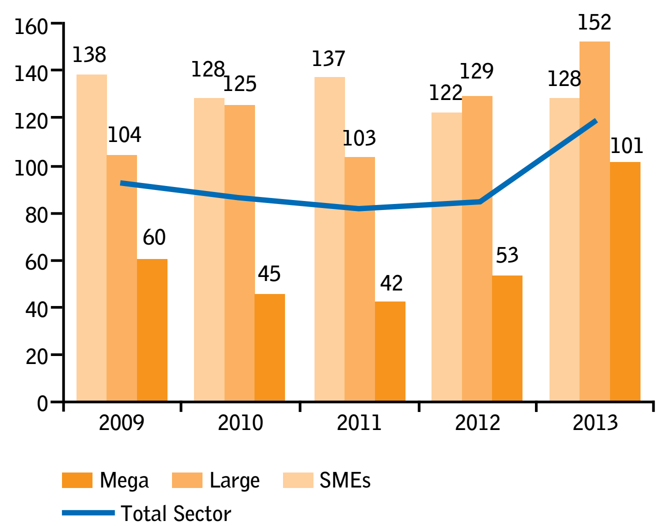
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- The sector maintains steadily positive working capital, which, however, decreases within the period under survey.
- It has been observed that Mega companies increase their working capital unlike the other companies of the sector, whose working capital has substantially decreased, reflecting the decrease in sales and indicating the existence of liquidity issues.

### Average Period of Paying Liabilities




- The difference between the days of collecting receivables and paying liabilities stands at marginally one month regarding the total sector.
- SMEs seem to present bigger need of financing, since in 2012-2013 the days of paying liabilities exceed the days of collecting receivables.

 | 

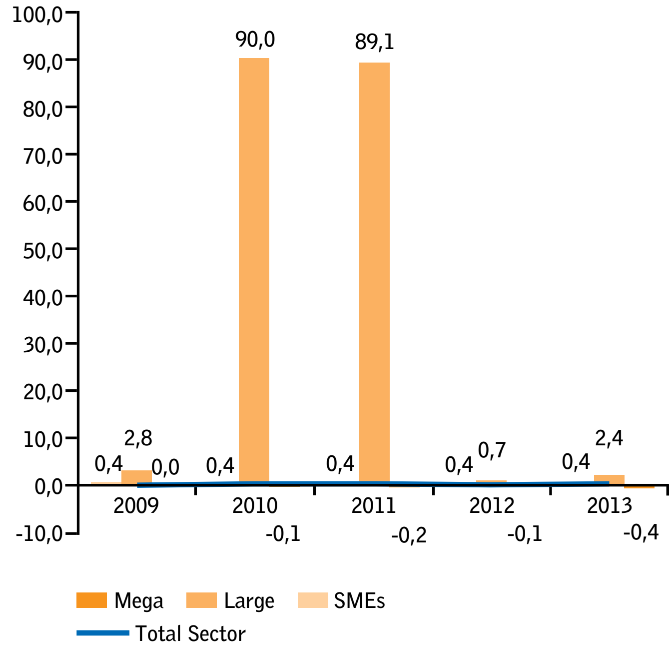
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -121 | -40 | -68 | -47 | -1 |
| Large | 46 | 29 | 70 | 82 | 45 |
| SMEs | 47 | 47 | 44 | 40 | 41 |
| **Total Sector** | **-28** | **37** | **46** | **75** | **85** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 2 | 2 | 2 | 2 | 3 |
| Large | 6 | 7 | 8 | 6 | 5 |
| SMEs | 7 | 7 | 7 | 6 | 7 |
| **Total Sector** | **14** | **15** | **18** | **14** | **14** |

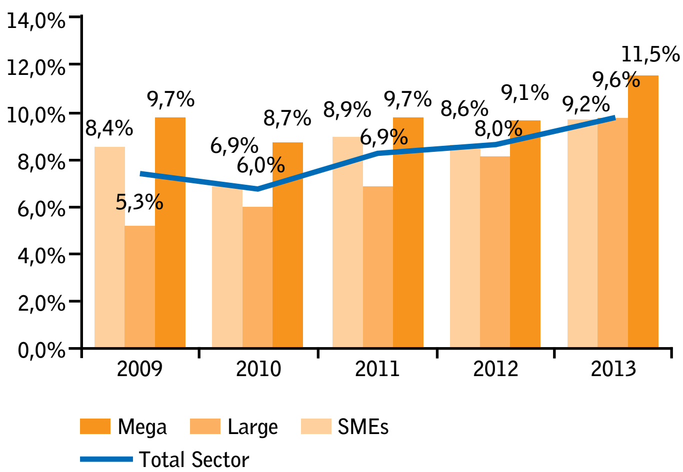
- Mega companies record particularly high cash available, therefore, in 2013 the sector's net borrowings are presented as negative.
- In contrast, the other companies of the sector used borrowed funds as sources of financing.

### Net Borrowings / Equity



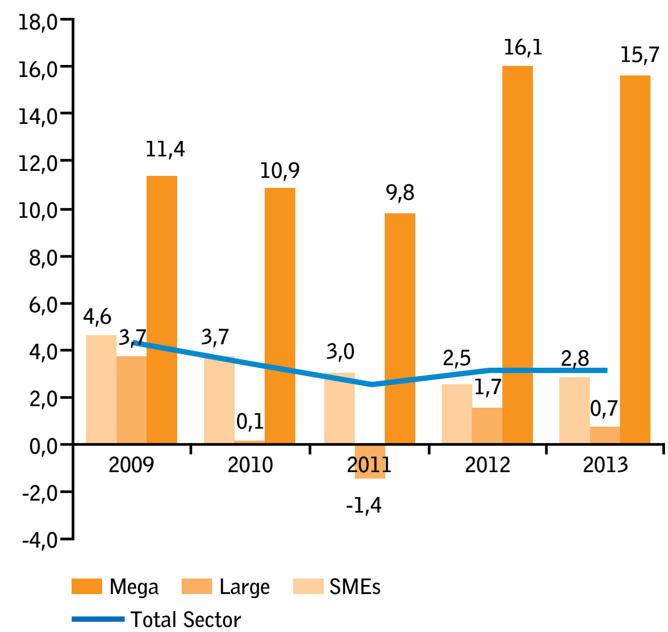

- The sector presents different tendencies, with Mega companies and SMEs holding low borrowings versus equity.
- In contrast, Large companies are overloaded with borrowings that to a large extent exceed their equity.

### Average Borrowing Interest Rate




- Increase in average borrowing interest rate of the sector from 7,2% to 9,6%.

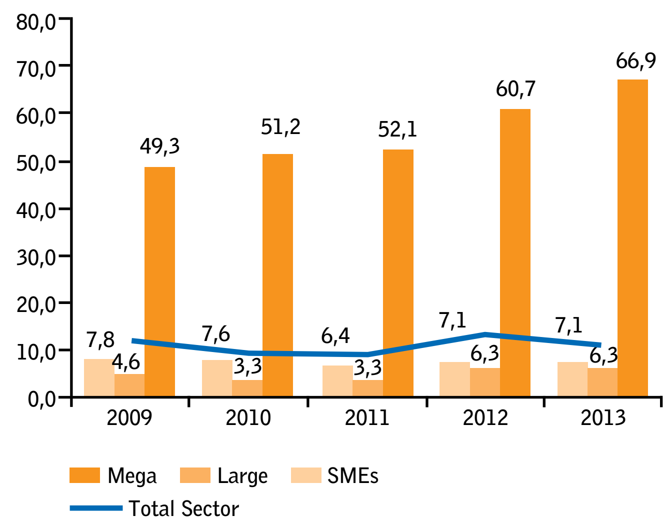
### EBITDA / Financial Expenses




- Covering financial expenses through operating profit is restricted regarding the Large companies and SMEs, which are burdened with higher borrowing interest rates, while also face a decrease in their operating profits.

**Sales / Total Borrowings**




- Mega companies cover their total borrowings considerably. It's impressive that they managed to decrease their borrowings despite the decrease in turnover.

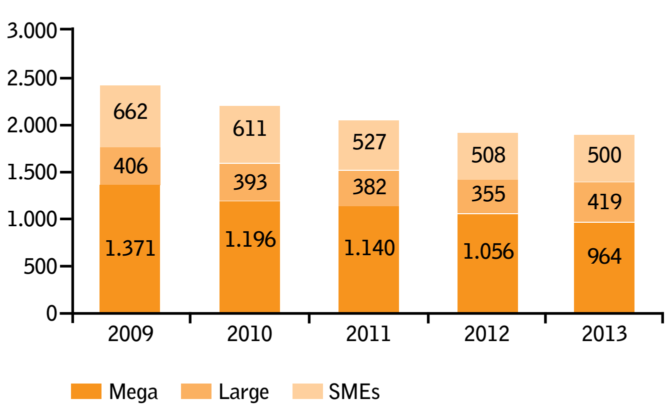
| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -92 | -85 | -55 | -175 |
| *(percentage)* | -9% | -7% | -5% | -13% |
| Large | 64 | -27 | -11 | -13 |
| *(percentage)* | 18% | -7% | -3% | -3% |
| SMEs | -8 | -19 | -84 | -51 |
| *(percentage)* | -2% | -4% | -14% | -8% |
| **Total Sales of the Sector** | **-35** | **-130** | **-151** | **-239** |
| ***(percentage)*** | **-2%** | **-6%** | **-7%** | **-10%** |

- Steady decrease in sales has been recorded within the entire five year period regarding the total of the companies, except in 2013 in respect of the Large companies.
- As a total, the sector records a decrease in turnover of approximately 23% for the period 2009-2013, with Mega companies presenting the highest losses, standing at 30% in the period under survey.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 964 | 1.056 | 1.140 | 1.196 | 1.371 |
| Large | 419 | 355 | 382 | 393 | 406 |
| SMEs | 500 | 508 | 527 | 611 | 662 |
| **Total Sector** | **1.884** | **1.919** | **2.049** | **2.200** | **2.440** |

**Sales**



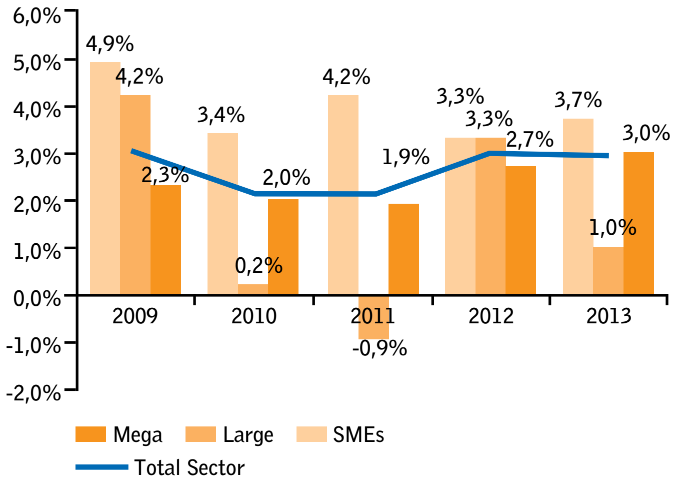

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 29 | 29 | 21 | 24 | 31 |
| Large | 4 | 12 | -3 | 1 | 17 |
| SMEs | 18 | 17 | 22 | 21 | 33 |
| **Total Sector** | **51** | **57** | **40** | **46** | **81** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 39,3 | 21,6 | 9,0 | 6,7 | 14,0 |
| Large | -11,8 | 4,2 | -19,3 | -11,9 | 8,8 |
| SMEs | 2,9 | -4,8 | 2,2 | 3,1 | 15,7 |
| **Total Sector** | **30,4** | **21,0** | **-8,0** | **-2,1** | **38,6** |

- Mega companies have managed to keep operating profits, adjusting their costs accordingly in order to absorb the decrease in turnover. In contrast, Large companies and SMEs are under pressure and record significant losses in EBITDA.
- Mega companies have managed to increase their profits despite the decrease in turnover. In contrast, the other companies have lost a substantial part of their profits. Given their high financial costs, Large companies present losses after tax.

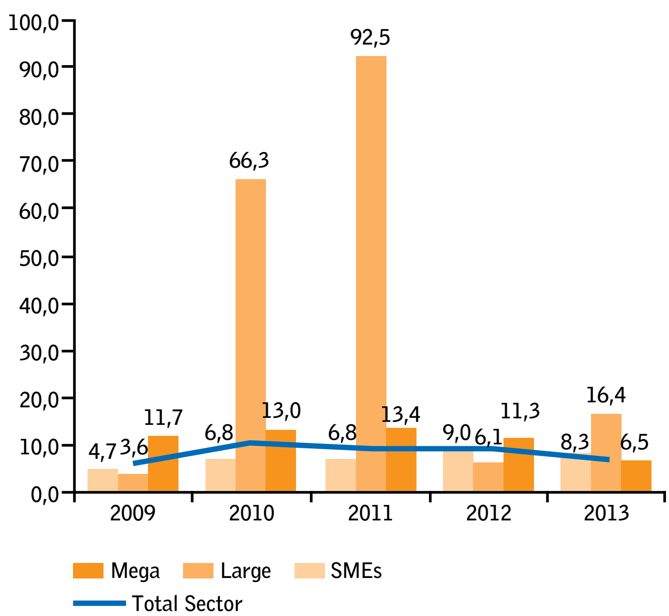
 

### EBITDA Margin




- Traditionally, the sector operates at low profit margins. The majority of companies have adjusted to the decline in turnover, maintaining stable margins.

### EV/EBITDA




- Steadily high investment interest regarding Mega companies.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 42 | 88 | 26 | 49 |
| Large | -16 | 2 | 35 | 2 |
| SMEs | 18 | 5 | 18 | 27 |
| **Total Sector** | **44** | **95** | **79** | **78** |

- The sector records steadily positive operating cash flows within the four year period.
- Operating cash flows generated by Large companies in 2013 are negative.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 42 | -114 | -4 | -2 |
| Large | -21 | -38 | -4 | -28 |
| SMEs | -9 | -6 | -19 | -11 |
| **Total Sector** | **13** | **-158** | **-28** | **-42** |

- In 2013, cash flows from investing activities are positive, with Mega companies shaping the general picture due to collections arising from investments in bonds.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -6 | -6 | -2 | -6 |
| Large | 23 | 16 | -20 | 19 |
| SMEs | -10 | -12 | -1 | -19 |
| Total Sector | 7 | -3 | -23 | -6 |

- Borrowing repayments regarding Mega companies and SMEs of the sector within the four year period.
- Large companies record positive cash flows from financing activities, affecting the general picture of the sector due to receiving borrowed funds in 2012-2013.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Moonlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**15%** of the total sales of the sector,<br>**38%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**14%** of the total companies of the sector,<br>**36%** of the total sales of the sector,<br>**11%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**51%** of the total companies of the sector,<br>**19%** of the total sales of the sector,<br>**45%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**20%** of the total companies of the sector,<br>**30%** of the total sales of the sector,<br>**6%** of the total borrowings of the sector. |

## CONCLUSIONS
## PC and Electronic Equipment Trade Sector

- Particularly low profit margin for the sector versus the general total, fluctuating at 2,5% within the period under survey.
- Steady decrease in sales within the last five years regarding all the sector's companies. The difference between the days of collecting receivables and the days of paying liabilities marginally equals one month regarding the sector total.
- Steadily positive operating cash flows for the period 2010-2013.
- Mega companies have managed to keep their operating profits at almost the same level in the last three years, while Large companies record significantly decreased EBITDA despite the increase in sales in 2013.
- The sector finances its operations through equity, holding bank loans at particularly low levels.

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# Personal Hygiene Products Sector

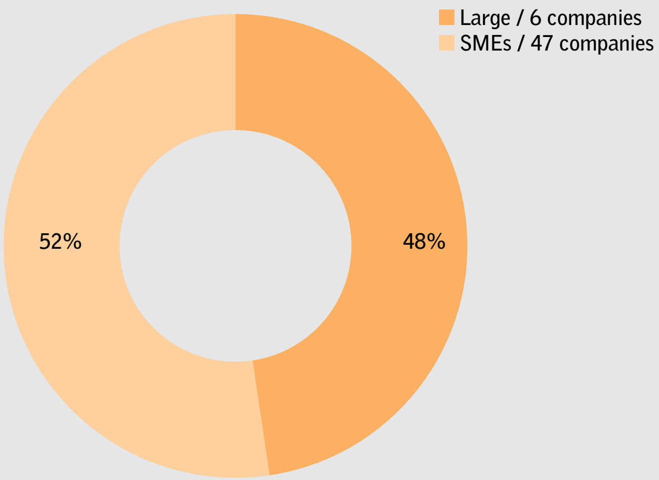
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

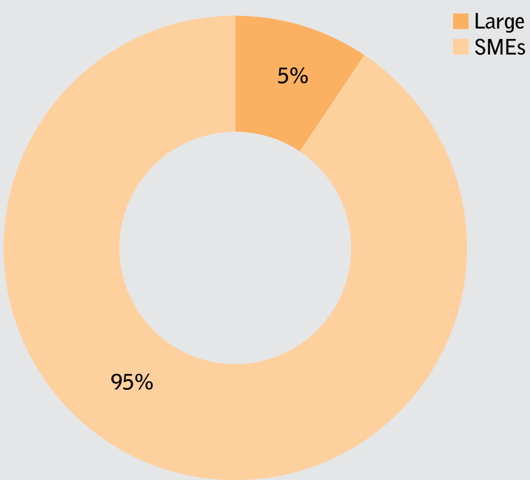
- **53** companies represent over **63%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 6 companies represent 48% of the sector's total sales in 2013.

### Headcount 2013




- 95% of the sector's headcount are employed in 47 SMEs companies.

## Sector Characteristics

- A particularly competitive sector, with the main challenge being to adapt the companies' products portfolio to the new, constantly changing consumer demands.
- Introduction of discounts and special offers in the market curbed the decline in sales, but significantly limited the profit margins of the companies.
- Search for special offers has become a permanent habit for the Greek consumers – and not only them - while a product's friendliness to the environment has become a significant selection criterion.
- Very big contribution of SMEs to the sector's employment versus the market share they hold.
- In the period under the survey, the sector presented positive working capital, while the total of the sector's companies generate positive cash flows from operating activities in 2013.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector is characterized by relative homogeneity, with SMEs presenting more stability and Large companies more intense changes. |
| **Does a small number of companies dominate the sector?** | 6 companies hold 48% of turnover and employ only 5% of the total sector's headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector maintains low levels of borrowings, higher profit margins and smaller decreases in sales versus the general total. As a whole, the sector is similar to the general trends, achieving better financial performance than the general total. |
| **Has the sector overcome the economic crisis?** | Significant recovery and stability were recorded in 2013, with improvement in profit before and after tax and decrease in revenue losses pace, with the change of only -0,4% from 2012 to 2013. |
| **How hard was it for the sector to face the crisis?** | The crisis has negatively affected the sector's turnover and, thus, limited the profitability margins in respect of the total companies of the sector. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records substantially lower losses than the general total. |
| **What is the financial performance of the sector's SMEs?** | SMEs present high loan burdening and costs of financing. From 2012 onwards, they record a marginal increase in sales, which is coupled with the increases in profit margins. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked to market share, since SMEs present higher turnover and operating profits. |
| **What are the prospects for the sector?** | The sector presents signs of stabilization, thus making it possible to create long-term investment plans, whose implementation also depends on the availability of substantial financing.<br>Given the small growth margins in the domestic market, the key to the sector's success is innovation and manufacturing high quality products at competitive prices internationally that will ensure higher exports. |

# CONDENSED FINANCIAL DATA

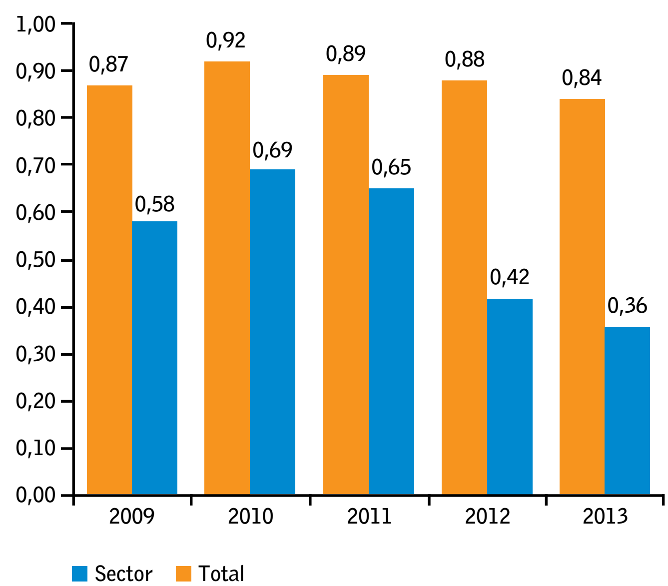
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 500 | 512 | 527 | 517 | 501 |
| Current Assets | 1.029 | 1.019 | 1.046 | 1.126 | 1.165 |
| **Total Assets** | **1.529** | **1.531** | **1.574** | **1.643** | **1.666** |
| **Equity** | **690** | **681** | **499** | **455** | **495** |
| Long-term Loan Liabilities | 82 | 94 | 94 | 126 | 140 |
| Other Long-term Liabilities | 109 | 121 | 119 | 91 | 90 |
| **Total Long-term Liabilities** | **190** | **215** | **213** | **218** | **230** |
| Short-term Loan liabilities | 165 | 193 | 229 | 189 | 149 |
| Other Short-term Liabilities | 484 | 442 | 634 | 781 | 791 |
| **Total Short-term Liabilities** | **649** | **635** | **862** | **970** | **941** |
| **Total Liabilities** | **839** | **850** | **1.075** | **1.188** | **1.171** |
| **Total Equity and Liabilities** | **1.529** | **1.531** | **1.574** | **1.643** | **1.666** |
| Working Capital | 380 | 384 | 184 | 155 | 225 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.498 | 1.504 | 1.518 | 1.534 | 1.624 |
| EBITDA | 122 | 133 | 160 | 135 | 204 |
| EBIT | 84 | 84 | 106 | 88 | 159 |
| EBT | 48 | 13 | 37 | 59 | 146 |
| EAT | 27 | -4 | 18 | 34 | 106 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,4 | 0,4 | 0,6 | 0,7 | 0,6 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,6 | 1,2 | 1,2 | 1,2 |
| EV/EBITDA | 6,4 | 6,5 | 4,5 | 5,0 | 3,2 |
| EBITDA Margin | 8,2% | 8,8% | 10,5% | 8,8% | 12,6% |

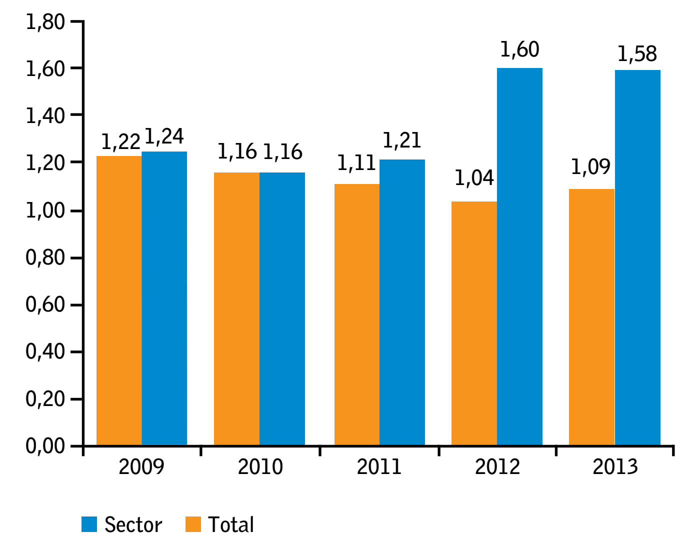
### Loan Liabilities / Equity




- The sector's loan burdening is low, with the ratio lower than that of the general total and decreasing from 2011 onwards.

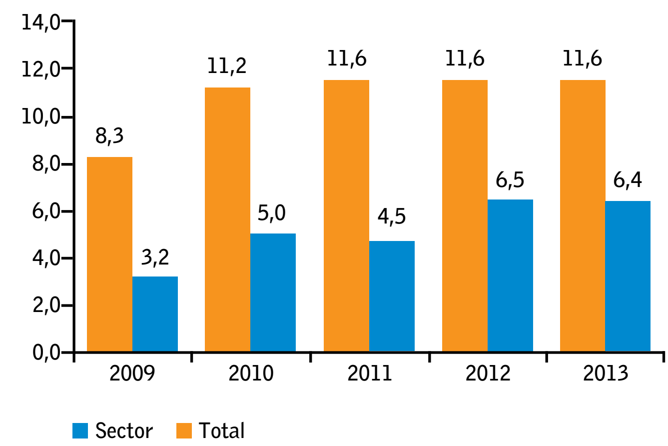
 | 

**Current Assets / Short-term Liabilities**



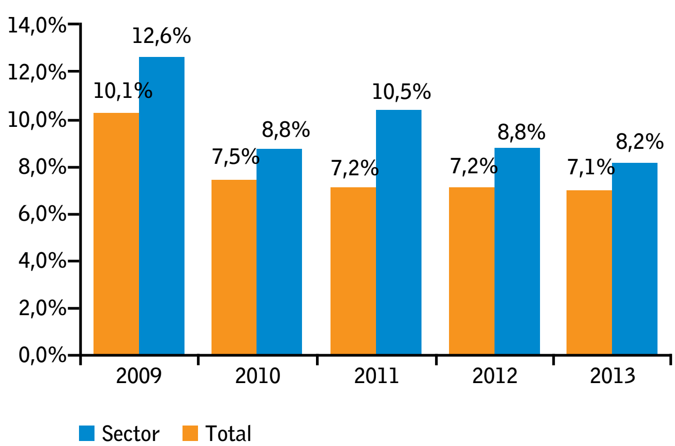

- The sector records a positive working capital over the average of the general total.

**EV/EBITDA**



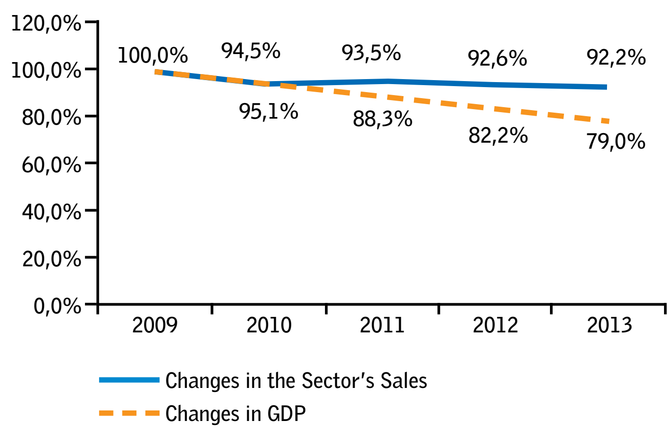

- The sector steadily presents more investment interest than the general total, however, the ratio is increasing.

**EBITDA Margin**




- The sector holds steadily higher EBITDA margin than that of the general total within the entire five year period.

**Changes in the sector's Sales and GDP (benchmark year 2009)**




- The sector constantly records losses, which, however, are lower than those recorded by the general total.

# SECTOR ANALYSIS

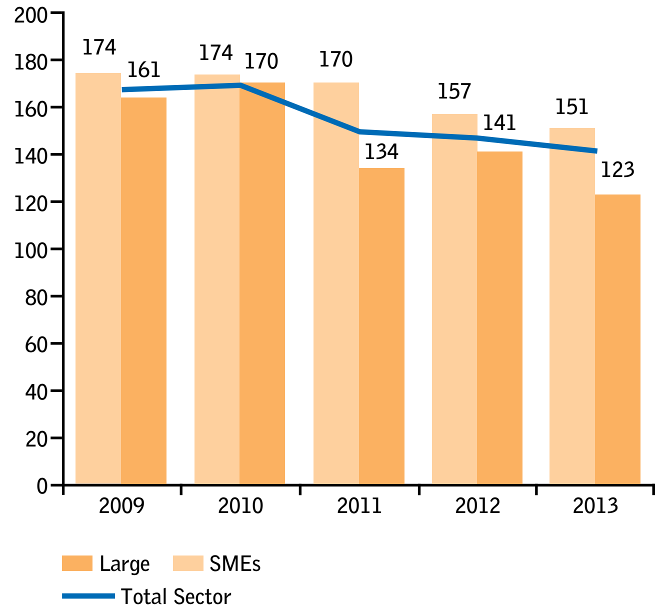
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 295 | 276 | 94 | 96 | 129 |
| SMEs | 85 | 108 | 89 | 59 | 96 |
| **Total Sector Working Capital** | **380** | **384** | **184** | **155** | **225** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 320 | 317 | 153 | 130 | 140 |
| SMEs | 225 | 261 | 260 | 214 | 234 |
| **Total Sector Working Capital** | **545** | **577** | **413** | **344** | **374** |

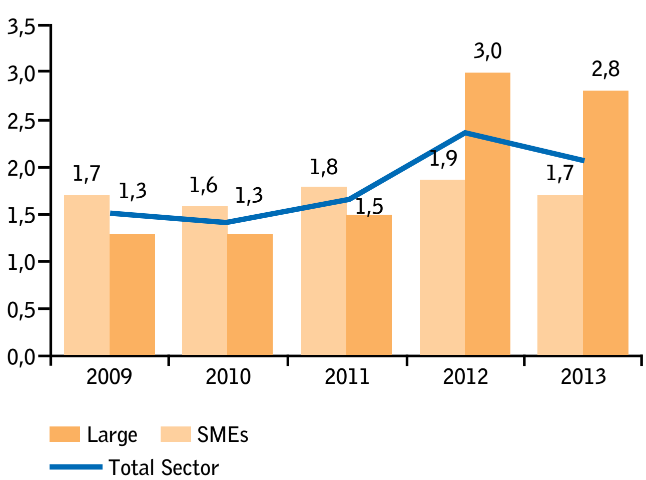
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables presents a decreasing course, while in 2013 it does not exceed 5 months regarding SMEs and 4 months regarding the Large companies.

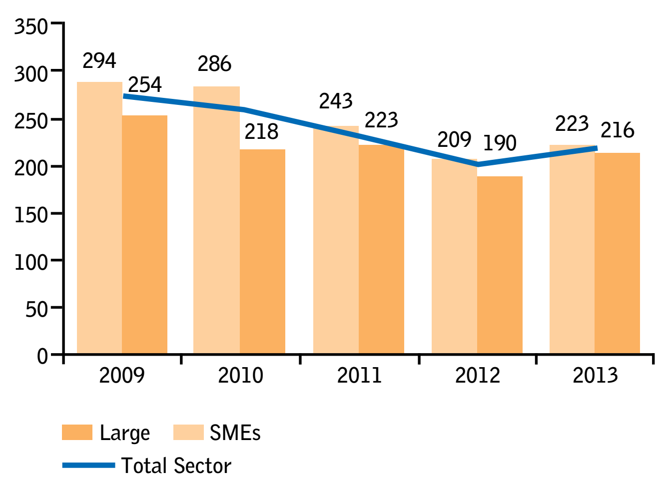
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- SMEs present relative stability, while the Large companies record on-going improvement.

### Average Period of Paying Liabilities




- Constant decrease in the time of paying liabilities from 9 months in 2009 to 7 months in 2013.
- Steadily low average period of paying liabilities regarding the Large companies.

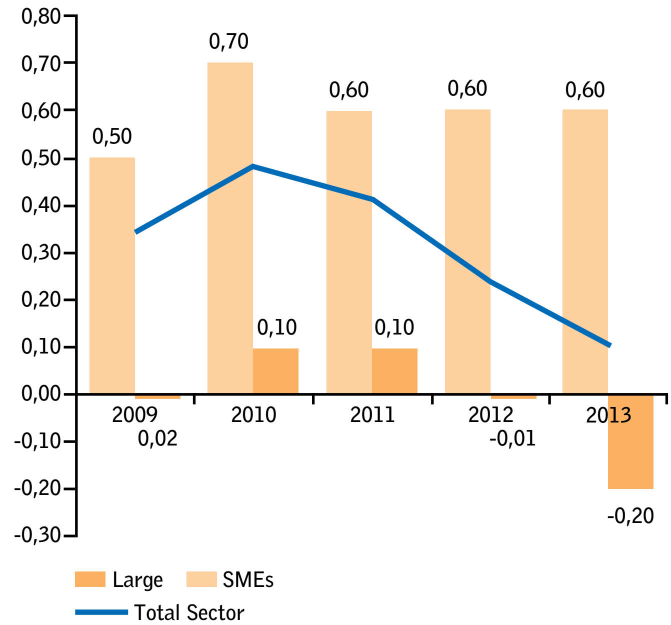
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -79 | -4 | 21 | 19 | -4 |
| SMEs | 167 | 182 | 194 | 202 | 172 |
| **Total Sector** | **89** | **178** | **215** | **221** | **168** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 3 | 4 | 4 | 3 | 3 |
| SMEs | 20 | 23 | 21 | 15 | 15 |
| **Total Sector** | **23** | **27** | **25** | **18** | **18** |

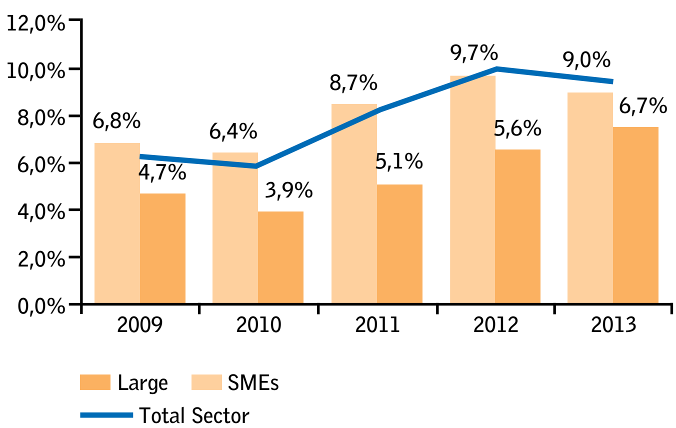
- SMEs maintain steadily higher levels of borrowings, while in 2012-2013, the Large companies record negative net borrowing, while only 2 out of 6 Large companies have loan liabilities.

### Net Borrowings / Equity



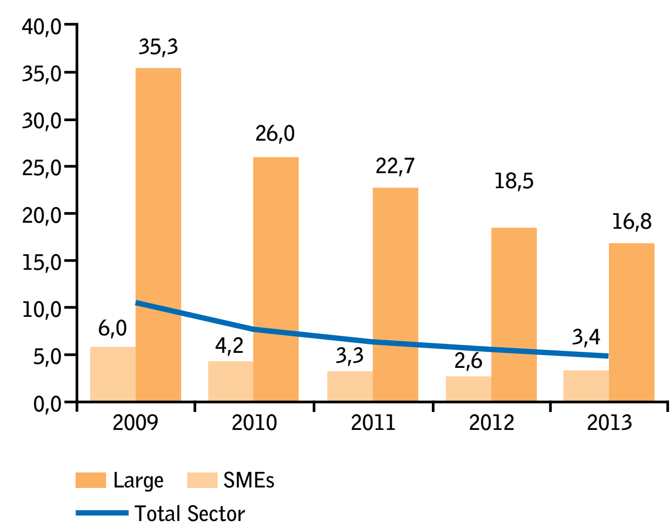

- Only two out of six Large companies of the sector present loan liabilities, shaping the ratio at very low levels.
- Relatively stable loan burdening of SMEs, which, however, is lower than the average of the general total.

### Average Borrowing Interest Rate




- From 2010 onwards, the average borrowing interest rate presents increasing tendencies, with SMEs steadily borrowing at higher interest rate, given their larger loan burdening.

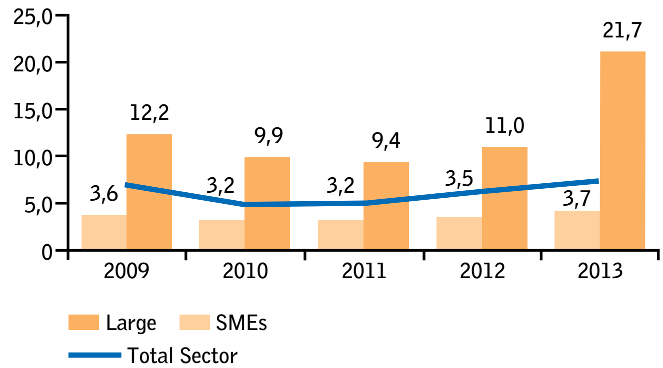
### EBITDA / Financial Expenses




- The sector's companies manage to cover their financial expenses through their operating profits despite the stable decrease in EBITDA. Particularly low borrowing costs regarding the Large companies, given their very low borrowings, greatly differentiate then from the relative costs recorded by SMES.

**Sales / Total Borrowings**




- All the companies of the sector record the ability to cover their borrowings through sales to a satisfactory extent, while the Large companies are in position to cover their borrowings through sales several times, given their low borrowings levels.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -10 | -16 | -27 | -62 |
| *(percentage)* | -1% | -2% | -4% | -7% |
| SMEs | 3 | 2 | 11 | -28 |
| *(percentage)* | 0,4% | 0,2% | 1% | -3% |
| **Total Sales of the Sector** | **-7** | **-14** | **-16** | **-89** |
| ***(percentage)*** | **-0,4%** | **-1%** | **-1%** | **-6%** |

- Marginal increase in turnover has been recorded from 2010 onwards, regarding SMEs, while the Large companies steadily record decreases, since the consumers prefer more economical solutions.

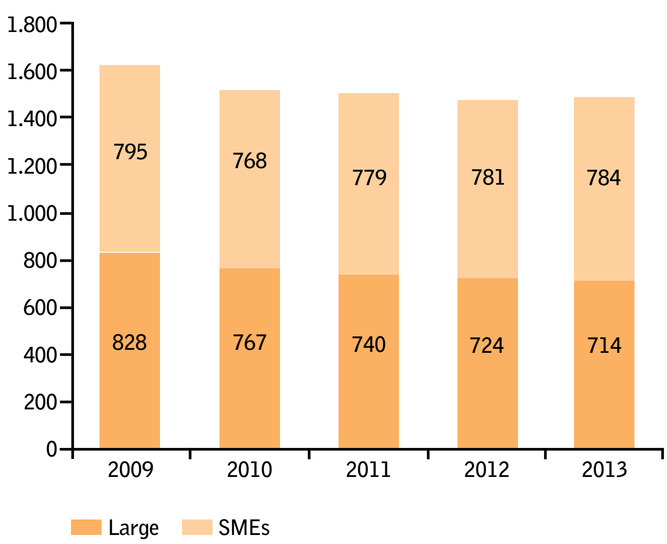
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 714 | 724 | 740 | 767 | 828 |
| SMEs | 784 | 781 | 779 | 768 | 795 |
| **Total Sector** | **1.498** | **1.504** | **1.518** | **1.534** | **1.624** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 56 | 75 | 91 | 73 | 113 |
| SMEs | 66 | 58 | 69 | 62 | 91 |
| **Total Sector** | **122** | **133** | **160** | **135** | **204** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 38,1 | 19,0 | 33,4 | 20,8 | 87,7 |
| SMEs | 10,1 | -5,7 | 3,3 | 38,7 | 58,2 |
| **Total Sector** | **48,2** | **13,3** | **36,7** | **59,5** | **145,8** |

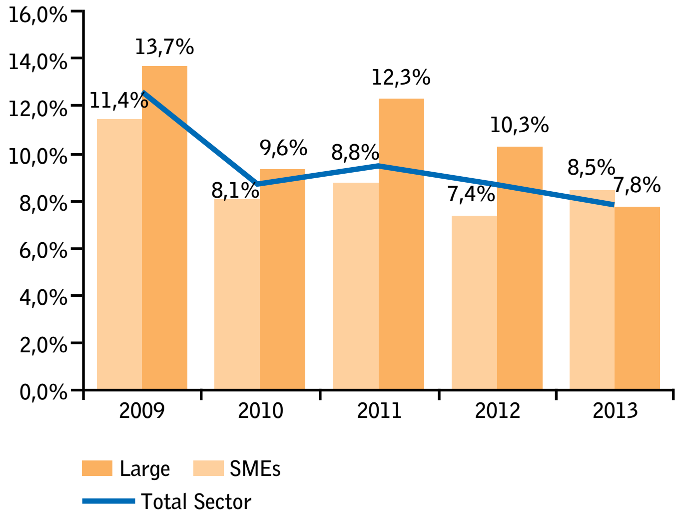
**Sales**




- Earnings before tax are presented improved in 2013, in contrast to earnings before tax, interest, depreciation and amortization, which have decreased within the last two years.
- SMEs record better performance than the Large companies and improve their EBITDA as well as earnings before tax in 2013.

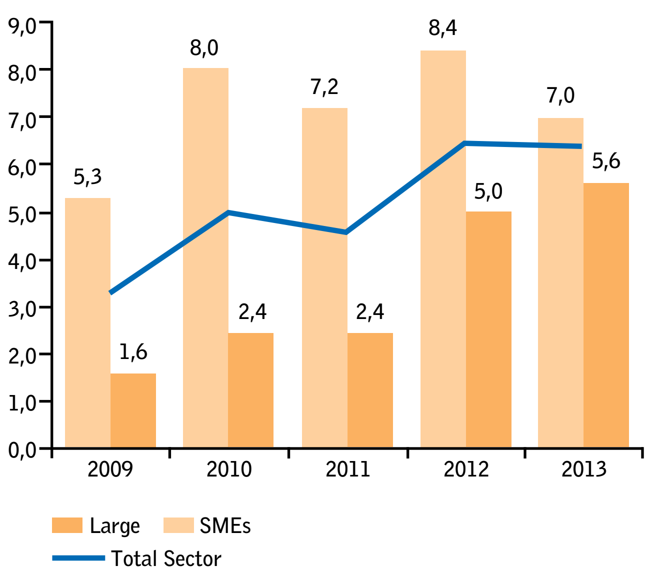
 

### EBITDA Margin




- EBITDA margins present a decreasing course within the last three year period, while SMEs record improvements from 2012 to 2013.

### EV/EBITDA




- Large companies present higher investment interest than SMEs, mainly due to their very low borrowings, with only 2 out of 6 Large companies recording loan liabilities.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 46 | -122 | 15 | 28 |
| SMEs | 85 | 43 | 62 | 54 |
| **Total Sector** | **130** | **-79** | **77** | **82** |

- In 2012, the sector presents negative cash flows from operating activities due to the fact that one of the Large companies of the sector decreased its short-term liabilities as of € 144 million to an associate.
- The sector's SMEs generate positive cash flows within the last four years.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 5 | -24 | -28 | -16 |
| SMEs | -36 | -28 | -44 | -58 |
| **Total Sector** | **-31** | **-52** | **-73** | **-73** |

- Cash outflows from investing activities record decreasing tendencies regarding the sector's total in the period under the survey.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -51 | 158 | 12 | -26 |
| SMEs | -41 | -24 | -4 | -10 |
| **Total Sector** | **-92** | **134** | **8** | **-35** |

- Increased positive cash flows from financing activities recorded in 2012 are due to increase in equity of the Large companies.
- In 2013, the sector decreased its loan burdening through substantial repayment of loan liabilities.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**25%** of the total companies of the sector,<br>**16%** of the total sales of the sector,<br>**36%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**15%** of the total companies of the sector,<br>**37%** of the total sales of the sector,<br>**18%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**36%** of the total companies of the sector,<br>**17%** of the total sales of the sector,<br>**45%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**24%** of the total companies of the sector,<br>**30%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |

## CONCLUSIONS
### Personal Hygiene Products Sector

- Signs of recovery and stabilization in 2013, with improved profits before and after tax and decrease in revenue loss pace, with the change of only -0,4% from 2012 to 2013.
- The sector presents relative recession but substantially differs from the general total.
- Low levels of loan burdening regarding the sector, under the general total average, with four out of six Large companies not recording borrowings.
- SMEs are significantly more burdened with loans than the Large companies, however the ratio is steadily lower than that recorded by the general total.
- Large companies present higher investment interest than SMEs, with only 2 out of 6 six Large companies recording loan liabilities.
- All the companies of the sector present decreases in profit margins within the last three year period, exceeding, however, the general total within the entire five year period under the survey.
- SMEs present greater needs for financing while, at the same time, are faced with higher borrowing costs.
- Constant decrease in investing outflows of the sector, with the companies having difficulties in finding finance to implement their investment plans.

Grant Thornton | An instinct for growth™

# Petroleum Products Trade Sector

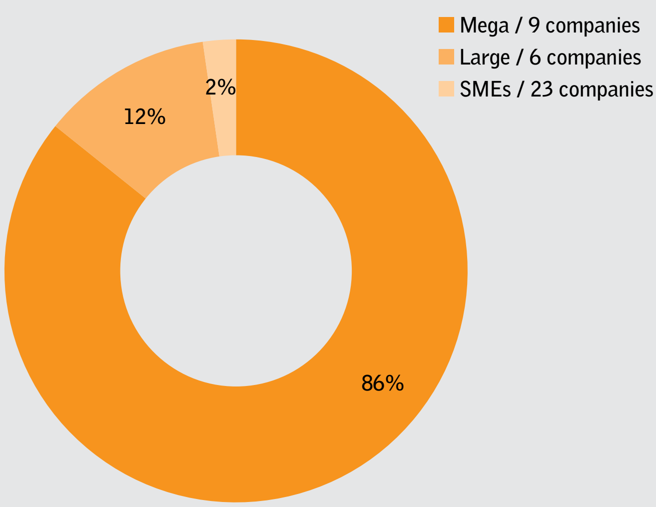
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

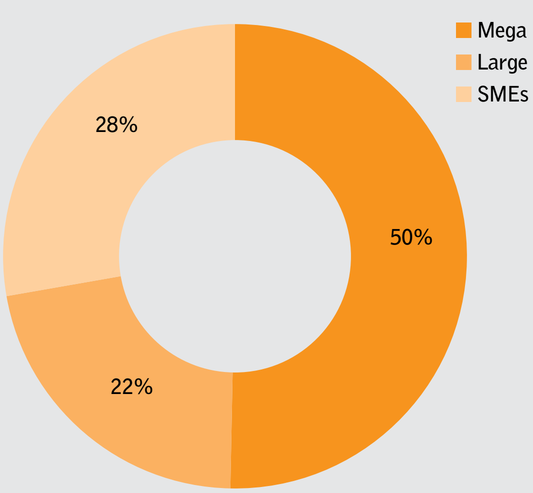
- **38** companies represent over **86%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 350 million.
  - **Mega:** Companies with sales over € 350 million.

### Sales 2013




- 9 companies represent 86% of the sector's total sales in 2013.

### Headcount 2013




- 50% of the sector's headcount are employed in 9 Mega Companies.

## Sector Characteristics

- Commodity, whose raw materials price is shaped in global market, while influenced by global developments. Indicatively, the average annual price of crude oil (Brent), has increased over 70% in the five year period under survey.
- Significant tax burden affecting the final price of the commodities, and hence the volume of sales, though also shaping the demand.
- Inflexibility in days of credit from suppliers that in combination with the loss-bearing results of the last four years have significantly pressed the liquidity of the sector's companies.
- Decline in the number of fuel stations and industrial companies addressed by the sector as a result of the economic crisis.
- Measures to protect the sector, including combating illegal trade, have not had the expected results.
- High concentration of the sector's sales in 9 companies.
- Profit margins appear inversely proportionate to the size of the sector's companies.

• All the figures are presented in million € unless otherwise mentioned.
• Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity in the sector, with Mega companies recording increased operating expenses and high borrowings, while Large companies retaining low net borrowings and presenting better investment interest, though SMEs recording higher profit margins. |
| **Does a small number of companies dominate the sector?** | 9 companies of the sector perform 86% of total sales in 2013 and employ 50% of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not substantially differ from the total companies under survey, presenting high debt to equity ratio. |
| **Has the sector overcome the economic crisis?** | The economic crisis does not seem to have been overcome, while the sector faces sales decline and records significant losses with an increasing trend over the last three years. However, measures such as reduction in taxation on heating oil, are expected to boost the performance of the sector. |
| **How hard was it for the sector to face the crisis?** | The crisis has particularly adversely affected the sector's sales and, as a result, its financial performance. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The decline in sales during the period under survey is higher than that in GDP, however it is not entirely indicative of a decreasing course of the sector's development, as the value of sales is affected by many factors (price of raw materials, taxes). With regard to sales volumes, it is to be mentioned that within the period 2010-2013, petrol sales decreased by 34%, while oil sales decreased by approximately 49%. |
| **What is the financial performance of the sector's SMEs?** | SMEs perform only 2% of sales in the sector but have higher EBITDA Margin than the other companies. SMEs record high net debt and high average period of collecting receivables, which is marginally lower compared to the average period of suppliers payment in 2013. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | No link to viability is recorded, given that the Large companies, that hold only 12% market share, record better results than the Mega companies. |
| **What are the prospects for the sector?** | Given the global economic conditions, a significant drop in the average price of crude oil (in October 2014 it fell below $ 85 / bbl) was recorded and it is expected to improve sales and the sector's profit margins. Furthermore, the reduction in taxation on diesel heating oil is expected to increase the sales volume and improve the liquidity of the companies. The resumption of large-scale road works, which will boost the sales of the sector's companies through sale of motor fuel, fuel oil, bitumen and lubricants as well as the attempt to impose the sector protection measures, such as the fight against illegal trade, might prove to be one perspective to the sector's recovery. It should be noted that the long-term plans of the European Commission reflect the turn of the Member States to alternative sources of energy, which, if implemented, will reduce the demand for petroleum products in Greece and, as a result, will adversely affect the sector. The companies operating in fuel for shipping and affected more by the global economic cycle, show positive results and prospects for further growth. |

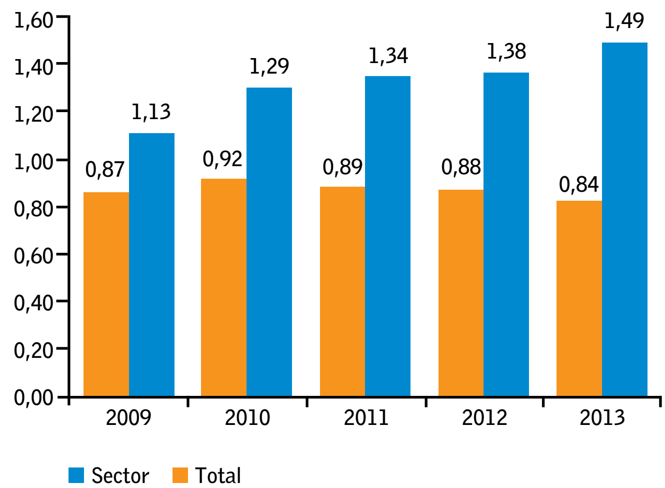
# CONDENSED FINANCIAL DATA

## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.169 | 1.226 | 1.215 | 1.220 | 1.193 |
| Current Assets | 1.564 | 1.610 | 1.884 | 1.965 | 1.731 |
| **Total Assets** | **2.733** | **2.835** | **3.099** | **3.185** | **2.924** |
| **Equity** | **708** | **780** | **825** | **857** | **897** |
| Long-term Loan Liabilities | 593 | 185 | 394 | 387 | 280 |
| Other Long-term Liabilities | 121 | 116 | 122 | 134 | 176 |
| **Total Long-term Liabilities** | **714** | **301** | **516** | **521** | **456** |
| Short-term Loan liabilities | 461 | 894 | 713 | 718 | 734 |
| Other Short-term Liabilities | 850 | 860 | 1.046 | 1.089 | 836 |
| **Total Short-term Liabilities** | **1.311** | **1.754** | **1.759** | **1.807** | **1.570** |
| **Total Liabilities** | **2.025** | **2.055** | **2.275** | **2.328** | **2.027** |
| **Total Equity and Liabilities** | **2.733** | **2.835** | **3.099** | **3.185** | **2.924** |
| Working Capital | 253 | -144 | 126 | 158 | 161 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,5 | 1,4 | 1,3 | 1,3 | 1,1 |
| Current Assets/ Short-term Liabilities | 1,2 | 0,9 | 1,1 | 1,1 | 1,1 |
| EV/EBITDA | 16,2 | 18,0 | 12,2 | 12,4 | 9,3 |
| EBITDA Margin | 0,8% | 0,7% | 0,9% | 1,0% | 1,7% |

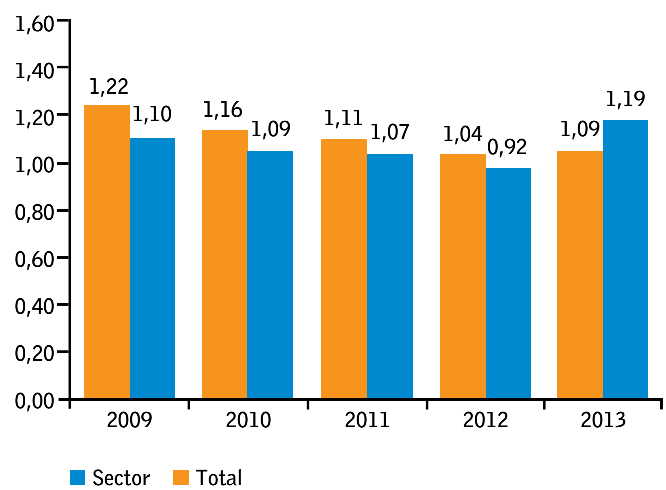
### Loan Liabilities / Equity




- Debt to equity ratio is steadily higher than the general total and in 2013 reaches its highest point, especially due to the increase in loan liabilities and the decrease in equity caused by loss-bearing results.

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 10.666 | 12.286 | 13.340 | 12.374 | 10.092 |
| EBITDA | 90 | 84 | 118 | 128 | 167 |
| EBIT | 15 | 5 | 34 | 47 | 88 |
| EBT | -79 | -71 | -37 | -2 | 64 |
| EAT | -76 | -81 | -44 | -28 | 15 |

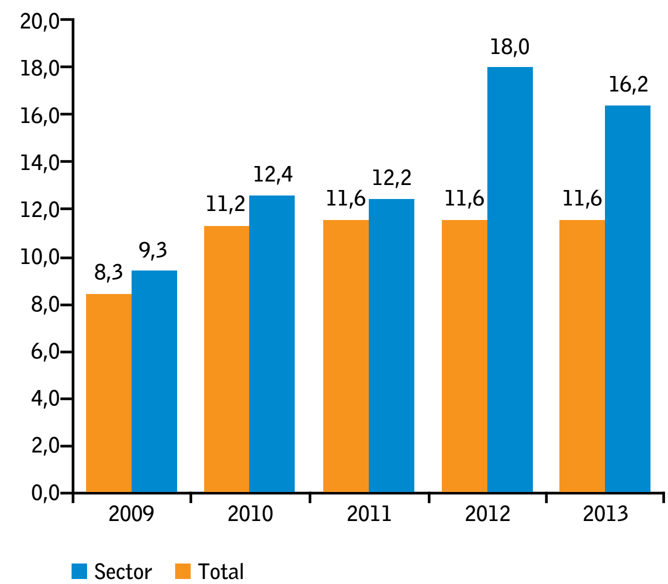
### Current Assets / Short-term Liabilities




- The sector seems to follow the general trend recorded in 2009 – 2012 and is marginally higher in 2013.

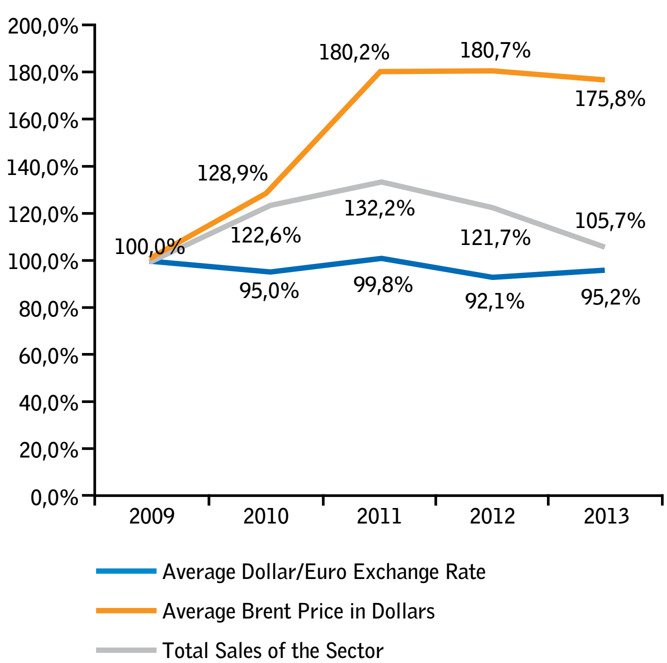
 

### EV/EBITDA




- Steady decrease in EBITDA has resulted in restricted investment prospects within the last two years.

### Percentage of Change in the Average Dollar/Euro Exchange Rate, Brent Price and Total Sales (benchmark year 2009)




- The sector's sales are affected by both the international oil prices and the euro-dollar exchange rate. As a result, the increase in sales in 2010 and 2011 is due to exogenous factors related more to the international price of the commodity, since the relevant commodity volumes sold within these years were decreasing. In 2013, the decline in consumer demand in the internal market caused by high taxes (although the latter was positively incorporated in the sector's sales) even more negatively affected the sales volumes of the sector. As a result, the sector's sales significantly decreased.

## SECTOR ANALYSIS

### Working Capital

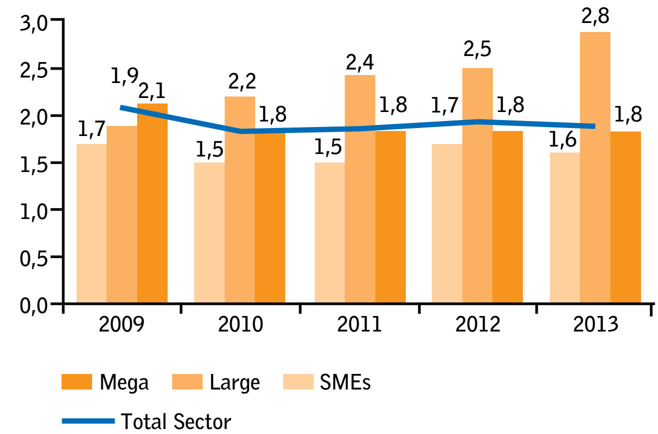
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 149 | -232 | 55 | 62 | 88 |
| Large | 93 | 74 | 63 | 84 | 50 |
| SMEs | 11 | 14 | 8 | 12 | 23 |
| **Total Sector Working Capital** | **253** | **-144** | **126** | **158** | **161** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 531 | 566 | 656 | 702 | 737 |
| Large | 135 | 135 | 141 | 128 | 104 |
| SMEs | 48 | 49 | 41 | 46 | 54 |
| **Total Sector Working Capital** | **714** | **750** | **838** | **876** | **895** |

** Borrowings are not included*

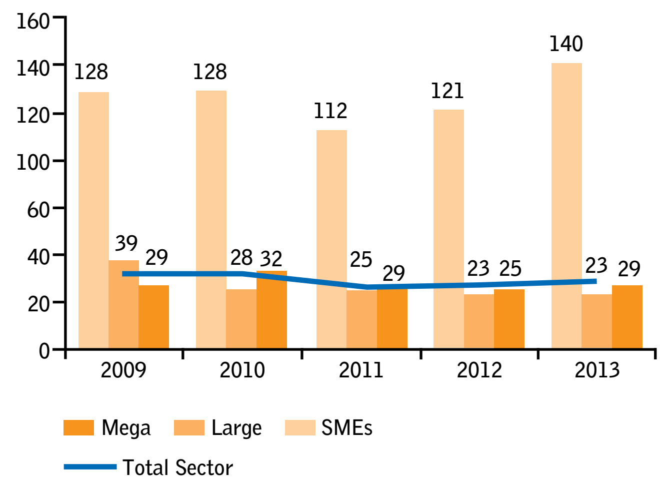
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

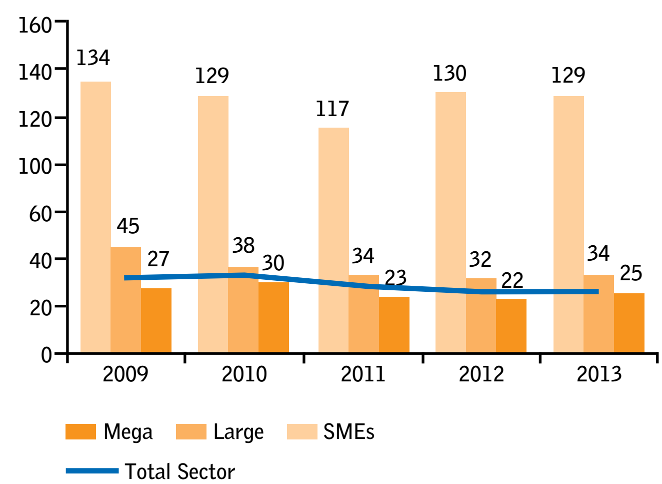
- Large companies, mainly including the companies operating in marine fuel trade, steadily present lower needs for financing in the period 2010-2013.
- The Mega companies presented negative working capital in 2012, affecting the sector total due to their increased loan burdening.

### Average Period of Paying Liabilities




- The average period of paying suppliers in respect of SMEs is higher than that recorded by the other companies of the sector. However, in 2013, the average period of paying liabilities exceeds the average period of collecting receivables, though marginally, irrespective of the companies' sizes.

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is substantially higher regarding SMEs and reaches 3 months within the five year period, as compared to the other companies of the sector.

## Borrowings

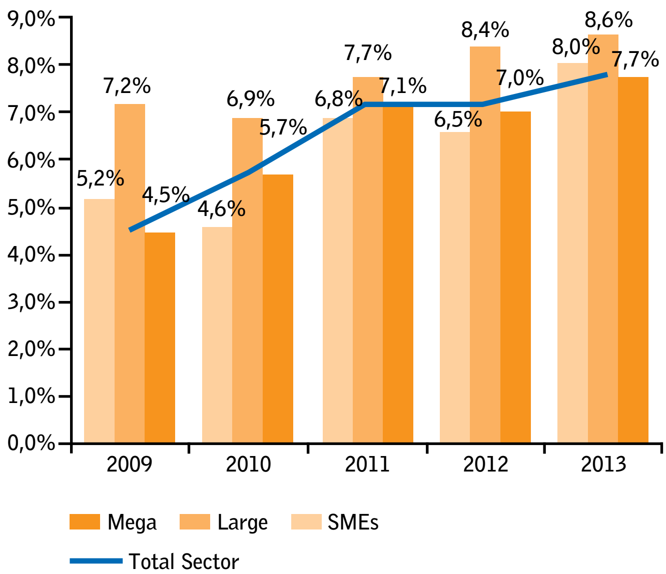
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 693 | 669 | 540 | 639 | 591 |
| Large | 9 | 20 | 31 | 38 | 22 |
| SMEs | 43 | 49 | 46 | 43 | 41 |
| **Total Sector** | **745** | **737** | **616** | **721** | **654** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 72 | 67 | 69 | 53 | 40 |
| Large | 6 | 6 | 6 | 5 | 4 |
| SMEs | 5 | 4 | 4 | 3 | 3 |
| **Total Sector** | **83** | **77** | **79** | **61** | **47** |

- The Large companies of the sector with substantially lower borrowings than those recorded by the others, not exceeding € 40 million within the five year period, have significantly decreased their net borrowings.
- The increase in net borrowings of the Mega companies by 17% within the five year period under survey has affected the total net borrowings of the sector (14% increase in net borrowings).

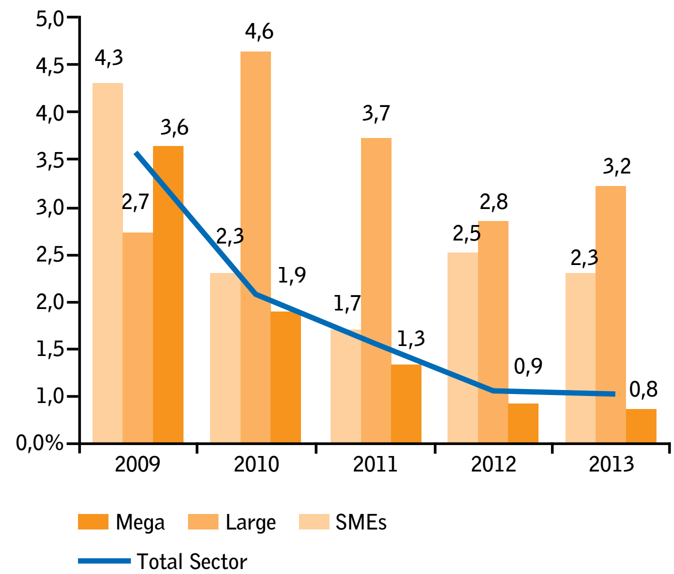
 | 

### Average Borrowing Interest Rate



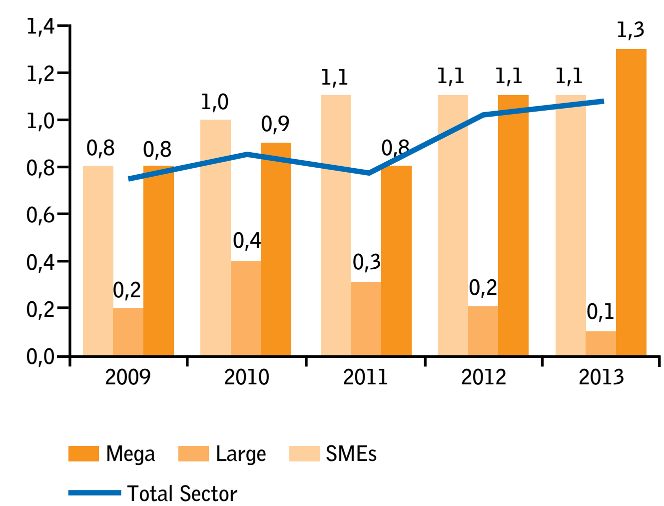

- The average borrowing interest rate seems to record an increasing tendency.
- In 2012 and 2013, Large companies borrow at more unfavorable terms than the other companies of the sector.
- Mega companies' borrowing interest rate has increased by 3,2% versus 2009.

### EBITDA / Financial Expenses



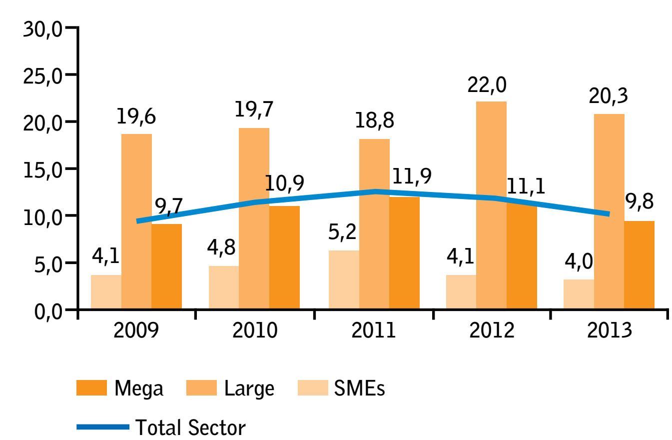

- Large companies maintain a steadily higher ratio in 2010 – 2013 than the other companies of the sector. Although they borrow at higher interest rate, their low borrowings positively affect the ratio in question.
- As far as the Mega companies are concerned, in 2012 and 2013, the increase in borrowing costs as well as the relative decrease in operating profits resulted in insufficiency of operating profits to cover financial expenses.

### Net Borrowings / Equity




- Large companies of the sector record a substantially lower ratio, not exceeding 0,4% in every year under survey. It is worth mentioning that the ratio decreased below 0,1% in 2013, mainly affected by the companies, operating in marine fuel trade.
- In contrast, loan burdening of the Mega companies increases, with the ratio exceeding the SMEs ratio in 2013.

### Sales / Total Borrowings



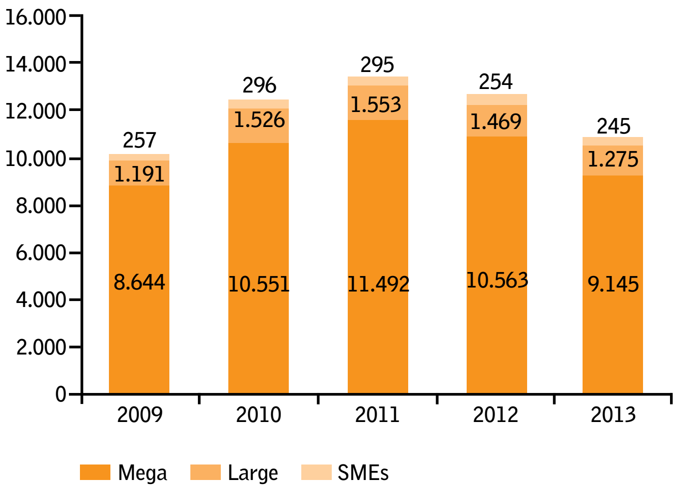

- Large companies that keep their borrowings at a steady level present higher performance than the other companies of the sector.

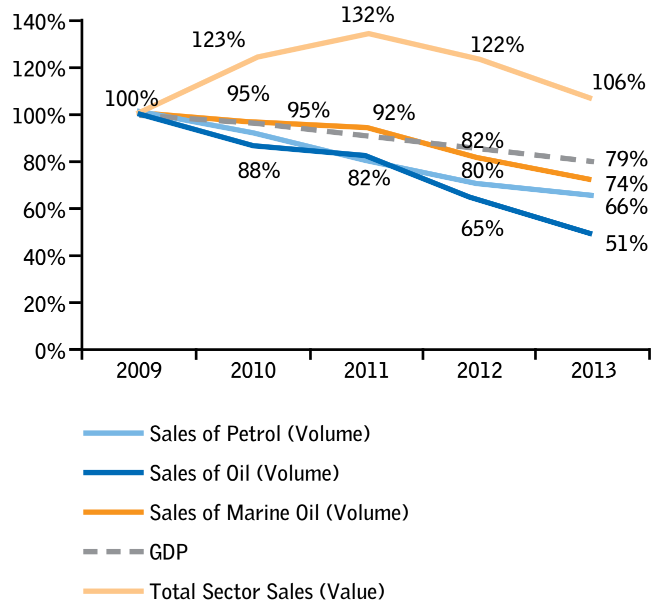
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 9.145 | 10.563 | 11.492 | 10.551 | 8.644 |
| Large | 1.275 | 1.469 | 1.553 | 1.526 | 1.191 |
| SMEs | 245 | 254 | 295 | 296 | 257 |
| **Total Sector** | **10.666** | **12.286** | **13.340** | **12.374** | **10.092** |

### Sales




### Comparative tendencies in volume/value of the sector's sales and GDP (benchmark year 2009)




- The above diagram indicatively presents the sales volumes of petrol, oil and marine fuels versus GDP and the sales value in the period 2009 – 2013. Substantial tax increases, decrease in domestic demand and search for alternative sources of energy have led Mega and Large companies to losses in sales volumes of particular products of approximately 49%, thus causing a significant decrease in sales value.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -1.418 | -929 | 941 | 1.908 |
| *(percentage)* | -13% | -8% | 9% | 22% |
| Large | -194 | -84 | 27 | 335 |
| *(percentage)* | -13% | -5% | 2% | 28% |
| SMEs | -9 | -41 | -1 | 39 |
| *(percentage)* | -3% | -14% | -0,4% | 15% |
| **Total Sales of the Sector** | **-1.620** | **-1.054** | **966** | **2.281** |
| ***(percentage)*** | **-13%** | **-8%** | **8%** | **23%** |

- Relative increases in sales recorded in 2010 and 2011 are mainly due to the increases in the average price of Brent. Respectively, increases of 29% and 40% were recorded in the aforementioned years. It is indicatively mentioned that regarding equity, the volumes of petrol sales decreased by 8% and 10%, while the volumes of oil sales decreased by 12% and 7% respectively.

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 60 | 57 | 88 | 99 | 142 |
| Large | 18 | 18 | 23 | 22 | 12 |
| SMEs | 11 | 9 | 7 | 7 | 14 |
| **Total Sector** | **90** | **84** | **118** | **128** | **167** |

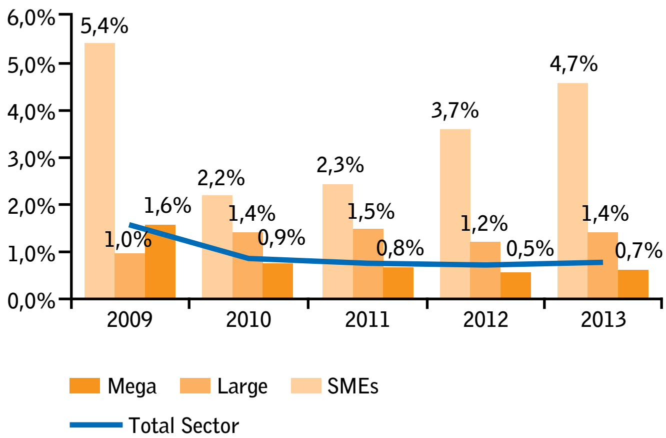
- The sector's operating profitability has totally decreased by 46%. Mega companies record decreases of 58%.

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -82,0 | -75,2 | -47,7 | -11,9 | 39,5 |
| Large | 5,5 | 6,1 | 9,9 | 11,9 | 17,8 |
| SMEs | -2,1 | -1,7 | 0,8 | -2,2 | 6,9 |
| **Total Sector** | **-78,6** | **-70,9** | **-37,1** | **-2,2** | **64,2** |

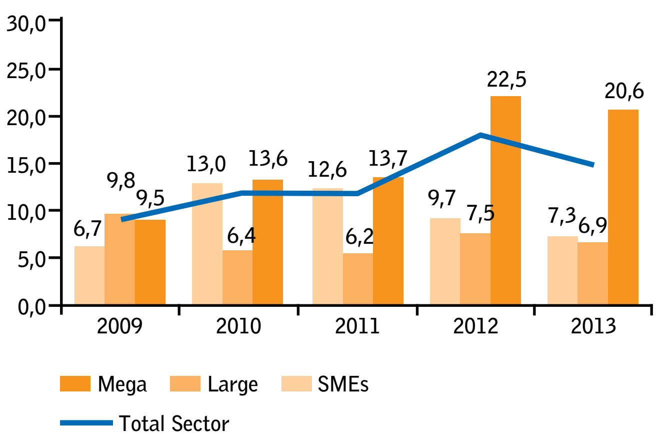
- Given the sector's borrowings and decrease in profit margins, the sector records significant steadily increasing losses before tax.
- It is to be noted that the Large companies present profit before tax within the entire five year period. As already mentioned, this tendency mainly concerns the companies operating in marine fuel trade.

### EBITDA Margin




- EBITDA margin is steadily higher in SMEs than in the other categories (the fact which is also due to different sale mix versus the Mega companies), while Mega companies record decreases in profit margins from 2010.

### EV/EBITDA




- Mega companies with lower net debt and stable profitability present more interest to investment than the other companies of the sector.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 11 | -96 | 159 | 56 |
| Large | 18 | 16 | 15 | -8 |
| SMEs | 22 | 6 | 4 | 10 |
| **Total Sector** | **51** | **-74** | **177** | **58** |

- Mega companies cash flows from operating activities have decreased by over 80% within the five year period under survey.
- Large companies and SMEs have managed to increase their cash flows despite the market pressure.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -11 | -46 | -54 | -74 |
| Large | -3 | 1 | -4 | -6 |
| SMEs | -6 | -6 | -2 | 1 |
| **Total Sector** | **-20** | **-51** | **-61** | **-79** |

- Only Mega companies record investing outflows till 2012 inclusively in the attempt to strengthen their position in the intensely competitive environment. Despite presenting positive results, Large companies recorded very few investments.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -45 | -4 | -4 | 45 |
| Large | -8 | -21 | 2 | 15 |
| SMEs | -11 | 2 | -9 | -14 |
| Total Sector | -65 | -24 | -11 | 46 |

- From 2011, the sector, and Mega companies in particular, proceeded with repayment of their loans.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**16%** of the total companies of the sector,<br>**7%** of the total sales of the sector,<br>**5%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**21%** of the total companies of the sector,<br>**2%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**55%** of the total companies of the sector,<br>**83%** of the total sales of the sector,<br>**95%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**8%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
### Petroleum Products Trade Sector

- Despite high borrowings, especially regarding the Mega companies, excluding 2012, the sector's working capital remained positive. However, the total borrowings have almost doubled and it is significant that in the last two years, operating profit of the Mega companies in the sector is not sufficient to repay the interest on their loans.
- Significant decrease in sales volume and increase in competition, resulting in high losses. High taxes and the general economic recession have adversely affected the sector, which has lost almost 49% of sales volume in specific products.
- As a total, the sector's operating profitability has decreased by 46%, with Mega companies recording decreases of 58%.
- The sector has lost more than twice profits before tax versus 2009, and in 2013 records total losses before taxes of € 79 million.

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# Pharmaceuticals Sector

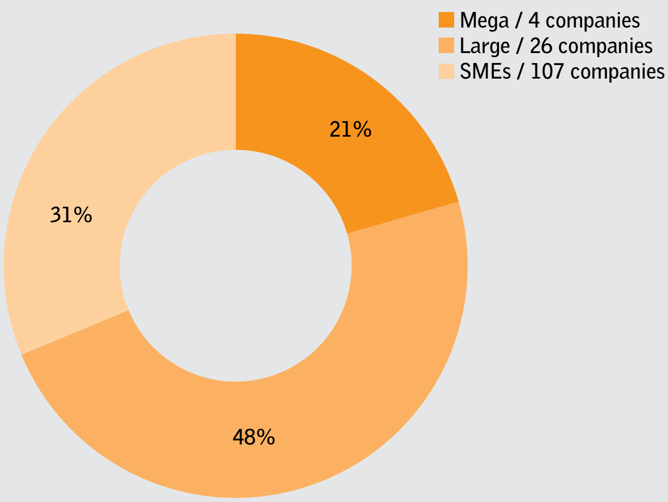
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

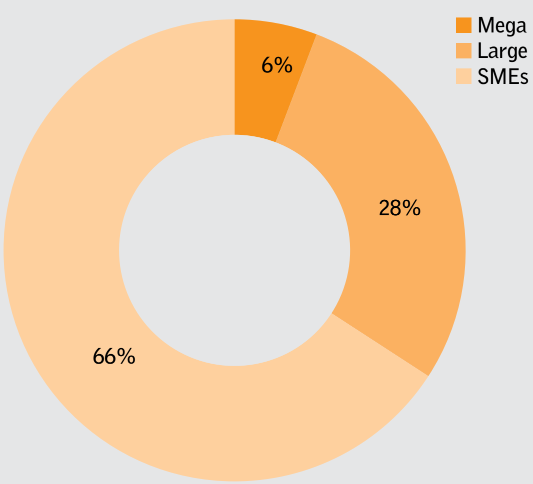
- **137** companies represent almost **90%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 4 companies represent over 20% of the sector's total sales in 2013.

### Headcount 2013




- 66% of the sector's headcount are employed in SMEs.

## Sector Characteristics

- Internationally competitive sector with industrial and commercial scope of operations, which constitutes a significant part of the broader healthcare sector.
- The nature of the sector's products concerns irreplaceable resources, with stable demand, potentially increasing given the aging of the country's population.
- Strict and constantly changing legislative framework in Greece, with the State taking measures to restrict public pharmaceutical expenditure by setting the issue price of medicines, promoting the use of generic drugs and reducing the profit margin of pharmaceuticals sector.
- Establishment of e-prescribing and extension of the list of non-prescription medicines in the provision of health care in the context of pricing changes in the market.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector is not characterized by homogeneity, given the coexistence of Greek companies producing generic medicines and the subsidiaries of multinational corporations, promoting the original products of their parent companies, while the performance of the companies seems to vary. |
| **Does a small number of companies dominate the sector?** | The sector is not dominated by a small number of companies, since it includes a wide variety of foreign groups' subsidiaries as well as significant Greek companies. However, 10 largest companies of the sector hold approximately 39% of the market. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector seems to follow the course recorded by the other Greek companies in respect of sales, while its profitability is substantially reduced within the first years under survey. However, the sector seems to have adapted to the current conditions, recording recovery and growth in the last two years. |
| **Has the sector overcome the economic crisis?** | In the last two years, limiting operating costs, increase in EBITDA, reduction of loan burdening and improvement of cash liquidity indicate that the sector has overcome the consequences of the crisis. |
| **How hard was it for the sector to face the crisis?** | Particularly strong state intervention, both in terms of shaping the price levels and the repayment of insurance funds debts resulted in significant losses for the sector. |
| **What is the sector's course of development compared to that of the Greek Economy?** | Losses recorded in the sector's sales follow the course of losses presented by the Greek Economy within the five year period under survey. |
| **What is the financial performance of the sector's SMEs?** | The sector's SMEs are characterized by relative stability regarding their financial performance, presenting smaller changes versus the general total. They follow the downward tendency in sales, however, recording smaller losses. SMEs try to maintain their profit margins, while recording worse performance than that of the bigger companies that recover in the last years. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked to the market share, while all the companies are negatively affected by the economic conditions, in particular in 2010 – 2011. However, the size seems to constitute the key factor in the last years, when the sector presents recovery. |
| **What are the prospects for the sector?** | The sector can maintain and increase its market share through increasing the share of generic medicines in line with the patent expiry of original medicines and coupled with the change in the prescription procedures as well as through increasing exports.<br>Investment prospects should be considered regarding professional staff for the purposes of improving research and development and strengthening the brand of the pharmaceuticals.<br>However, further reduction in operating costs is necessary, due to further drastic cuts in healthcare expenditure, which pose a threat to the sector's profitability. |

## CONDENSED FINANCIAL DATA

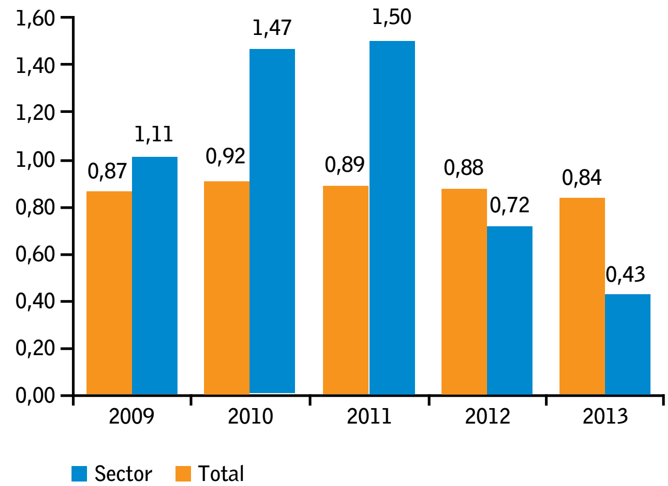
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 801 | 782 | 743 | 872 | 598 |
| Current Assets | 3.781 | 4.216 | 4.307 | 5.651 | 6.003 |
| **Total Assets** | **4.583** | **4.997** | **5.051** | **6.524** | **6.602** |
| **Equity** | **1.601** | **1.501** | **846** | **1.020** | **1.204** |
| Long-term Loan Liabilities | 284 | 192 | 267 | 297 | 334 |
| Other Long-term Liabilities | 497 | 418 | 442 | 450 | 473 |
| **Total Long-term Liabilities** | **782** | **610** | **709** | **747** | **807** |
| Short-term Loan liabilities | 400 | 890 | 998 | 1.203 | 999 |
| Other Short-term Liabilities | 1.799 | 1.996 | 2.497 | 3.553 | 3.592 |
| **Total Short-term Liabilities** | **2.199** | **2.886** | **3.495** | **4.756** | **4.591** |
| **Total Liabilities** | **2.981** | **3.496** | **4.204** | **5.503** | **5.398** |
| **Total Equity and Liabilities** | **4.583** | **4.997** | **5.051** | **6.524** | **6.602** |
| Working Capital | 1.582 | 1.330 | 812 | 895 | 1.412 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 5.907 | 6.457 | 6.960 | 7.091 | 7.818 |
| EBITDA | 352 | 520 | 195 | 82 | 516 |
| EBIT | 277 | 435 | 57 | 11 | 453 |
| EBT | 238 | 291 | -120 | -102 | 392 |
| EAT | 179 | 220 | -145 | -189 | 212 |

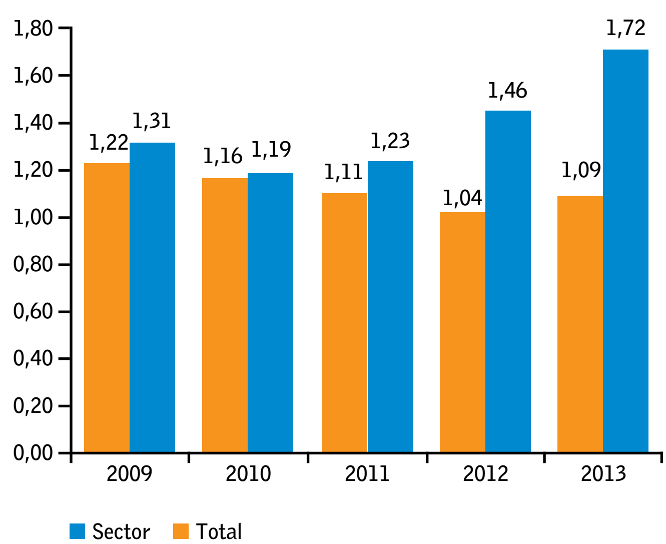
| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/Equity | 0,4 | 0,7 | 1,5 | 1,5 | 1,1 |
| Current Assets/Short-term Liabilities | 1,7 | 1,5 | 1,2 | 1,2 | 1,3 |
| EV/EBITDA | 5,0 | 4,3 | 9,3 | 27,9 | 4,3 |
| EBITDA Margin | 6,0% | 8,0% | 2,8% | 1,2% | 6,6% |

### Loan Liabilities / Equity




- High loan burdening till 2011. However, increase in equity through profitability, increase in capital and decrease in borrowings have provided the sector with extremely strong capital structure in 2013.

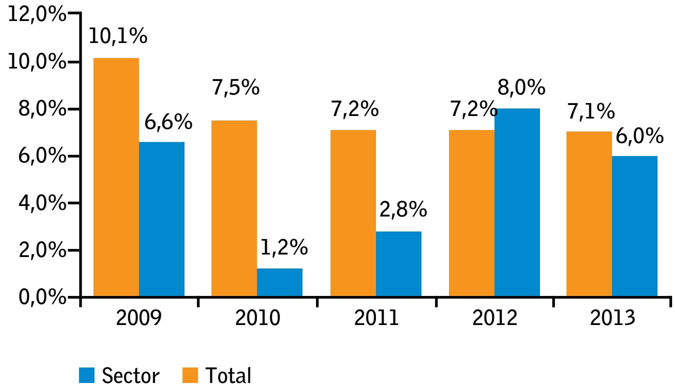
### Current Assets / Short-term Liabilities




- Decrease in short-term borrowings, achieved in the last two years, has significantly improved the sector's liquidity ratio.

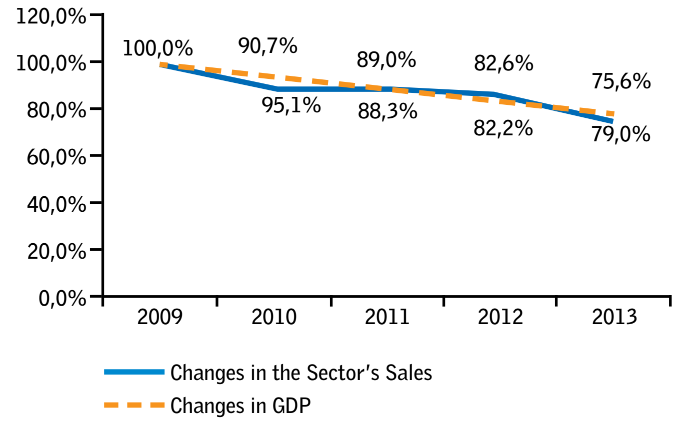
 

### EBITDA Margin



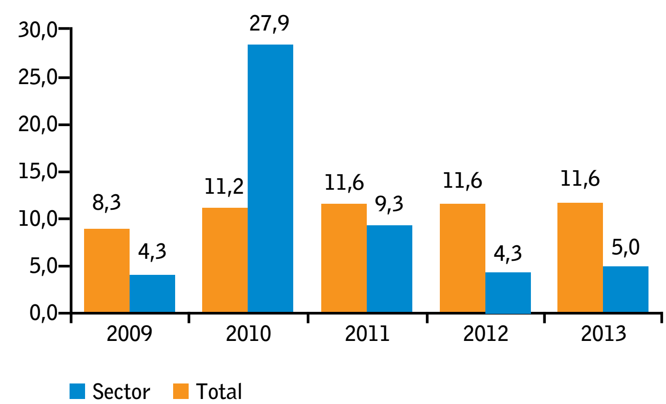

- After substantial decreases recorded in 2010 and 2011 following the first reductions in medicines prices, EBITDA margins recover in 2012 – 2013.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector's losses follow those recorded by the Greek Economy.

### EV/EBITDA




- The sector presents investment interest, increasing its profitability in the last two years and decreasing its borrowings.

## SECTOR ANALYSIS

### Working Capital

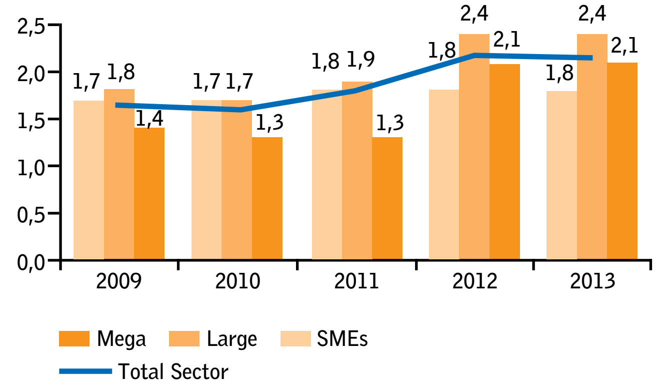
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 421 | 449 | 150 | 182 | 180 |
| Large | 931 | 648 | 416 | 457 | 927 |
| SMEs | 230 | 233 | 246 | 256 | 305 |
| **Total Sector Working Capital** | **1.582** | **1.330** | **812** | **895** | **1.412** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 455 | 484 | 178 | 299 | 279 |
| Large | 1.050 | 1.208 | 1.037 | 1.202 | 1.502 |
| SMEs | 476 | 528 | 596 | 597 | 631 |
| **Total Sector Working Capital** | **1.982** | **2.219** | **1.810** | **2.098** | **2.411** |

** Borrowings are not included*

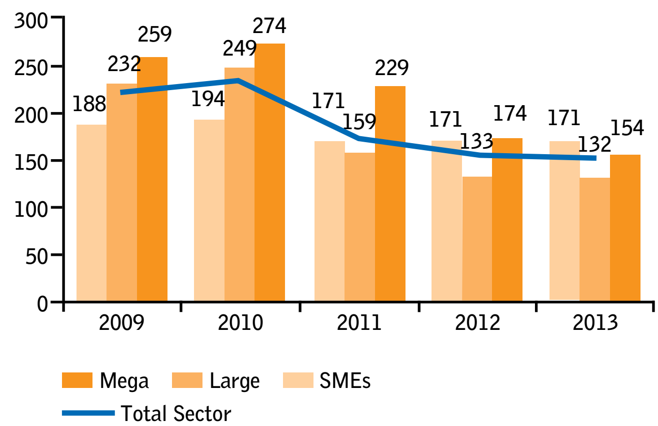
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

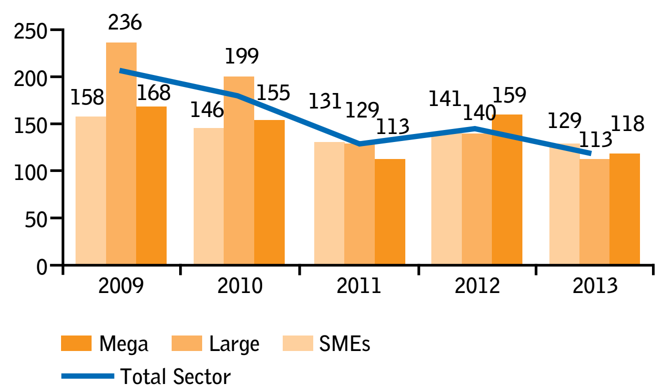
- The sector records satisfactory levels of liquidity, improved within the last two years. Mega and Large companies, in particular, significantly increase their liquidity.

### Average Period of Paying Liabilities




- The tendency regarding the days of paying suppliers follows that regarding collecting receivables. The balance between the average period of collecting receivables and paying liabilities increases within the last two years, not due so much to collecting past due receivables as to provisions of mandatary, under the legislation, discounts on medicines.

### Average Collection Period of Receivables




- Significant decrease in receivables, recorded in 2010, arising from the delays in collecting receivables from the State (state hospitals and insurance funds), is mainly due to partial repayment of debt through state bonds. However, it is to be noted that the aforementioned bonds were impaired by almost 53,5% in 2011.

## Borrowings

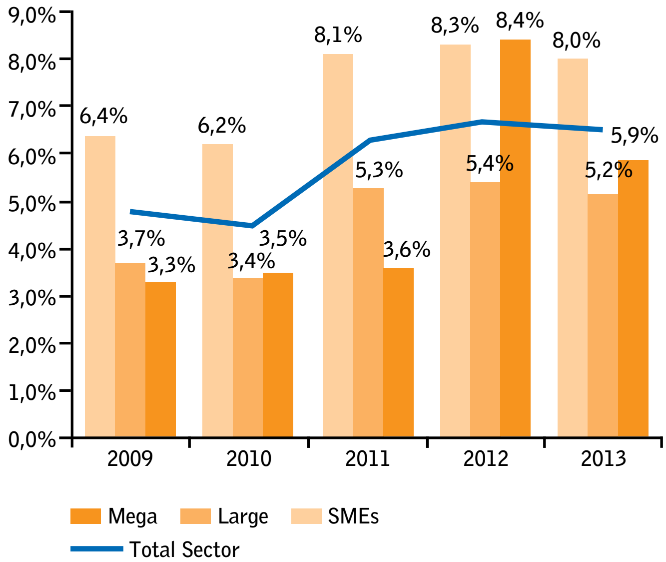
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 21 | 16 | 15 | 108 | 79 |
| Large | -124 | 366 | 549 | 708 | 527 |
| SMEs | 270 | 344 | 406 | 455 | 410 |
| **Total Sector** | **167** | **726** | **969** | **1.272** | **1.016** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 2 | 3 | 3 | 4 | 3 |
| Large | 22 | 35 | 41 | 26 | 26 |
| SMEs | 34 | 41 | 43 | 33 | 33 |
| **Total Sector** | **58** | **79** | **87** | **64** | **63** |

- In 2010, the sector, as a total, records an increase in loan burdening, given that this particular year is the first one when the medicines' prices were decreased. However, afterwards, Large and Mega companies of the sector substantially decrease their total borrowings and in 2013, the sector as a total, records the lowest levels of loan burdening.

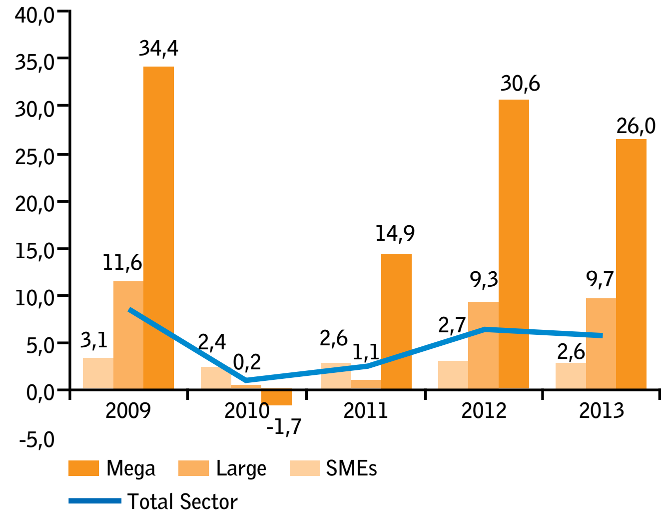
 

### Average Borrowing Interest Rate



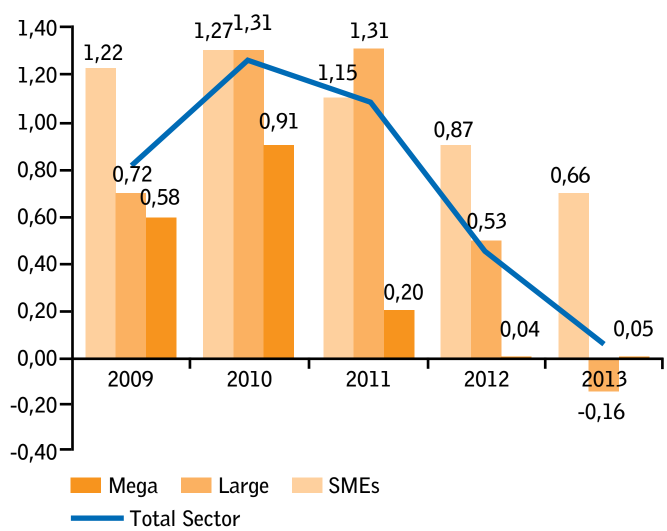

- SMEs have to face higher borrowing costs, followed by Mega companies, while Large companies record the most favorable terms in the last two years.

### EBITDA / Financial Expenses



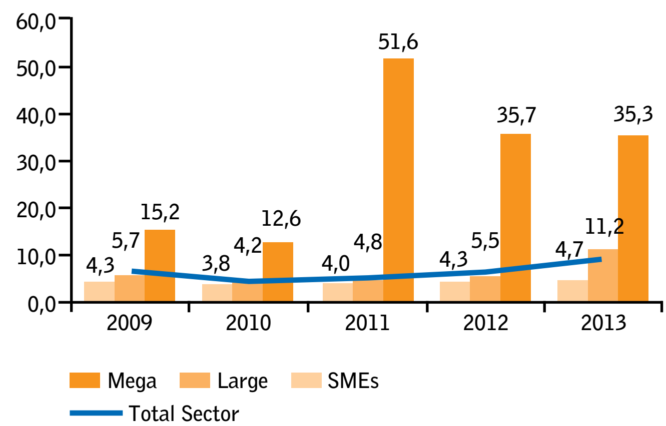

- SMEs record limited potential to cover financial expenses through operating profits.
- As a result of almost zero operating profits recorded by the sector in 2010 following the implementation of the new pricing policies in medicines, Large and Mega companies in particular present recovery in 2011 - 2013 and easily cover their financial expenses.

### Net Borrowings / Equity




- High equity of Mega companies and their particular low net borrowings seem to have affected the total sector in 2012 - 2013.

### Sales / Total Borrowings



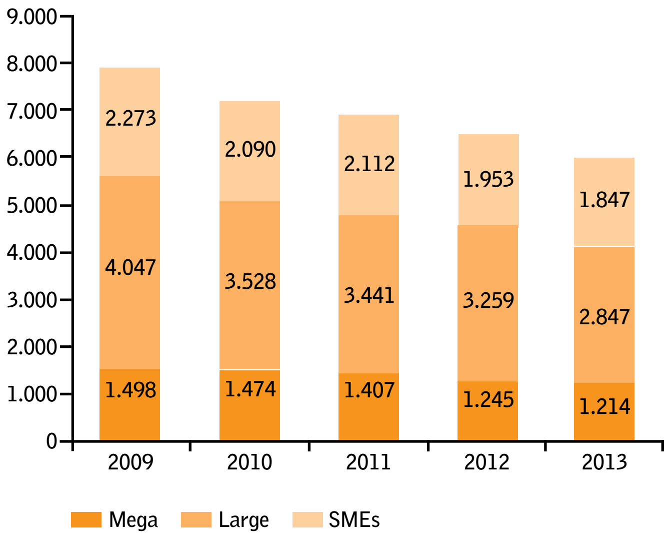

- Regarding the Mega companies, as well as the other companies of the sector, the ratio fluctuates at satisfactory levels (it is to be noted that in 2013, the general total recorded the relative ratio at 2,3).

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.214 | 1.245 | 1.407 | 1.474 | 1.498 |
| Large | 2.847 | 3.259 | 3.441 | 3.528 | 4.047 |
| SMEs | 1.847 | 1.953 | 2.112 | 2.090 | 2.273 |
| **Total Sector** | **5.907** | **6.457** | **6.960** | **7.091** | **7.818** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -30 | -163 | -66 | -24 |
| *(percentage)* | -2% | -12% | -4% | -2% |
| Large | -413 | -181 | -87 | -519 |
| *(percentage)* | -13% | -5% | -2% | -13% |
| SMEs | -106 | -159 | 22 | -183 |
| *(percentage)* | -5% | -8% | 1% | -8% |
| **Total Sales of the Sector** | **-549** | **-503** | **-131** | **-727** |
| ***(percentage)*** | **-9%** | **-7%** | **-2%** | **-9%** |

- New measures of controlling prices in the market constitute the key factor behind the general downward trend in sales of all the companies in the sector, with the Large companies recording decreases of 30% in the five year period.

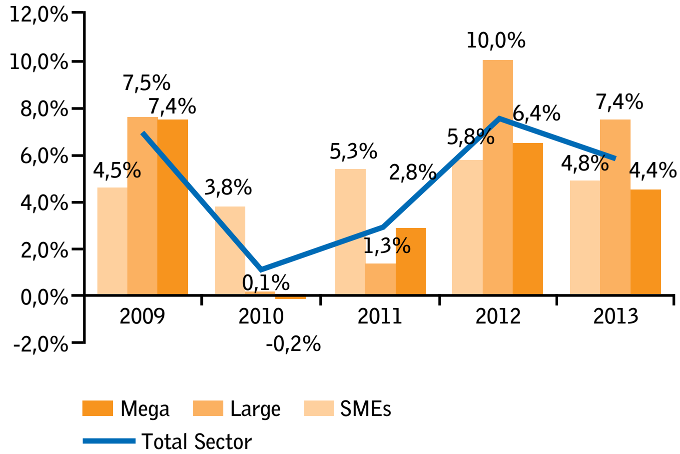
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 54 | 80 | 39 | -3 | 111 |
| Large | 211 | 327 | 45 | 5 | 302 |
| SMEs | 88 | 112 | 111 | 79 | 103 |
| **Total Sector** | **352** | **520** | **195** | **82** | **516** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 46,1 | 69,8 | 3,2 | -15,4 | 100,6 |
| Large | 167,4 | 222,9 | -108,3 | -91,6 | 236,2 |
| SMEs | 24,8 | -1,7 | -15,2 | 4,8 | 55,1 |
| **Total Sector** | **238,3** | **291,0** | **-120,3** | **-102,2** | **391,9** |

- Operating profitability of SMEs indicated better resistance versus Large and Mega companies, while the latter have recorded the highest losses.
- The sector records particularly high profitability. With the exception of the years 2010 and 2011, since it was then that the implementation of new pricing policy and impairment of state bonds led to significant losses for the pharmaceuticals sector, the years that followed brought recovery. It is to be noted that in 2013, 100% of Mega companies, 92% of Large companies and 80% of SMEs presented profits before tax.

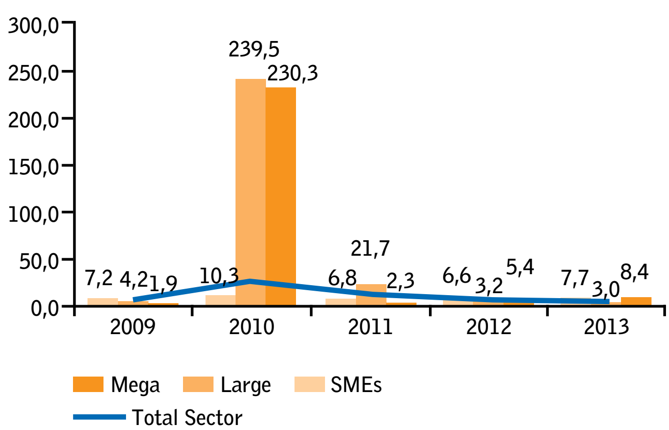
 

**EBITDA Margin**




- SMEs appeared more flexible in managing their operating costs after the introduction of new prices and maintained stable profit margins.
- After recording almost zero profit margins in 2010, Large and Mega companies adapted their performance. Large companies, in particular, managed to fully restore their margins.

**EV/EBITDA**




- The sector presents high investment interest, especially in respect of Large companies and SMEs. It is to be noted that the general total of the Greek companies under survey record the ratio in question of approximately 11 points.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 25 | -246 | 193 | 13 |
| Large | 583 | 265 | 465 | 390 |
| SMEs | 123 | 157 | 102 | 56 |
| **Total Sector** | **731** | **177** | **760** | **459** |

- All the sector's companies, irrespective of size, record positive cash flows in 2013. It shall be noted that in 2013 the relative inflows are recorded at the highest levels in the four year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -10 | -11 | -69 | 3 |
| Large | -59 | -68 | -84 | -207 |
| SMEs | -26 | -78 | -3 | -100 |
| **Total Sector** | **-95** | **-157** | **-156** | **-304** |

- Investments substantially decrease, especially regarding Large companies and SMEs, while the sector, as a total, retained investment interest even in time of crises.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -20 | 263 | -120 | -27 |
| Large | -370 | -139 | -340 | -245 |
| SMEs | -84 | -85 | -76 | 27 |
| Total Sector | -474 | 39 | -535 | -245 |

- Large companies of the sector and SMEs proceed with substantial repayments of their loans within the five year period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Moonlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**12%** of the total sales of the sector,<br>**16%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**26%** of the total companies of the sector,<br>**39%** of the total sales of the sector,<br>**19%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**30%** of the total companies of the sector,<br>**14%** of the total sales of the sector,<br>**59%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**29%** of the total companies of the sector,<br>**35%** of the total sales of the sector,<br>**6%** of the total borrowings of the sector. |

## CONCLUSIONS
## Pharmaceuticals Sector

- The sector seems to follow the course recorded by the Greek Economy as a total, presenting significant losses.
- New pricing policies imposed by the State in 2010 substantially decreased the profit margins for all the companies of the sector. However, the sector recovers in 2012, and in 2013 records particularly high levels of profits before tax.
- Decrease in borrowings within the five year period, while in 2013 the sector records strong capital structure, as reflected in loan to equity ratio, in particular as far as Large and Mega companies are concerned.
- The sector presents investment interest, improving its profitability and decreasing its borrowings in the last years.

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# Plastics Sector

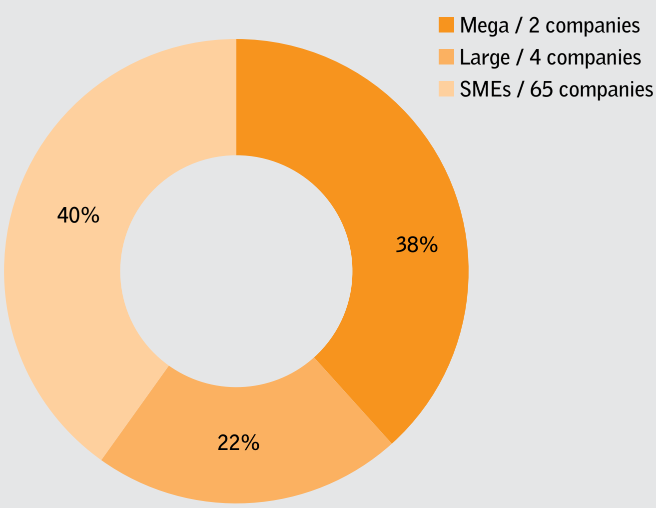
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

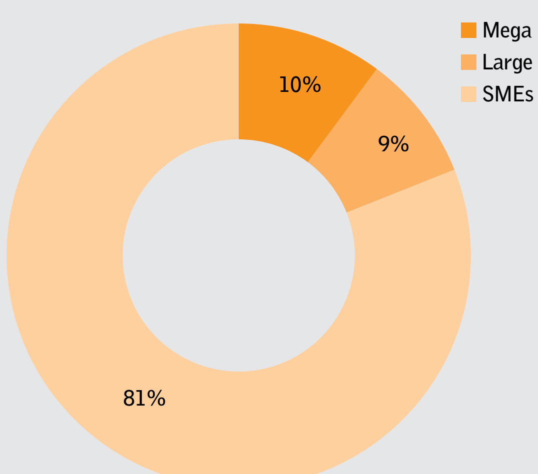
- **71** companies represent over **93%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 200 million.
  - **Mega:** Companies with sales over € 200 million.

### Sales 2013




- 2 companies represent 38% of the total sector's sales in 2013.

### Headcount 2013




- 81% of the sector's headcount are employed by 65 SMEs.

## Sector Characteristics

- The sector is affected by changes in oil prices, which constitutes the main raw material for its products.
- The price of raw materials plays a significant part in shaping the final price of the sector's products, and, therefore, substantially affects the companies' profit margins.
- Increased financial costs due to high loan liabilities burden the sector's companies, further limiting their operating profitability margins.
- Most of the sector's companies present higher equity versus loans.
- The average period of paying suppliers is shorter than the average collecting period of receivables, generating steady need for working capital financing.
- The sector records positive cash flows, positive working capital and high profit margins versus the general total within the entire five year period.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector does not present financial homogeneity, since the companies of different categories, on one hand, record similar conditions regarding the working capital, but, on the other hand, significant differences regarding the terms of the loan burdening. |
| **Does a small number of companies dominate the sector?** | Two companies of the sector represent 38% of turnover and employ 10% of the sector's total headcount, and, to a certain extent, define the entire financial performance of the sector. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Compared to the general total, the sector seems to be financing its operations through equity versus bank loans and achieves higher profit margins. |
| **Has the sector overcome the economic crisis?** | Given the current economic conditions, it seems that the sector has overcome the consequences of the crisis, recording increase in sales of 1% in 2013 versus 2012 and increase in operating profits of 3%. |
| **How hard was it for the sector to face the crisis?** | Different categories of the companies present different performance, with Mega and Large companies recording increases in sales and relative stability of profit margins, while SMEs constantly record decreases in turnover and losses after tax. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector seems to be resisting the downward trends recorded by the Greek Economy and manages to increase its turnover within the five year period. The performance differs depending on the companies' category, with SMEs falling behind, but recording the results that are substantially better than the decreases recorded by the general total. |
| **What is the financial performance of the sector's SMEs?** | SMEs record high borrowings, need much more time to collect their receivables, record delays in settling their trade liabilities and present constant decreases in turnover until 2013, as well as loss-bearing results from 2010 onwards. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | A certain correlation can be noticed regarding the sector, with Mega and Large companies presenting better performance in almost all the financial ratios. |
| **What are the prospects for the sector?** | The outlook for the sector shows that there is potential for improving profitability through further growth of their sales, which will result from the continuous improvement of product quality and innovation.<br>A real challenge the sector has to address is further expansion of the global network of production and distribution of products, given the small growth margins in the domestic market.<br>Improving the costs of production and the range of products as well as finding adequate resources to carry out the necessary investments will largely determine the prospects of the sector. |

# CONDENSED FINANCIAL DATA

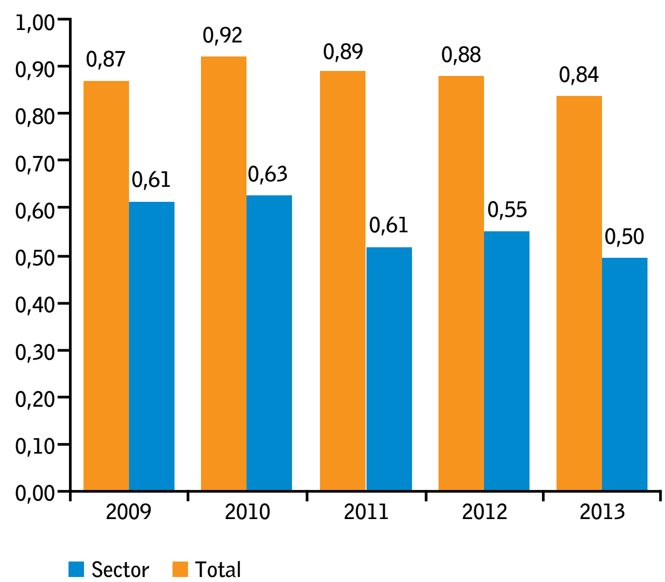
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 793 | 813 | 839 | 852 | 848 |
| Current Assets | 841 | 812 | 840 | 835 | 835 |
| **Total Assets** | **1.634** | **1.625** | **1.679** | **1.687** | **1.683** |
| **Equity** | **823** | **825** | **816** | **819** | **829** |
| Long-term Loan Liabilities | 150 | 212 | 182 | 225 | 254 |
| Other Long-term Liabilities | 114 | 82 | 97 | 75 | 87 |
| **Total Long-term Liabilities** | **264** | **294** | **279** | **301** | **341** |
| Short-term Loan liabilities | 263 | 246 | 313 | 293 | 252 |
| Other Short-term Liabilities | 284 | 260 | 272 | 273 | 261 |
| **Total Short-term Liabilities** | **547** | **505** | **585** | **567** | **513** |
| **Total Liabilities** | **811** | **799** | **863** | **867** | **854** |
| **Total Equity and Liabilities** | **1.634** | **1.625** | **1.679** | **1.687** | **1.683** |
| Working Capital | 294 | 307 | 256 | 268 | 322 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.287 | 1.272 | 1.260 | 1.187 | 1.096 |
| EBITDA | 126 | 122 | 123 | 118 | 142 |
| EBIT | 70 | 56 | 59 | 54 | 77 |
| EBT | 40 | 20 | 32 | 33 | 66 |
| EAT | 17 | 5 | 19 | 11 | 46 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,5 | 0,6 | 0,6 | 0,6 | 0,6 |
| Current Assets/ Short-term Liabilities | 1,5 | 1,6 | 1,4 | 1,5 | 1,6 |
| EV/EBITDA | 8,5 | 9,2 | 9,5 | 10,1 | 8,3 |
| EBITDA Margin | 9,8% | 9,6% | 9,8% | 10,0% | 12,9% |

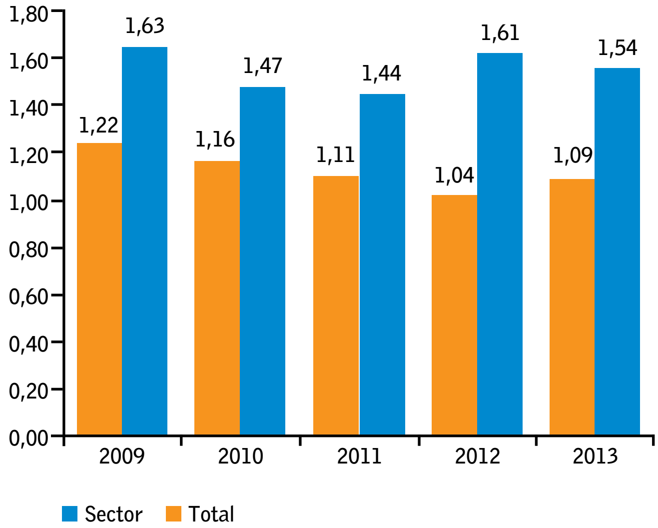
### Loan Liabilities / Equity




- The sector records steadily lower levels of loan burdening versus the general total, without significant variations.

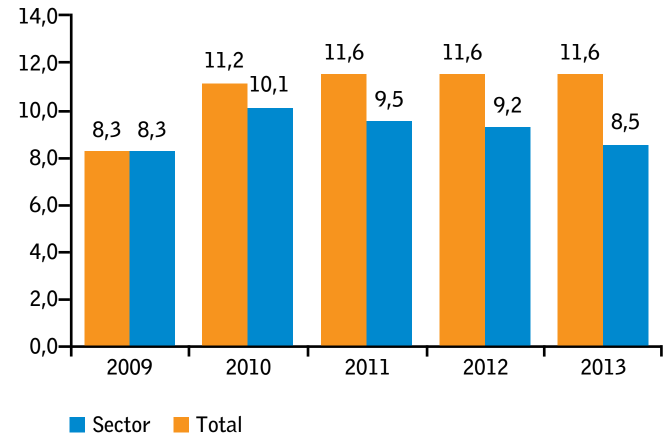
 | 

### Current Assets / Short-term Liabilities



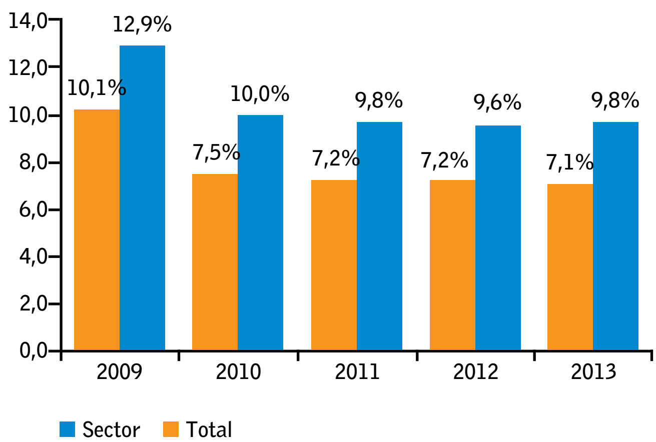

- Working capital remains positive and exceeds that recorded by the general total within the entire five year period.

### EV/EBITDA



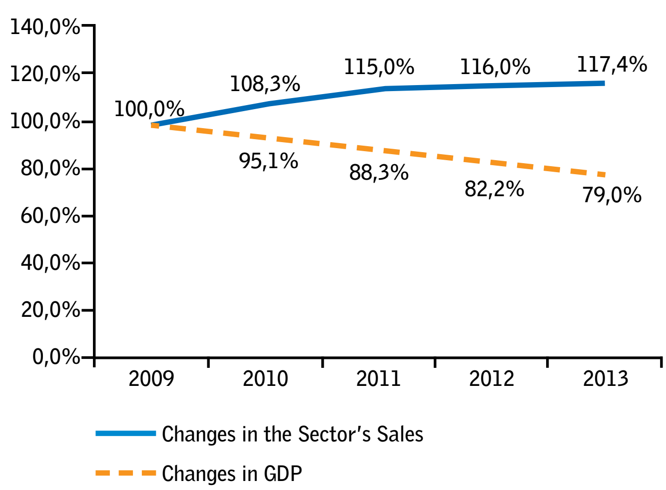

- The sector's companies present investment interest, with EV/EBITDA ratio steadily lower than the general total within the period under survey.

### EBITDA Margin




- The sector records higher EBITDA margin than the general total, fluctuating in the last four year period around 10%.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- In the five year period under survey, the sector records gradual increase in sales, unlike the general course of GDP.

# SECTOR ANALYSIS

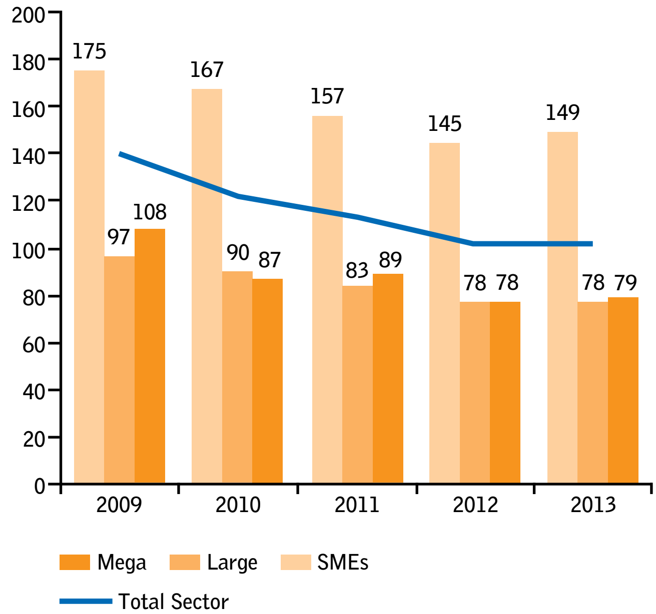
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 133 | 124 | 104 | 97 | 102 |
| Large | 74 | 66 | 75 | 76 | 92 |
| SMEs | 87 | 116 | 76 | 96 | 129 |
| **Total Sector Working Capital** | **294** | **307** | **256** | **268** | **322** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 216 | 209 | 202 | 182 | 171 |
| Large | 108 | 103 | 114 | 107 | 121 |
| SMEs | 232 | 241 | 252 | 273 | 281 |
| **Total Sector Working Capital** | **557** | **553** | **569** | **562** | **574** |

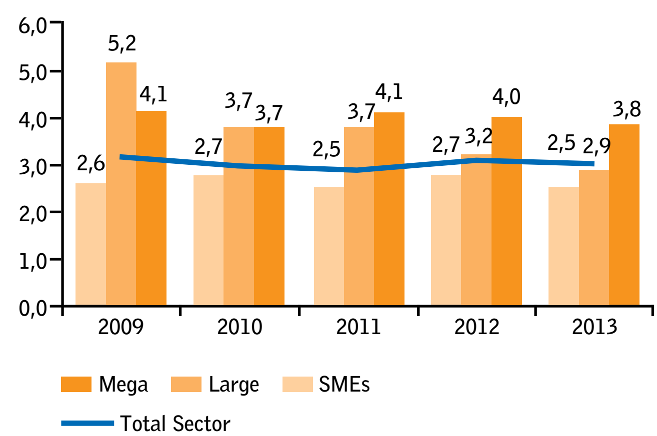
** Borrowings are not included*

### Average Collection Period of Receivables




- The companies' size defines their potential to collect receivables, with SMEs being in a more unfavorable position than the other two categories of the companies.

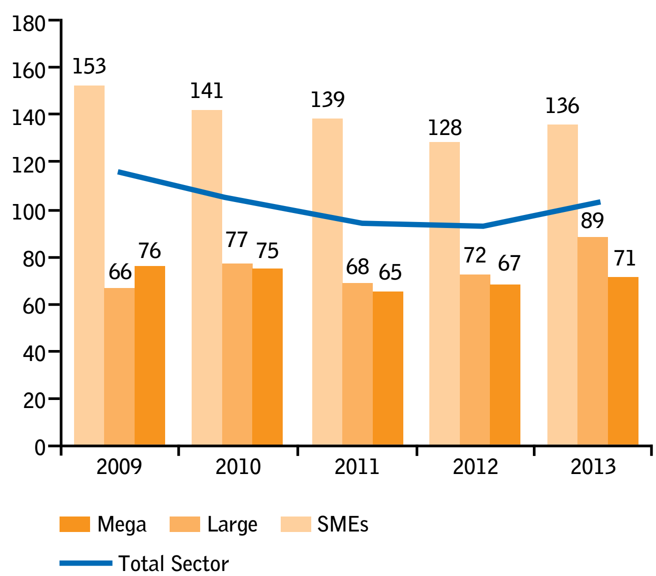
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- All the categories of the sector's companies present steadily positive working capital within all the years under survey.
- Large companies of the sector record steady decreases in the working capital till 2012, which, however, recovers in 2013.

### Average Period of Paying Liabilities




- All the sector's companies' categories record delays in the average period of paying liabilities almost in all the years under survey versus the average period of collecting receivables, with the exception of 2013 regarding the Large companies, thus generating steady needs for the working capital financing.

 | 

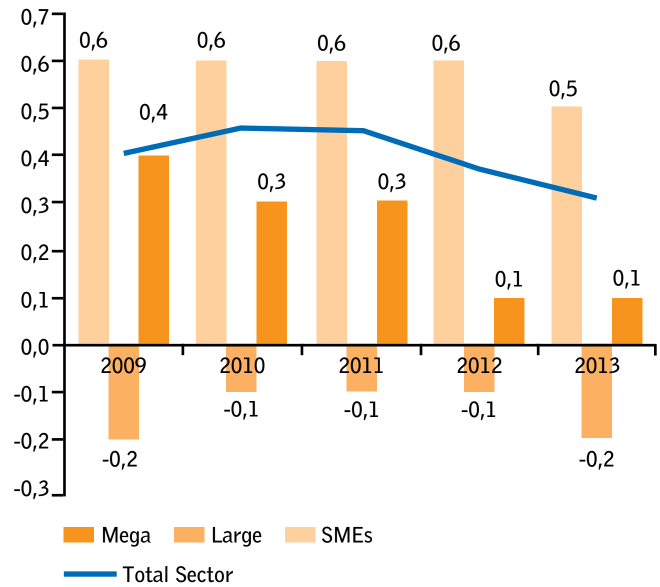
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 35 | 35 | 70 | 74 | 81 |
| Large | -25 | -9 | -12 | -15 | -26 |
| SMEs | 236 | 268 | 291 | 312 | 292 |
| **Total Sector** | **245** | **294** | **350** | **371** | **346** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 6 | 7 | 6 | 5 | 6 |
| Large | 3 | 3 | 3 | 2 | 2 |
| SMEs | 17 | 21 | 22 | 17 | 15 |
| **Total Sector** | **26** | **31** | **32** | **25** | **23** |

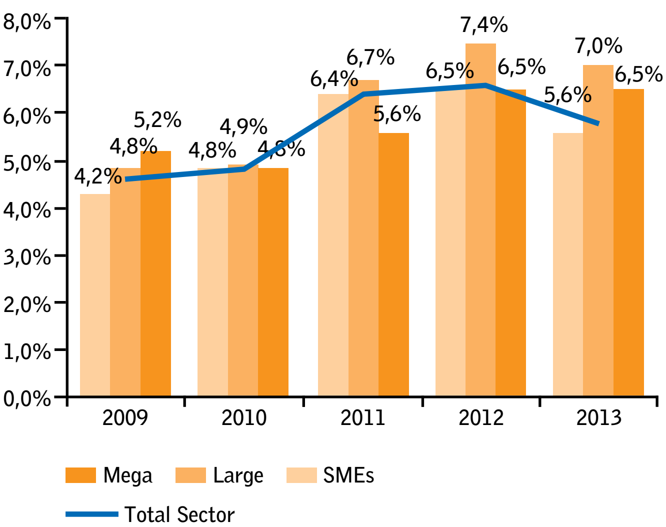
- In 2013, the net borrowings of the sector decrease by 29% versus 2013, with the Large companies presenting negative net borrowings, given that two of four companies of this category do not present loan liabilities.

### Net Borrowings / Equity



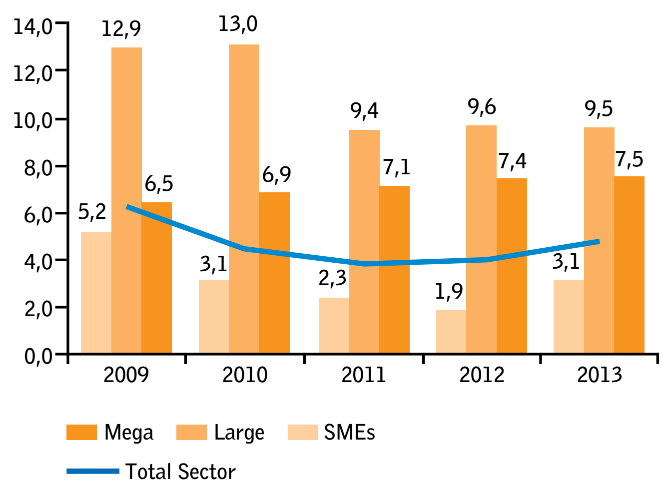

- The total of the sector's companies finance their operations through equity, keeping borrowings at lower levels versus equity.
- Large companies record the lowest performance, presenting the ratio under survey as negative given their negative net borrowings.

### Average Borrowing Interest Rate




- The average annual borrowing interest rate increases from 4,5% in 2009 to 5,9% in 2013, since the companies, as a total, have increased short-term borrowings versus long-term borrowings.
- In the five year period, borrowings per company stand at approximately € 5 million in respect of SMEs, at € 10,5 million regarding the Large companies and at € 54 million regarding the Mega companies. The degree of borrowings is substantially defined by the costs of financing.

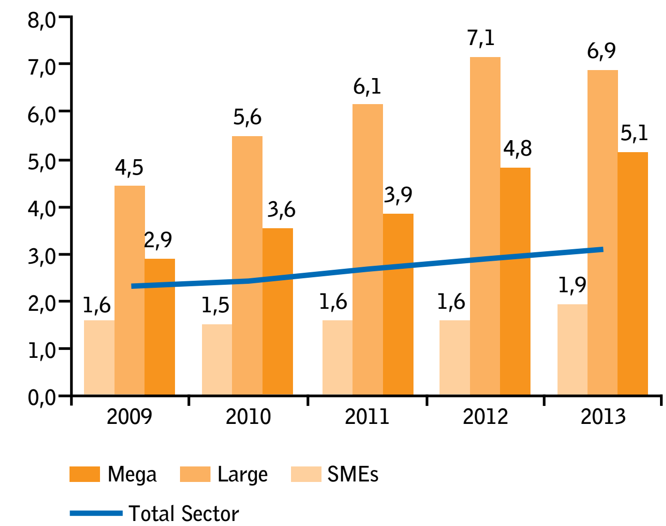
### EBITDA / Financial Expenses




- The total of the sector's companies cover costs of financing through operating profits.
- SMEs record the lowest performance in the aforementioned ratio, while Large companies record the best performance, given low financial expenses and low borrowings, with two out of four companies of the category reporting no loan liabilities in 2013.

### Sales / Total Borrowings




- Limitation on loan liabilities of the Large companies shapes intense diversification of the loans coverage ratio through the particular category's companies' sales from the other categories of the sector.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 16 | 26 | 45 | 71 |
| *(percentage)* | 3% | 6% | 11% | 21% |
| Large | -8 | 18 | 33 | 36 |
| *(percentage)* | -3% | 7% | 14% | 18% |
| SMEs | 7 | -33 | -5 | -16 |
| *(percentage)* | 1% | -6% | -1% | -3% |
| **Total Sales of the Sector** | **15** | **11** | **74** | **91** |
| ***(percentage)*** | **1%** | **1%** | **6%** | **8%** |

- The sector's sales constantly increase, though at a slower rate, with Mega and Large companies dominating the general position recorded by the sector.
- SMEs record decreases in turnover of approximately 8% within the five year period.

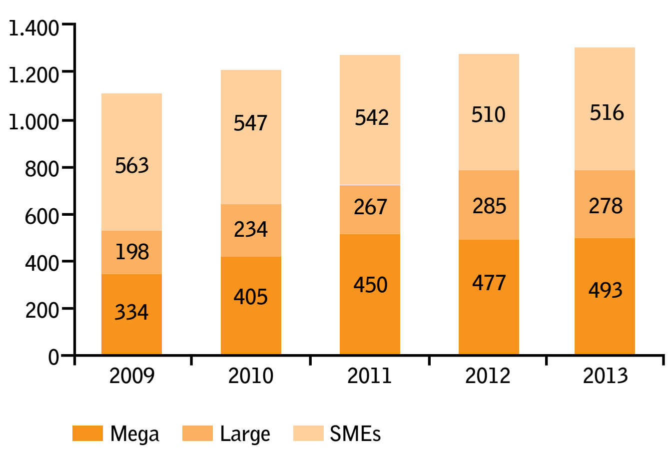
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 493 | 477 | 450 | 405 | 334 |
| Large | 278 | 285 | 267 | 234 | 198 |
| SMEs | 516 | 510 | 542 | 547 | 563 |
| **Total Sector** | **1.287** | **1.272** | **1.260** | **1.187** | **1.096** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 48 | 52 | 46 | 38 | 39 |
| Large | 27 | 30 | 27 | 27 | 27 |
| SMEs | 51 | 40 | 51 | 53 | 76 |
| **Total Sector** | **126** | **122** | **123** | **118** | **142** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 25,7 | 28,4 | 24,7 | 16,6 | 18,1 |
| Large | 18,2 | 20,7 | 19,6 | 21,3 | 20,6 |
| SMEs | -4,0 | -29,4 | -11,9 | -4,5 | 27,4 |
| **Total Sector** | **39,8** | **19,8** | **32,4** | **33,4** | **66,1** |

### Sales




- SMEs record losses before tax from 2010 onwards, substantially limiting them in 2013, increasing EBITDA performance.

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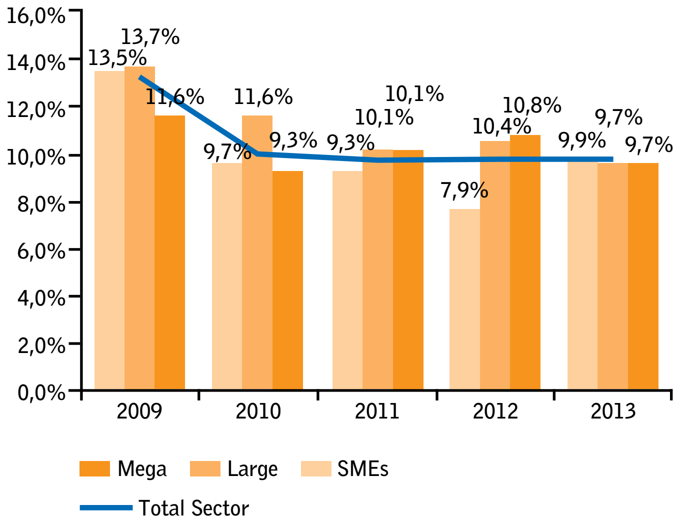
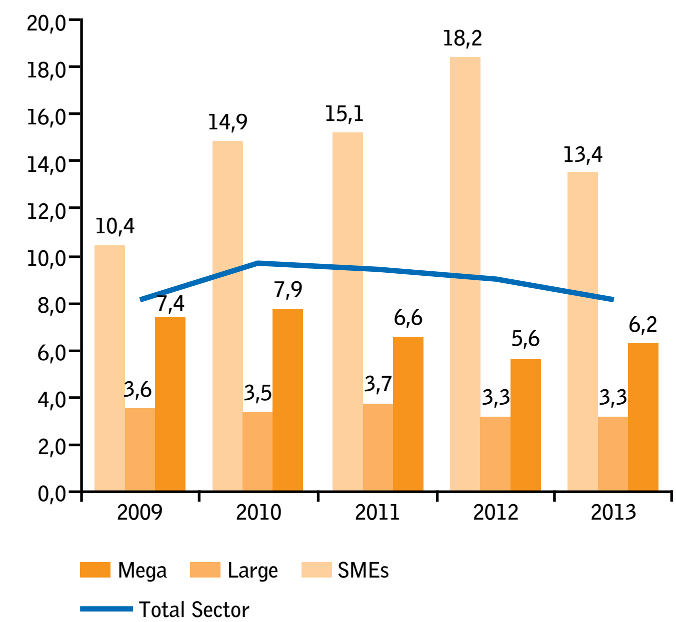
### EBITDA Margin




- From 2010 onwards, the sector retains EBITDA margin at approximately 10%, with no substantial variations being recorded by various categories of the companies.

### EV/EBITDA




- Large companies are presented as the most attractive companies of the sector, while SMEs present the lowest investment interest, mainly due to low profitability.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 18 | 49 | 19 | 18 |
| Large | 32 | 28 | 17 | 19 |
| SMEs | 73 | 55 | 60 | 47 |
| **Total Sector** | **123** | **132** | **96** | **84** |

- The fact that cash flows from operating activities are kept at positive levels indicates the capital adequacy of the sector.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -14 | -15 | -13 | -11 |
| Large | -9 | -6 | -3 | -6 |
| SMEs | -16 | -29 | -24 | -52 |
| **Total Sector** | **-38** | **-51** | **-40** | **-69** |

- Mega companies record steady cash outflows from investing activities, increased for Large companies from 2011 onwards and decreased for SMEs.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -7 | -14 | -2 | -1 |
| Large | -7 | -29 | -15 | -26 |
| SMEs | -67 | -20 | -43 | 0,01 |
| Total Sector | -80 | -63 | -59 | -27 |

- The sector's companies mainly repay their loans, with SMEs recording cash outflows from financing activities of over € 130 million within the last three year period.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**12%** of the total companies of the sector,<br>**7%** of the total sales of the sector,<br>**32%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**17%** of the total companies of the sector,<br>**57%** of the total sales of the sector,<br>**26%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**52%** of the total companies of the sector,<br>**17%** of the total sales of the sector,<br>**29%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**19%** of the total companies of the sector,<br>**19%** of the total sales of the sector,<br>**13%** of the total borrowings of the sector. |

## CONCLUSIONS
### Plastics Sector

- Constant increase in turnover recorded by 6 Mega and Large companies forms the positive performance of the sector; however, 65 SMEs record constant and significant decrease in sales.
- Steadily positive working capital of the sector within the entire period under survey, with SMEs steadily recording lower ratios.
- The sector records lower levels of loan burdening versus the general total.
- SMEs record loan burdening, standing at higher levels than the sector's average, but steadily lower than that of the general total.
- The sector presents steadily higher EBITDA margin than the general total, exceeding 9,8% in 2013, while it is worth mentioning that no particular variations are recorded among the sector's categories.
- Positive cash flows from operating activities and coverage of the companies' financial costs through their operating results.
- Cash outflows from investing activities are recorded at low levels, representing only approximately 3-4% of the sector's total sales annually.
- The total of the sector's companies finance their operations through equity, keeping borrowings at lower levels versus equity, with cash flows from financing activities mainly pertaining to loan repayments.
- The sector's SMEs are under great pressure, recording significant needs for strengthening their working capital, but maintain profit margins at the general levels recorded by the sector.

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# Production & Wholesale of Electrical & Electronic Household Goods Sector

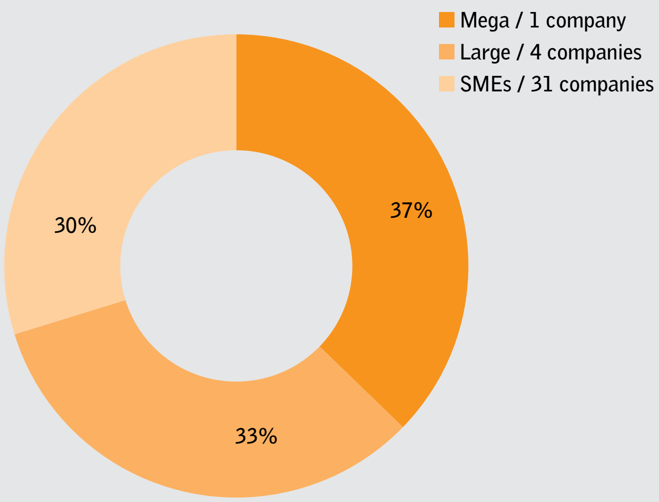
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

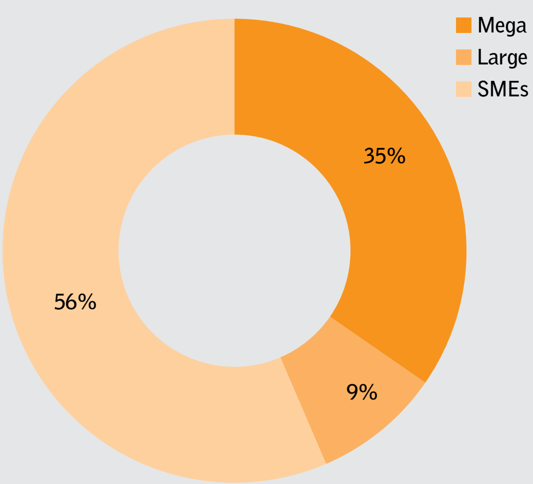
- **36** εcompanies represent **83%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- One Mega company of the sector represents 37% of the total sector's sales in 2013.

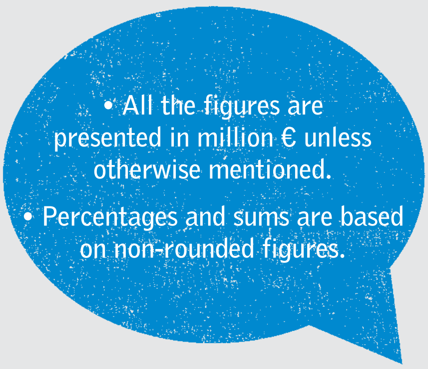
### Headcount 2013




- In 2013, 35% of the sector's headcount are employed by the Mega company.

## Sector Characteristics

- The sector particularly affected by the general economic environment and available income of the consumers.
- The sector records a decrease in sales, mainly due to the decline in domestic market demand, and low profit margins.
- The nature of the sector's products (consumer durables) results in greater reduction in their demand, causing a more drastic fall in the sector's sales.
- Domestic market does not present particular prospects for growth; therefore, the companies compete in order to increase their market share.
- The sector is characterized by intense competition, thus decreasing profit margins.
- The sector is mainly financed through the companies' equities.
- Significant economies of scale can be created through successful organization of chains network.

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## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity regarding the companies' financial performance. |
| **Does a small number of companies dominate the sector?** | 5 companies perform 70% of the sector's sales. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | In the last two years, in particular, the sector records lower EBITDA Margin than that of the general total, burdened equity and positive working capital. |
| **Has the sector overcome the economic crisis?** | The sector's sales are decreased, but present a general trend towards stabilization within the last three year period. Respectively, EBITDA Margin records an upward trend, with decrease in total borrowings. Generally, the indications of the sector's course of development strengthen the sector's prospects regarding overcoming the crisis. |
| **How hard was it for the sector to face the crisis?** | Obviously, the sector was adversely affected by the crisis. The sales decreased by 41% in the period 2009-2013; profit margins – by approximately 1,5% within the same period, in line with the marginal increase in total borrowings, in particular short-term borrowings, till 2011 inclusively. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records higher losses than those presented by the Greek Economy. |
| **What is the financial performance of the sector's SMEs?** | Steadily higher average borrowing interest rates and high borrowings versus the companies' equity, in line with the marginal coverage of financial expenses through operating profits are the reasons behind the sector's unfavorable performance. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked to the size. Large companies of the sector record better performance regarding financial ratios. |
| **What are the prospects for the sector?** | It seems that there is little room for growth regarding the sector as a whole in sizes apart from those recorded in the last five years, mainly through competitive pricing policy and availability of new branded products in the Greek market.<br>Further strengthening of exports through development of new stores in emerging markets due to lower demand recorded in the domestic market, is something that should be taken into account regarding the sector's growth. |

# CONDENSED FINANCIAL DATA

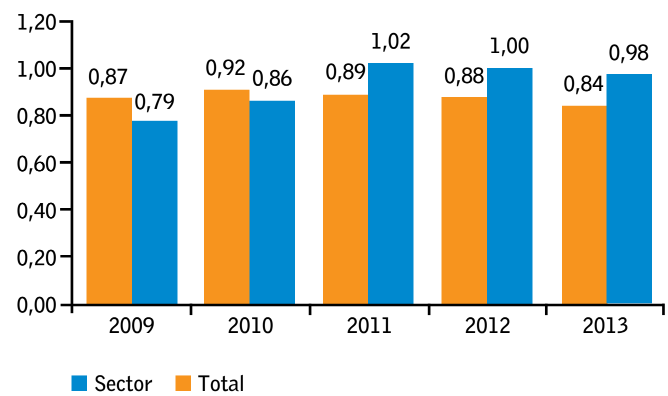
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 580 | 634 | 672 | 595 | 553 |
| Current Assets | 604 | 686 | 763 | 904 | 1.069 |
| **Total Assets** | **1.184** | **1.320** | **1.435** | **1.498** | **1.622** |
| **Equity** | **415** | **465** | **496** | **545** | **566** |
| Long-term Loan Liabilities | 160 | 212 | 213 | 189 | 244 |
| Other Long-term Liabilities | 76 | 89 | 87 | 101 | 83 |
| **Total Long-term Liabilities** | **236** | **300** | **300** | **289** | **327** |
| Short-term Loan liabilities | 248 | 253 | 294 | 281 | 202 |
| Other Short-term Liabilities | 285 | 302 | 345 | 383 | 527 |
| **Total Short-term Liabilities** | **534** | **555** | **639** | **664** | **729** |
| **Total Liabilities** | **770** | **855** | **939** | **954** | **1.056** |
| **Total Equity and Liabilities** | **1.184** | **1.320** | **1.435** | **1.498** | **1.622** |
| Working Capital | 70 | 131 | 124 | 239 | 341 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.083 | 1.186 | 1.262 | 1.577 | 1.826 |
| EBITDA | 69 | 54 | 63 | 79 | 141 |
| EBIT | 42 | 20 | 32 | 50 | 112 |
| EBT | -13 | -24 | -85 | 1 | 90 |
| EAT | -21 | -28,0 | -94 | -19 | 55 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 1,0 | 1,0 | 1,0 | 0,9 | 0,8 |
| Current Assets/ Short-term Liabilities | 1,1 | 1,2 | 1,2 | 1,4 | 1,5 |
| EV/EBITDA | 11,0 | 15,6 | 14,0 | 11,5 | 6,0 |
| EBITDA Margin | 6,3% | 4,5% | 5,0% | 5,0% | 7,7% |

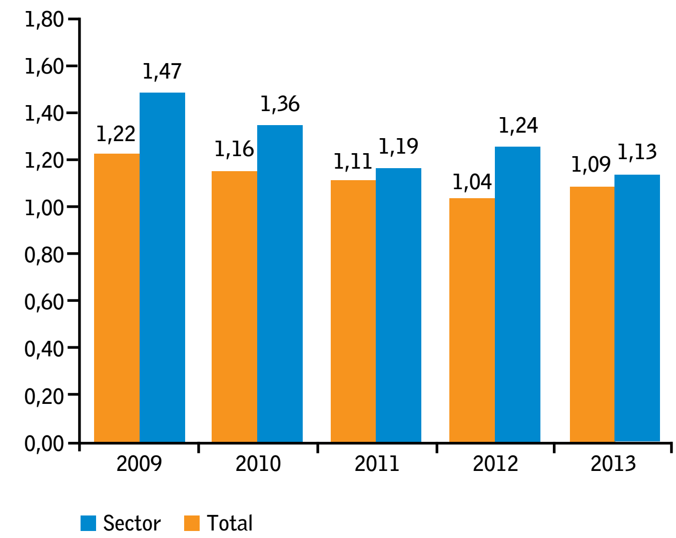
### Loan Liabilities / Equity




- The sector increases its loan burdening, recording it over the general total from 2011 onwards.

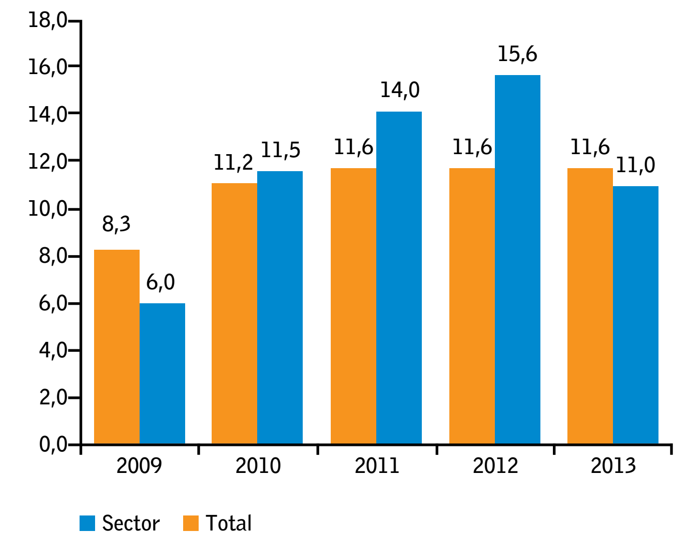
 

### Current Assets / Short-term Liabilities



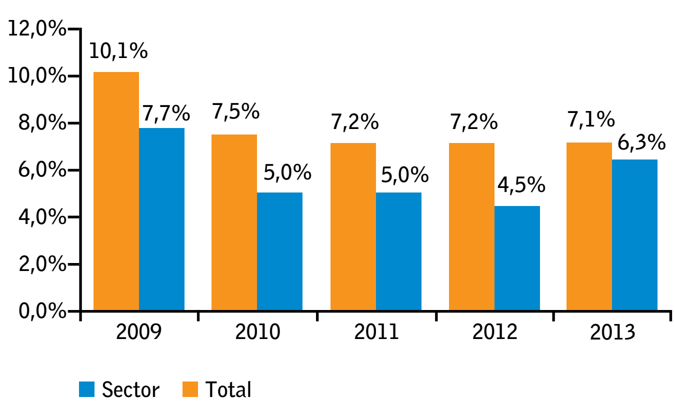

- The sector's companies present positive, though steadily decreasing working capital. Current assets to short-term liabilities ratio is higher than that recorded by the general total.

### EV/EBITDA



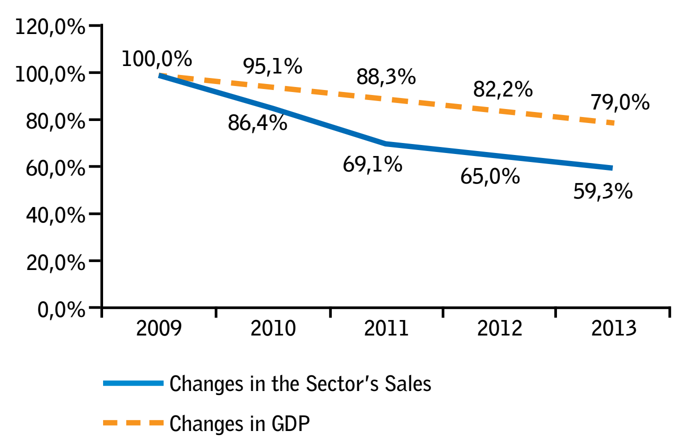

- The sector's companies present higher performance in EV/EBITDA ratio versus the general total. In 2013, the general total and the sector record similar results.

### EBITDA Margin




- The sector steadily records lower profit margin than the general total. It seems that in order to balance the decline in sales, the companies decreased the profit margins.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Higher losses are recorded by the sector than those presented by the Greek Economy, due to the decline in the purchasing power of the consumers.

# SECTOR ANALYSIS

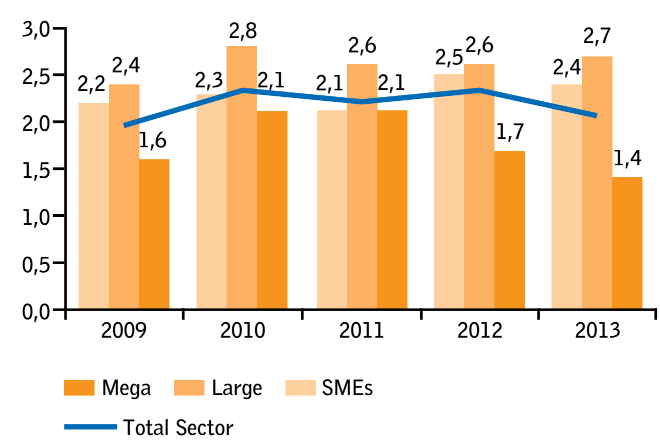
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -9 | 12 | -10 | 14 | 67 |
| Large | 52 | 89 | 106 | 136 | 147 |
| SMEs | 27 | 30 | 27 | 90 | 126 |
| **Total Sector Working Capital** | **70** | **131** | **124** | **239** | **341** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 37 | 68 | 101 | 134 | 127 |
| Large | 112 | 130 | 134 | 150 | 170 |
| SMEs | 169 | 185 | 184 | 236 | 246 |
| **Total Sector Working Capital** | **319** | **384** | **418** | **520** | **542** |

** Borrowings are not included*

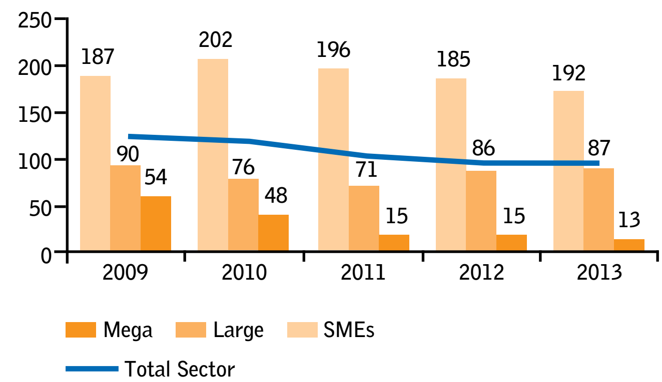
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

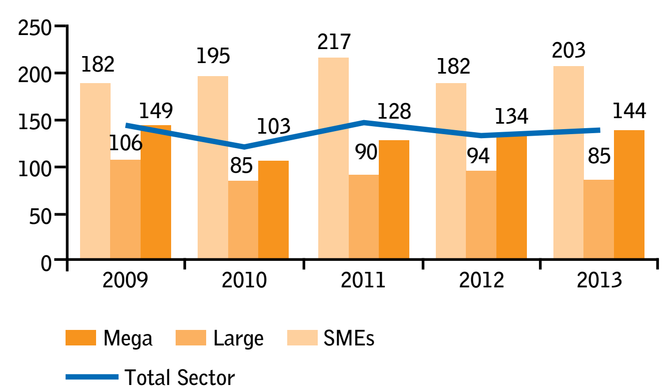
- The Mega company of the sector steadily presents higher and all the more increasing need for financing.
- As far as the Large companies of the sector are concerned, the ratio indicates stability, in particular in the last three year period, while SMEs record similar results.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportionate to the size of the companies, with SMEs substantially falling behind the other categories.
- The Mega company of the sector records very small period of collecting receivables, mainly due to its operations related to retail sale.

### Average Period of Paying Liabilities




- The average period of paying liabilities fluctuates around 4 months, with SMEs recording steadily more favorable margins regarding their suppliers' payments.
- The Mega company of the sector records directly opposite performance regarding settling its liabilities versus collecting its receivables.

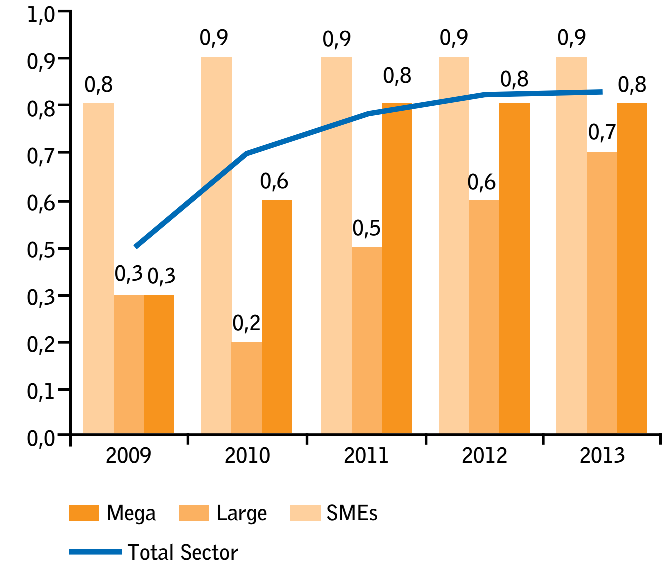
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 129 | 138 | 143 | 116 | 58 |
| Large | 65 | 65 | 61 | 25 | 32 |
| SMEs | 144 | 173 | 182 | 220 | 185 |
| **Total Sector** | **337** | **376** | **386** | **362** | **274** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 10 | 12 | 8 | 7 | 7 |
| Large | 5 | 5 | 3 | 2 | 4 |
| SMEs | 13 | 15 | 14 | 11 | 11 |
| **Total Sector** | **28** | **31** | **25** | **19** | **23** |

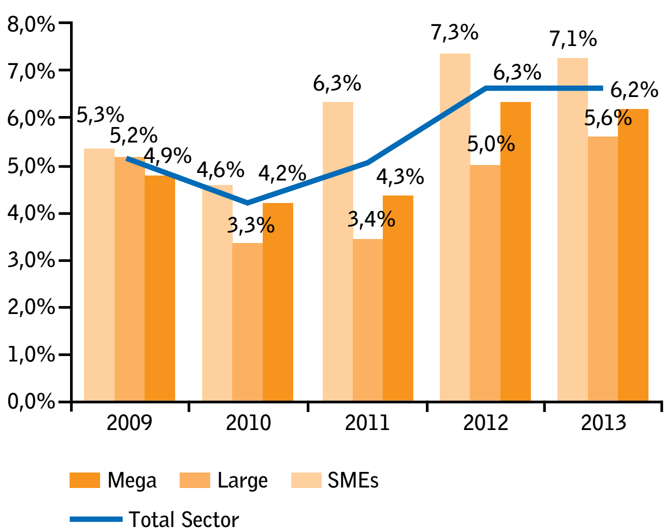
- The Mega company steadily increases its net borrowings till 2011 inclusively and proceeds with repaying its loans within the last two years.
- In 2013, the sector's SMEs make attempts to reduce their net borrowings, also slightly decreasing their financial expenses.

### Net Borrowings / Equity



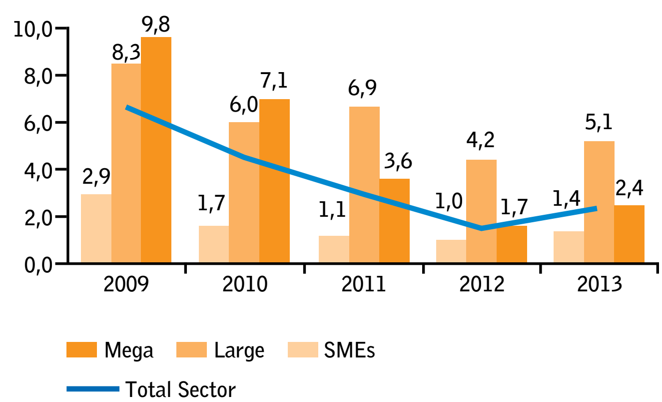

- The Mega company and SMEs record stable levels of loan burdening within the last three year period. Regarding the Large companies, the ratio marginally and steadily increases in the respective period.
- In general, SMEs record higher loan burdening due to gradual decrease in their equity.

### Average Borrowing Interest Rate




- The sector's average interest borrowing rate, standing at 5,2% in 2009 and at 4,3% in 2010, increases within the five year period, reaching 6,5% in 2013.
- Borrowing costs are steadily higher for SMEs, while the Large companies borrow at steadily lower rates within the last four year period.

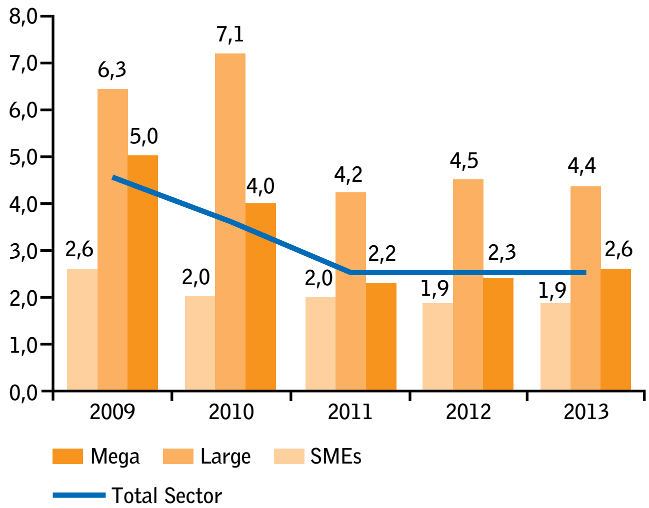
### EBITDA / Financial Expenses




- In 2013, improvement in the sector's EBITDA in line with the marginal decrease in financial expenses versus the previous assisted to improve the ratio.
- As a total, within the five year period, the increase in costs of financing in line with the decrease in operating profits, reduced almost by four times the sector's companies ability to cover the costs of their financing though operating profits.
- Regarding SMEs performance in the aforementioned ratio, it is to be noted that they borrow at steadily higher interest rates within the five year period.

### Sales / Total Borrowings




- Large companies record the best performance in the particular ratio, while SMEs and the Mega company substantially fall behind within the last three year period.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -17 | -18 | -200 | -114 |
| *(percentage)* | -4% | -4% | -31% | -15% |
| Large | -37 | -21 | -45 | -54 |
| *(percentage)* | -9% | -5% | -10% | -11% |
| SMEs | -49 | -36 | -70 | -81 |
| *(percentage)* | -13% | -9% | -15% | -15% |
| **Total Sales of the Sector** | **-103** | **-76** | **-315** | **-249** |
| ***(percentage)*** | **-9%** | **-6%** | **-20%** | **-14%** |

- As a total, the sector presents similar performance; however, the decrease in sales is more evident regarding the Mega company of the sector.

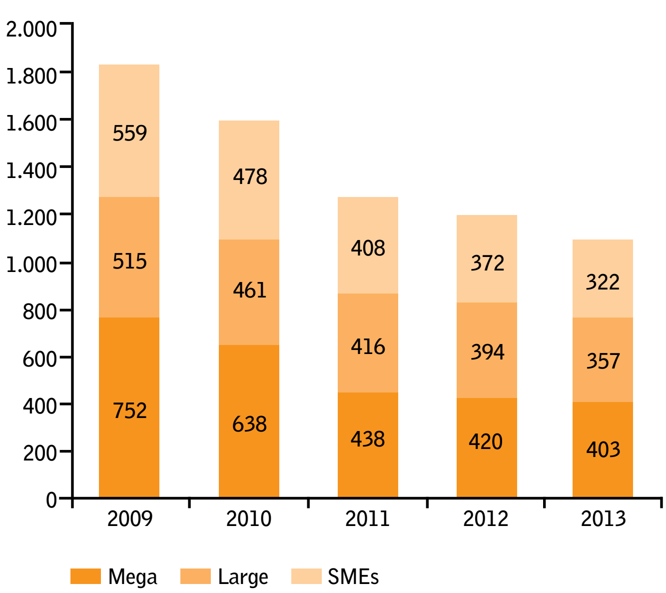
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 403 | 420 | 438 | 638 | 752 |
| Large | 357 | 394 | 416 | 461 | 515 |
| SMEs | 322 | 372 | 408 | 478 | 559 |
| **Total Sector** | **1.083** | **1.186** | **1.262** | **1.577** | **1.826** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 25 | 20 | 28 | 47 | 73 |
| Large | 24 | 20 | 19 | 14 | 35 |
| SMEs | 19 | 14 | 16 | 18 | 33 |
| **Total Sector** | **69** | **54** | **63** | **79** | **141** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -5,8 | -11,7 | 4,1 | 27,8 | 53,3 |
| Large | 15,0 | 7,2 | 9,4 | 5,9 | 26,2 |
| SMEs | -22,1 | -19,1 | -98,8 | -32,7 | 10,7 |
| **Total Sector** | **-12,9** | **-23,6** | **-85,3** | **1,0** | **90,2** |

### Sales




- The sector records significant decrease in operating profits, with the Mega company presenting the biggest reductions in line with the substantial losses recorded in its sales.
- SMEs record significant losses before tax, while the Mega company presents losses within the last two years.
- Large companies of the sector managed to maintain their profitability, while in 2013 they doubled their profits before tax versus the previous year.

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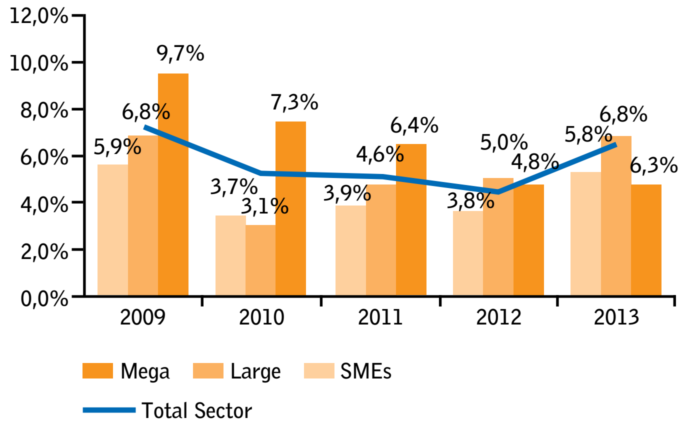
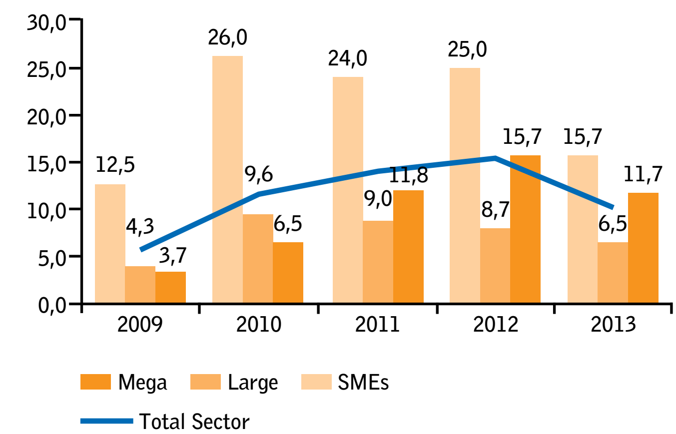
### EBITDA Margin




- Large companies of the sector, at average, maintain higher EBITDA margin in the last two years.
- The Mega company of the sector decreased its EBITDA margin by 3,4% in the last five year period.

### EV /EBITDA




- Large companies of the sector steadily present better performance in respect of EV/EBITDA ratio, which is steadily lower in the last three years.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 22 | 22 | 50 | -29 |
| Large | 4 | 2 | 20 | 27 |
| SMEs | 36 | 21 | 39 | 19 |
| **Total Sector** | **62** | **45** | **109** | **17** |

- The sector's cash flows from operating activities are recorded increased in 2013, while, as a total, the sector managed to maintain positive cash flows from operating activities within the entire five year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -16 | -17 | -77 | -16 |
| Large | 6 | 4 | -46 | -9 |
| SMEs | -4 | 0,5 | -25 | -12 |
| **Total Sector** | **-15** | **-12** | **-147** | **-37** |

- The sector records lower cash outflows from investing activities in the four year period, apart from 2011, when significant investments were performed.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -20 | -20 | 39 | -6 |
| Large | -15 | -22 | 24 | -28 |
| SMEs | -30 | -25 | -12 | -10 |
| **Total Sector** | **-65** | **-67** | **52** | **-44** |

- No significant changes are recorded regarding cash flows from financing activities in the last four year period, with the exception of 2011, when the sector received financing due to significant investing activities performed within the year in question.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**7%** of the total companies of the sector,<br>**2%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**9%** of the total companies of the sector,<br>**6%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**51%** of the total companies of the sector,<br>**61%** of the total sales of the sector,<br>**97%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**33%** of the total companies of the sector,<br>**31%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |

## CONCLUSIONS
### Production & Wholesale of Electrical & Electronic Household Goods Sector

- The sector records significant decline in turnover, which is particularly intense in the Mega company.
- As far as the Mega company of the sector is concerned, the decline in sales has decreased the profit margin.
- Large companies are better in adjusting their operating expenses to the current conditions. Therefore, the decrease in their sales only slightly affected their profit margins and the companies recorded profits before tax within the entire five year period.
- Despite decreases in their profit margins, recorded within the five year period, in 2013, SMEs managed to return to the levels recorded in 2009, adjusting their operating expenses to the losses recorded in their sales.
- When borrowings are recorded, the increase in interest rates and the decrease in profit margins results in recording EBITDA, which, in many cases, is not sufficient in order to cover financial expenses.
- In 2013, the sector's companies record increase in cash flows from operating activities despite the decrease in sales and operating profits, thus indicating relatively good management of working capital.

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# Production of Alcoholic Beverages Sector

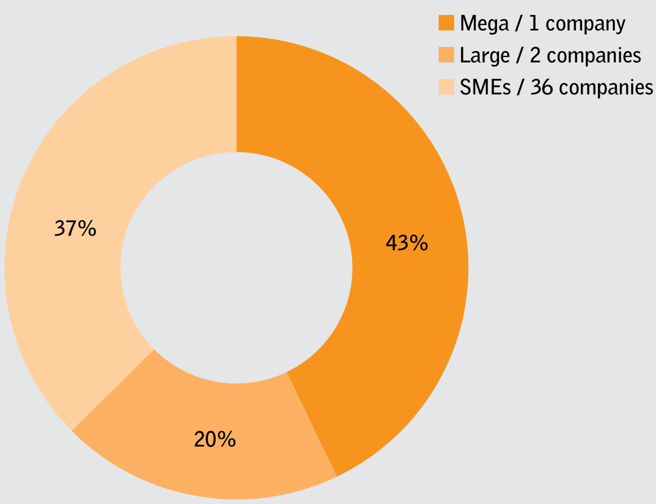
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

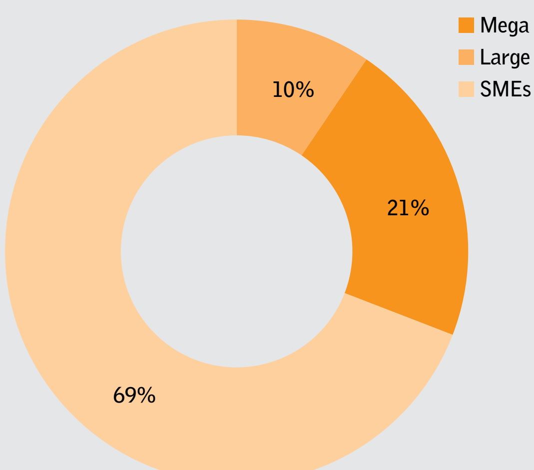
- **39** companies represent over **73%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 1 Mega company represents 43% of the sector's total sales in 2013.

### Headcount 2013




- 69% of the sector's headcount are employed by 36 SMEs.

## Sector Characteristics

- The sector that apart from privately owned companies also includes cooperatives, with low market shares but high quality products.
- Different application between alcoholic beverages under the Excise Duty on Alcoholic Beverages (EFKOP), with the highest rate applicable to alcoholic drinks, while local spirits are calculated at half. Beer is taxed differently, at a lower level (at approximately $^1/_4$ of EFKOP), while wine tax is zero.
- Regarding the tax regime on local spirits (for own consumption or for limited marketing), the tax rate is at about 1/10 compared to the official bottled Greek pomace brandy (tsipouro).
- In the last five years, the Excise Duty on Alcoholic Beverages (EFKOP) increased by 125% and VAT – raised to 23%.
- The sector was adversely affected by the decline in purchasing power of the consumers due to the economic crisis, as a result of which the consumers changed the usual ways of entertainment and shifted their interest to producers of no-name stills of lower value and to dubious quality products.
- Based on statistics, there has been recorded an increase in illegal alcohol trade consumption in Greece, with the highest incidences being identified, however, mainly in cheaper tourist areas or places servicing occasional customers.
- Losses in sales arise from illegal trade in alcoholic beverages, which because of the increased EFKOP, has multiplied.
- It is estimated that in addition to the quantities produced under the official arrangements, there are actually produced larger quantities for commercial use exploiting the low taxation of stills.

• All the figures are presented in million € unless otherwise mentioned.
• Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | There is no homogeneity in the sector, with SMEs recording higher borrowings than the other companies and the Large companies presenting increase in sales and maintaining their profit margins. |
| **Does a small number of companies dominate the sector?** | One company of the sector holds 43% of the market share and records zero borrowings while the Large companies that double their sales in 2013, hold only 20% of the market share. These companies define the performance of brewing subsector. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector records lower loan burdening than the general total, maintaining steadily positive working capital in the five year period. However, higher profit margins recorded in the previous years marginally exceed the general total in 2013. |
| **Has the sector overcome the economic crisis?** | Steadily decreasing profit margins, which are recorded by all the categories of the companies, as well as the decrease in sales, indicate that the sector has not overcome the economic crisis. |
| **How hard was it for the sector to face the crisis?** | Although in 2009 the sector recorded profit margins over 20%, in 2013 it records a profit margin of 9.8%, with EBITDA having decreased by over 59% and profits before tax equaling zero. The volume of sales of alcoholic beverages is estimated to have declined by about 45% during the period. Nevertheless, the decrease is not the same regarding the different categories of alcoholic beverages. In some categories, such as beer and wine, a clearly milder decline has been recorded compared with the other spirits (mainly imported drinks and ouzo), while growth in sales volumes is recorded in the category of bottled Greek pomace brandy (tsipouro). |
| **What is the sector's course of development compared to that of the Greek Economy?** | The key factors that shape the market are the disposable income of consumers and product prices.<br>The sector follows the negative course of the Greek Economy, however recording milder decline mainly due to the substitution of expensive imported spirits, where the decline is significantly greater than that recorded in domestically produced alcoholic drinks. |
| **What is the financial performance of the sector's SMEs?** | SMEs hold 37% of the market, recording higher bank loans but lower borrowing interest rates than the other categories of the sector's companies, with stable sales and almost unchanged profit margins. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | The Mega company of the sector holds 43% of the market share, recording, within the five year period, decrease in sales of 30%, decrease in profit margins of 75% and zero profits before tax, while the Large companies of the sector record increases in sales, mainly at the expenses of the Mega company. SMEs maintain their profit margins. |
| **What are the prospects for the sector?** | As far as the State is concerned, a gradual deceleration of the Excise Duty on Alcoholic Beverages (EFKOP) in line with increased controls on the market performed by the competent authorities in order to combat illegal trade can bring nothing but benefits to the sector's companies.<br>Through advertisements and other promotional activities, as well as by improving their distribution networks and the direct discharge of their products nationwide, the companies may see their profit margins to recover.<br>Moreover, making use of seasonal factors that increase demand, such as tourism, can also have a positive impact on the results of sector companies, increasing their market shares. |

## CONDENSED FINANCIAL DATA

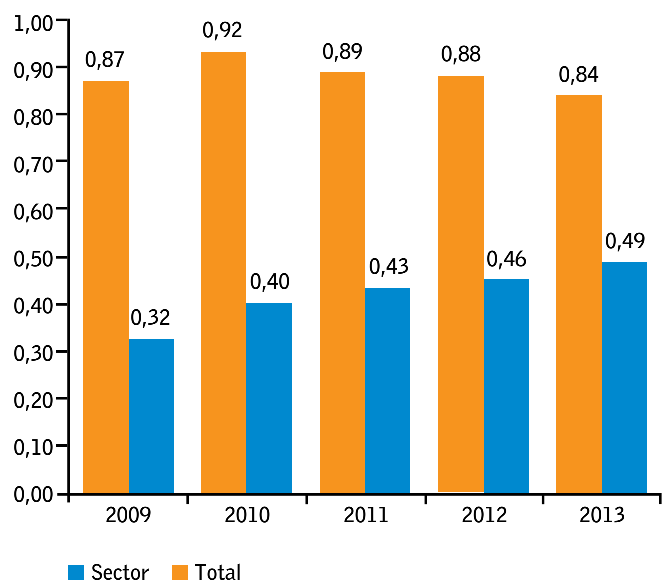
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 433 | 439 | 440 | 455 | 461 |
| Current Assets | 503 | 513 | 537 | 576 | 667 |
| **Total Assets** | **935** | **952** | **978** | **1.032** | **1.128** |
| **Equity** | **421** | **434** | **455** | **496** | **596** |
| Long-term Loan Liabilities | 91 | 114 | 71 | 80 | 74 |
| Other Long-term Liabilities | 72 | 76 | 83 | 82 | 87 |
| **Total Long-term Liabilities** | **163** | **190** | **155** | **161** | **161** |
| Short-term Loan liabilities | 115 | 85 | 122 | 118 | 115 |
| Other Short-term Liabilities | 236 | 243 | 246 | 256 | 257 |
| **Total Short-term Liabilities** | **351** | **328** | **369** | **374** | **372** |
| **Total Liabilities** | **514** | **518** | **523** | **535** | **532** |
| **Total Equity and Liabilities** | **935** | **952** | **978** | **1.032** | **1.128** |
| Working Capital | 152 | 186 | 169 | 202 | 295 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 734 | 733 | 765 | 783 | 804 |
| EBITDA | 72 | 97 | 124 | 148 | 176 |
| EBIT | 10 | 37 | 69 | 89 | 123 |
| EBT | -3 | 23 | 56 | 81 | 117 |
| EAT | -13 | 15 | 40 | 28 | 75 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,5 | 0,5 | 0,4 | 0,4 | 0,3 |
| Current Assets/ Short-term Liabilities | 1,4 | 1,6 | 1,5 | 1,5 | 1,8 |
| EV/EBITDA | 7,9 | 5,9 | 4,8 | 3,8 | 3,1 |
| EBITDA Margin | 9,8% | 13,2% | 16,2% | 18,9% | 21,9% |

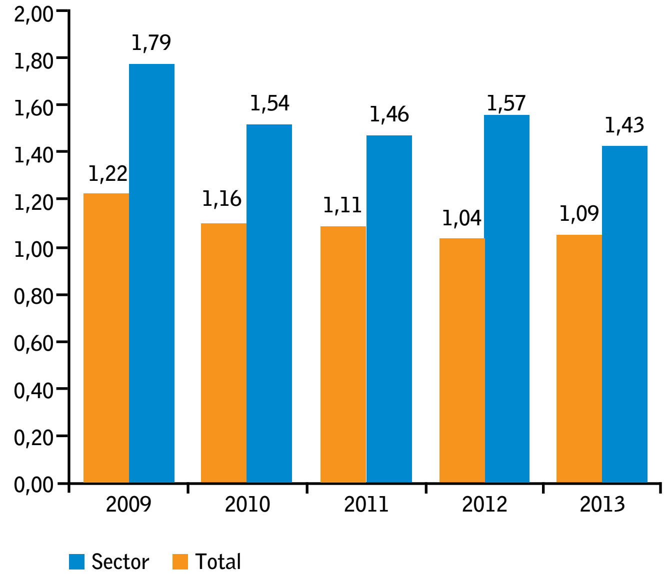
### Loan Liabilities / Equity




- The sector maintains low and marginal borrowings within the five year period, with marginal changes in ratio being due to changes in equity and loss bearing results recorded in 2013.

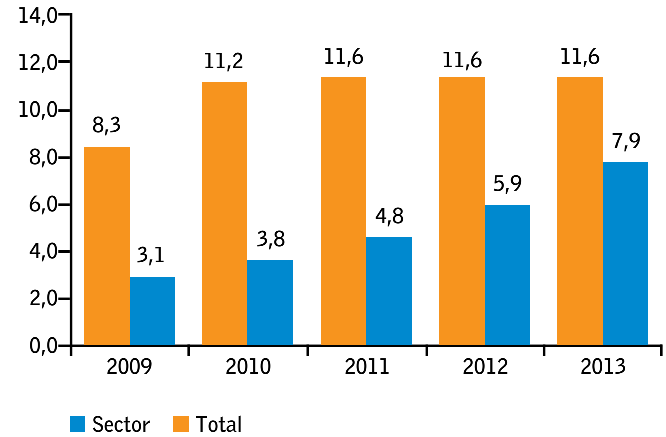
 

### Current Assets / Short-term Liabilities



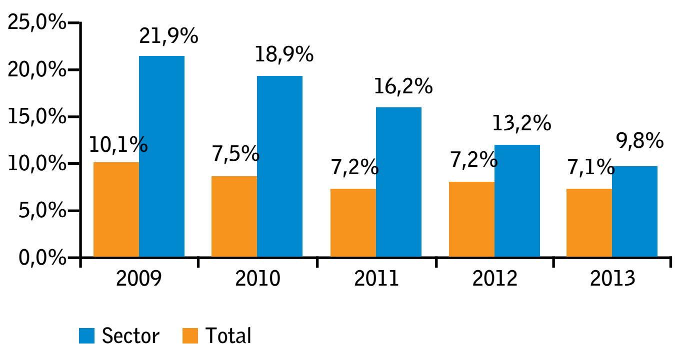

- The sector presents a substantially higher working capital than the general total, maintaining its borrowing at low levels.

### EV/EBITDA



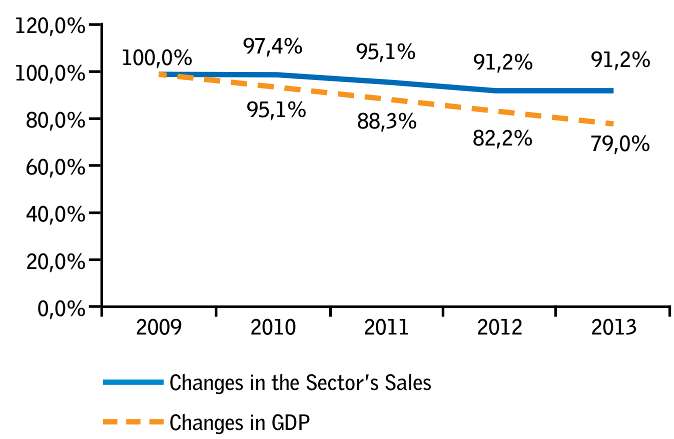

- Low loan burdening as well as high, despite the losses, profit margin keep the investment interest of the sector at high levels.

### EBITDA Margin




- Exceptionally high profit margin recorded by the sector versus the general total in the last five years decreased by 10% in respect of EBITDA margins, due to 125% increase in EFROP, on one hand, and to decrease in the purchasing power, which led consumers to lower per capita consumption and to no-name products. The profit margin might have been worse, if domestically produced alcoholic beverage had not been used as substitute products (eg beer, wine, ouzo, pomace brandy) for imported beverages.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector recorded losses in line with the losses presented by the Greek Economy. The losses of overall sector, including other imported spirits (whiskey, vodka, gin etc) are much larger than the decline in GDP. However, the sector recorded a clearly milder downturn, as many of these products were substitutes for other imported spirits.

# SECTOR ANALYSIS

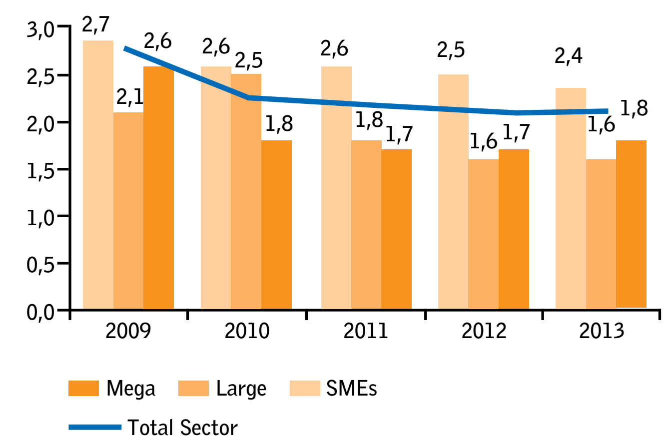
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 60 | 53 | 64 | 83 | 173 |
| Large | 8 | 9 | 9 | 19 | 21 |
| SMEs | 84 | 123 | 95 | 101 | 101 |
| **Total Sector Working Capital** | **152** | **186** | **169** | **202** | **295** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 60 | 53 | 64 | 83 | 173 |
| Large | 23 | 21 | 23 | 33 | 21 |
| SMEs | 185 | 197 | 204 | 204 | 215 |
| **Total Sector Working Capital** | **267** | **271** | **291** | **320** | **410** |

** Borrowings are not included*

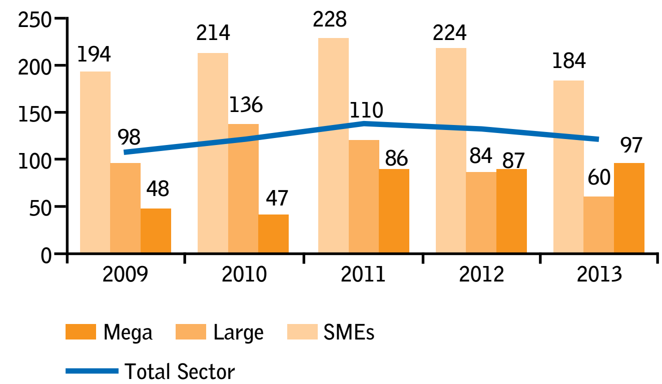
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

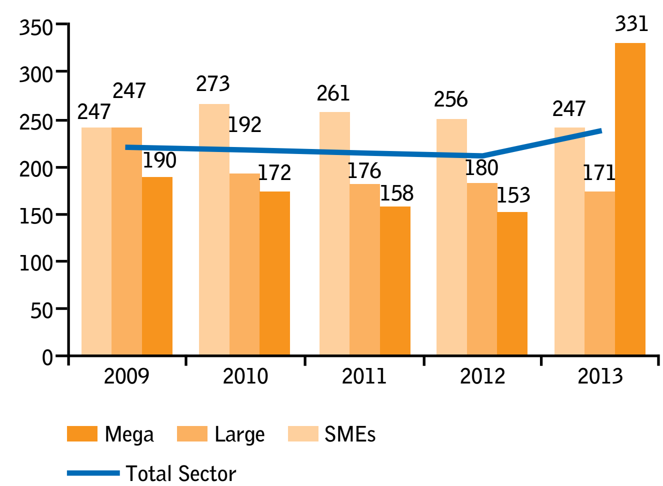
- SMEs present no need for financing within the five year period, while Mega and Large companies record a worse performance regarding the ratio, however, maintaining positive working capital and mainly financing their operating activities through long-term suppliers' credit limits.

### Average Collection Period of Receivables




- Particularly high average collection period of receivables regarding SMEs that exceeds three months, falling behind the other categories, while making SMEs more vulnerable to credit risk.

### Average Period of Paying Liabilities




- Large companies and SMEs record the average period of paying liabilities of over 5 and 8 months respectively presenting higher period of paying liabilities than collecting receivables within the five year period.
- Suppliers repayment margins are obviously more favorable for the Mega company that in 2013 approach one year, at least 8 months longer than the average collection period of receivables, thus establishing its leading role in the market.

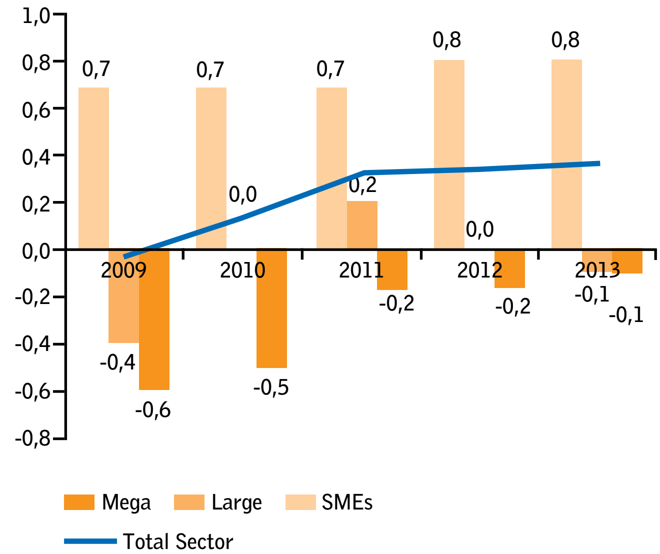
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -19 | -29 | -30 | -107 | -196 |
| Large | -5 | -2 | 9 | 2 | -20 |
| SMEs | 169 | 168 | 163 | 168 | 175 |
| **Total Sector** | **145** | **138** | **142** | **63** | **-41** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 0 | 0 | 0 | 0 | 0 |
| Large | 2 | 2 | 2 | 1 | 0 |
| SMEs | 11 | 12 | 11 | 8 | 9 |
| **Total Sector** | **14** | **14** | **13** | **9** | **9** |

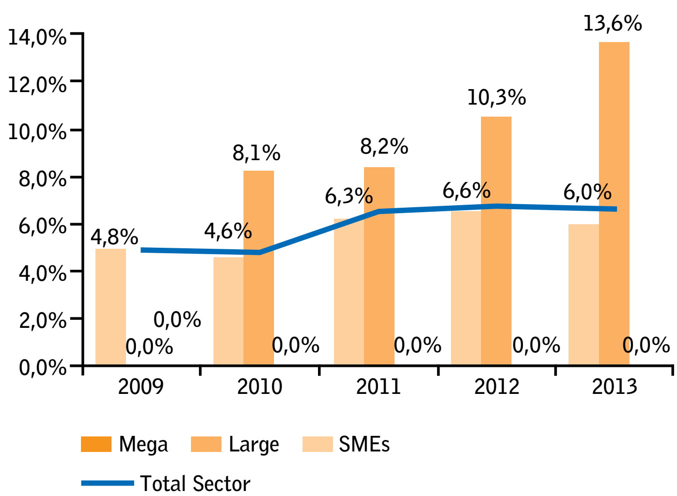
- The Mega company records zero bank loans, while the Large companies fully repay their net borrowings in the last two years and SMEs maintain practically unchanged borrowings.

## Net Borrowings / Equity



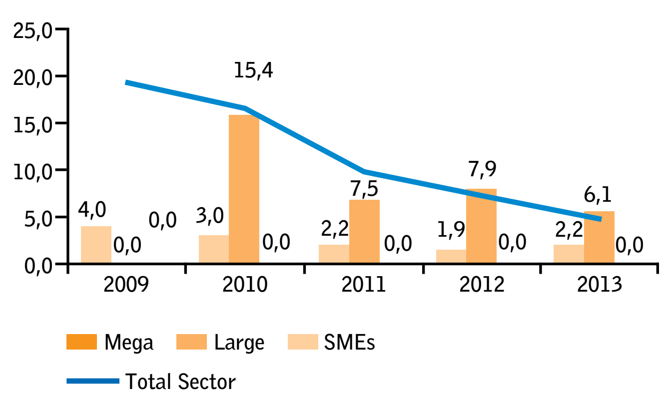

- Mega company and Large companies have zero net borrowings, while SMEs maintain borrowings at low levels.

## Average Borrowing Interest Rate




- Large companies record higher borrowing rate, mainly due to higher short-term borrowings, while SMEs achieve lower rates by balancing short-term and long-term borrowings.

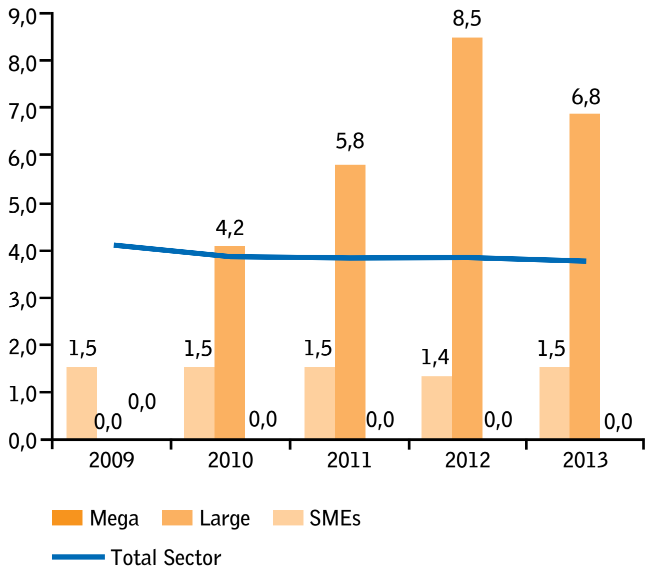
## EBITDA / Financial Expenses




- In 2009, Large companies record zero borrowings, while their operating profits cover the financial costs within the remaining four year period.
- Despite the losses recorded in the first two years, SMEs steadily cover their financial costs within the last three year period. Even if the interest rates increase and reach particularly high levels, they will be in position to marginally cover payment of interests.

### Sales / Total Borrowings




- Particularly high ratio for Large companies, with SMEs covering their loan liabilities through sales by approximately 1,4. SMEs record less favorable ratio that the general total, standing at 2,3.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -27 | -48 | -51 | -8 |
| *(percentage)* | -8% | -12% | -12% | -2% |
| Large | 15 | 20 | 24 | 20 |
| *(percentage)* | 11% | 18% | 28% | 30% |
| SMEs | 12 | -3 | 9 | -33 |
| *(percentage)* | 5% | -1% | 4% | -11% |
| **Total Sales of the Sector** | **0,5** | **-32** | **-19** | **-21** |
| ***(percentage)*** | **0,1%** | **-4%** | **-2%** | **-3%** |

- Mega company records losses of market share, though Large companies double their market share within the five year period at the expenses of the Mega company, given that they offer extremely competitive products that have won the sympathy of the consumers. The market share held by SMEs remains relatively stable.

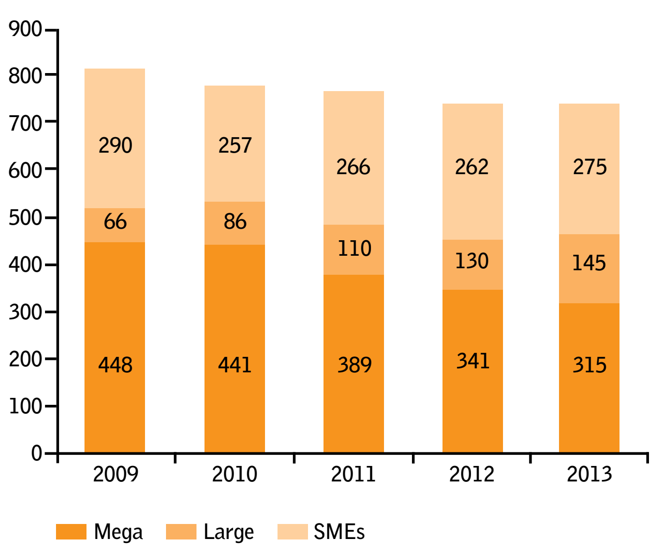
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 315 | 341 | 389 | 441 | 448 |
| Large | 145 | 130 | 110 | 86 | 66 |
| SMEs | 275 | 262 | 266 | 257 | 290 |
| **Total Sector** | **734** | **733** | **765** | **783** | **804** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 32 | 61 | 87 | 109 | 130 |
| Large | 15 | 14 | 12 | 13 | 10 |
| SMEs | 24 | 22 | 25 | 26 | 36 |
| **Total Sector** | **72** | **97** | **124** | **148** | **176** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -6.4 | 29.2 | 61.4 | 79.1 | 102.5 |
| Large | 6.5 | 3.4 | 0.4 | 4.4 | 5.9 |
| SMEs | -3.5 | -9.4 | -5.7 | -2.2 | 8.6 |
| **Total Sector** | **-3.5** | **23.1** | **56.1** | **81.3** | **117.0** |

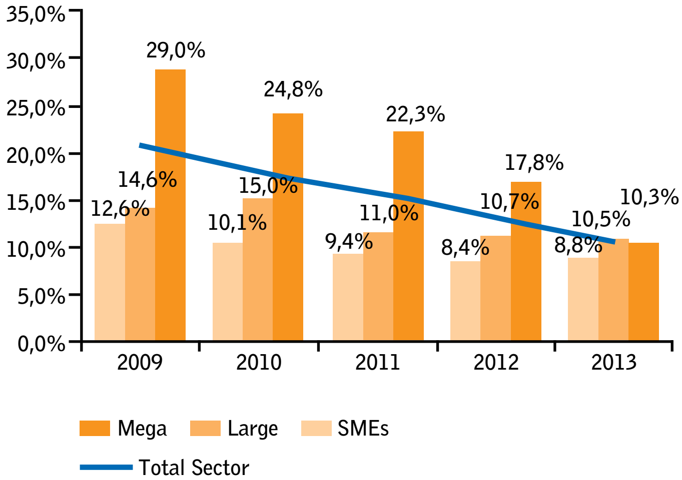
### Sales




- Mega company and SMEs record losses before tax while the Large companies record higher profits before tax in 2013 than in 2009, benefiting from the significant increase in sales due to the shift in consumer preferences, as well as to the search for lower final value alcohol products.

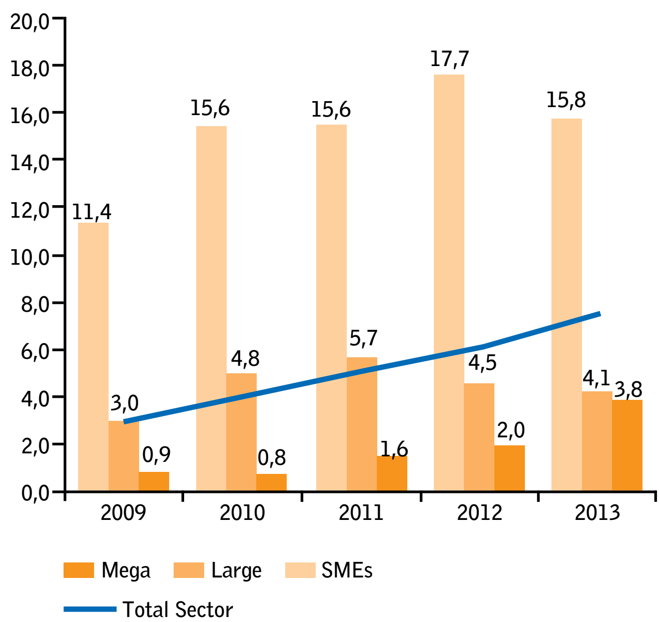
 

### EBITDA Margin




- Mega company records decrease in profit margins over 18% in the five year period despite significant cuts in operating costs, as a result of the decline in sales and drastic increases in taxation. Large companies and SMEs record marginal losses of approximately 3,8% mainly due to the increase in taxation.

### EV /EBITDA




- Mega company and Large companies are steadily more investment attractive.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 26 | 43 | 54 | 57 |
| Large | 27 | 23 | 13 | -10 |
| SMEs | 33 | 26 | 23 | 29 |
| **Total Sector** | **85** | **92** | **90** | **76** |

- In 2013, Large companies record positive cash flows from operating activities, doubling their market share.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -30 | -9 | -57 | -20 |
| Large | -23 | -10 | -10 | -20 |
| SMEs | -20 | -26 | -6 | -16 |
| **Total Sector** | **-72** | **-45** | **-72** | **-57** |

- The sector records relatively stable cash flows from investing activities in the five year period.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -6 | -36 | -74 | -126 |
| Large | 5 | -6 | -2 | 30 |
| SMEs | -13 | 4 | -15 | -17 |
| **Total Sector** | -13 | -37 | -91 | -114 |

- In 2013, the sector's financing activities are burdened.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Moonlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**27%** of the total companies of the sector,<br>**11%** of the total sales of the sector,<br>**23%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**22%** of the total companies of the sector,<br>**21%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**36%** of the total companies of the sector,<br>**16%** of the total sales of the sector,<br>**58%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**52%** of the total sales of the sector,<br>**15%** of the total borrowings of the sector. |

## CONCLUSIONS
## Production of Alcoholic Beverages Sector

- Low loan burdening of the sector versus the general total, with bank burdening mainly recorded by SMEs.
- The segment presents higher profit margins than the general total, with losses exceeding 10% within the five year period.
- Decrease in sales by 30% for the Mega company and by 5% for SMEs within the five year period, while Large companies double their sales.
- As far as market share is concerned, Large companies have absorbed the total losses recorded by the Mega company.
- Mega company records more favorable supplier payment margins, with the average period approaching one year, while regarding the other companies, it stands at 5 months.
- In 2013, the Mega company and SMEs record losses before tax, while Large companies record higher profits versus 2009.

 | 

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# Professional Services Sector

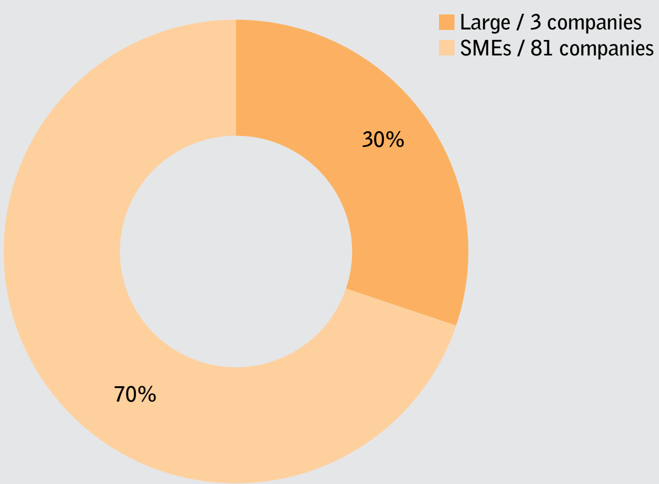
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

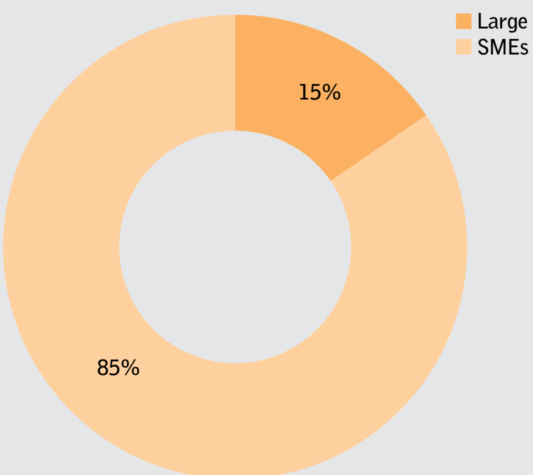
- **84** companies represent over **90%** of the sector's total operations
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 3 companies represent 30% of the sector's total sales in 2013.

### Headcount 2013




- 85% of the sector's headcount are employed in 81 SMEs companies.

## Sector Characteristics

- The sector that plays a significant part in the country's economy.
- The sector's sales are decreased within the entire five year period.
- Any decrease in sales significantly affects profit margins and the working capital of the companies.
- Domestic market does not present particular growth prospects, therefore, the companies focus on increasing their market share.
- Intense need of financing the working capital, especially regarding the sector's SMEs.
- In cases of bank borrowings, the pressure on financing the working capital is even more intense.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 3 companies constitute 30% of turnover and employ 15% of the sector's headcount. It is considered that these companies do not define the sector's performance. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not substantially differ from the general total and records decreases in working capital and EBITDA Margin. |
| **Has the sector overcome the economic crisis?** | Given the sector's defensive character, the crisis has adversely affected its performance and has not been overcome yet. |
| **How hard was it for the sector to face the crisis?** | Decrease in sales leads to the search of new resources to finance the working capital. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector presents low performance versus the course of the Greek Economy. |
| **What is the financial performance of the sector's SMEs?** | SMEs present satisfactory financial performance. They are not under major pressures and are not disadvantaged both in terms of bank financing, and credit limits received from their suppliers in relation to the other categories of the sector's companies. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to the company size as to the financial structure and the size of bank borrowings. |
| **What are the prospects for the sector?** | The sector as a total does not record significant growth prospects. |

## CONDENSED FINANCIAL DATA

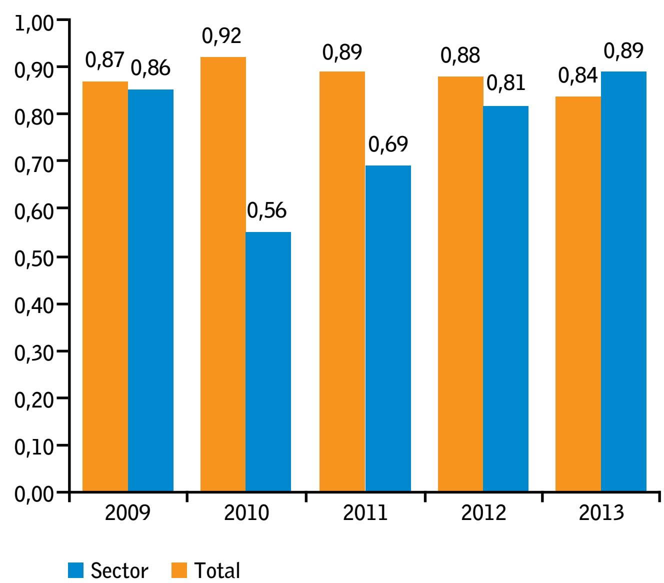
### Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 690 | 690 | 760 | 902 | 927 |
| Current Assets | 743 | 759 | 841 | 803 | 888 |
| **Total Assets** | **1.434** | **1.449** | **1.601** | **1.706** | **1.815** |
| **Equity** | **387** | **428** | **522** | **646** | **559** |
| Long-term Loan Liabilities | 135 | 126 | 119 | 121 | 345 |
| Other Long-term Liabilities | 181 | 185 | 205 | 242 | 245 |
| **Total Long-term Liabilities** | **317** | **310** | **324** | **363** | **589** |
| Short-term Loan liabilities | 210 | 219 | 240 | 242 | 136 |
| Other Short-term Liabilities | 519 | 493 | 515 | 454 | 531 |
| **Total Short-term Liabilities** | **730** | **712** | **755** | **696** | **667** |
| **Total Liabilities** | **1.047** | **1.022** | **1.079** | **1.059** | **1.256** |
| **Total Equity and Liabilities** | **1.434** | **1.449** | **1.601** | **1.706** | **1.815** |
| Working Capital | 14 | 47 | 87 | 107 | 221 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.034 | 1.147 | 1.202 | 1.374 | 1.603 |
| EBITDA | 66 | -26 | -70 | 89 | 77 |
| EBIT | 25 | -68 | -107 | 53 | 40 |
| EBT | -6 | -100 | -140 | 3 | -3 |
| EAT | -24 | -97 | -150 | -7 | -16 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,9 | 0,8 | 0,7 | 0,6 | 0,9 |
| Current Assets/ Short-term Liabilities | 1,0 | 1,1 | 1,1 | 1,2 | 1,3 |
| EV/EBITDA | 6,3 | 488,8 | 610,5 | 8,4 | 10,1 |
| EBITDA Margin | 6,4% | -2,2% | -5,9% | 6,5% | 4,8% |

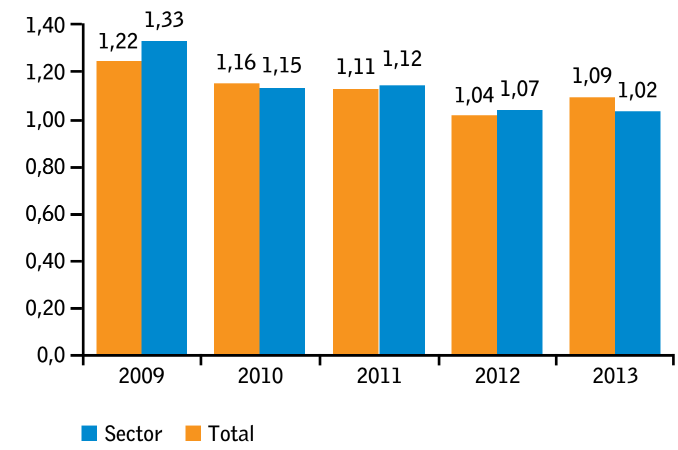
### Loan Liabilities / Equity




- Loan liabilities to equity ratio is lower than the general average till 2012 inclusively. The sector repays a part of its loan burdening, significantly decreasing it in 2010. Within the following three years, i.e. from 2011 to 2013, the sector's loan burdening remains stable, while in 2013 the sector's ratio exceeds that of the general total.

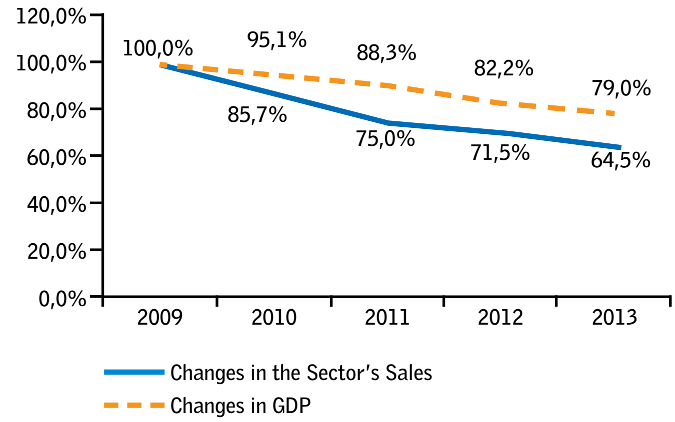
 

### Current Assets / Short-term Liabilities



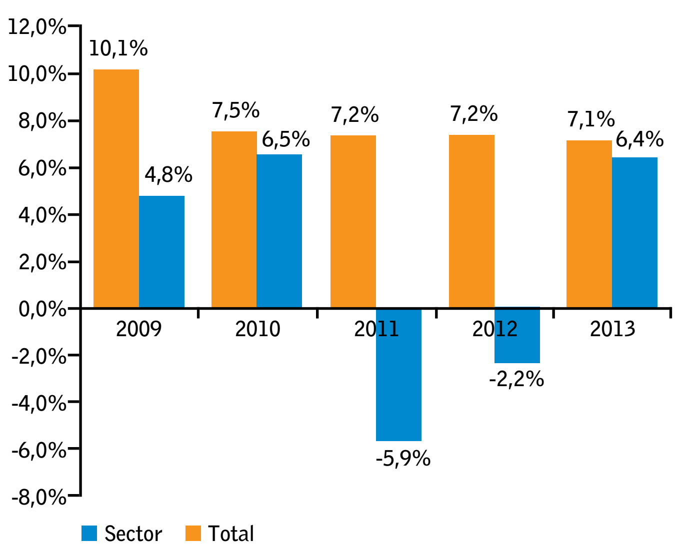

- Current assets to short-term liabilities ratio equals the general total. In 2013, the sector's ratio is lower than the general total, while the sector's working capital is recorded positive within the entire five year period.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector records more significant changes in sales than those in the country's GDP in 2009 – 2013.

### EBITDA Margin




- EBITDA margin recorded by the sector fluctuates from -5,9% to 6,5% within the five year period and is lower than the general total. In the two year period 2011 – 2012, the sector's companies EBITDA is negative.

# SECTOR ANALYSIS

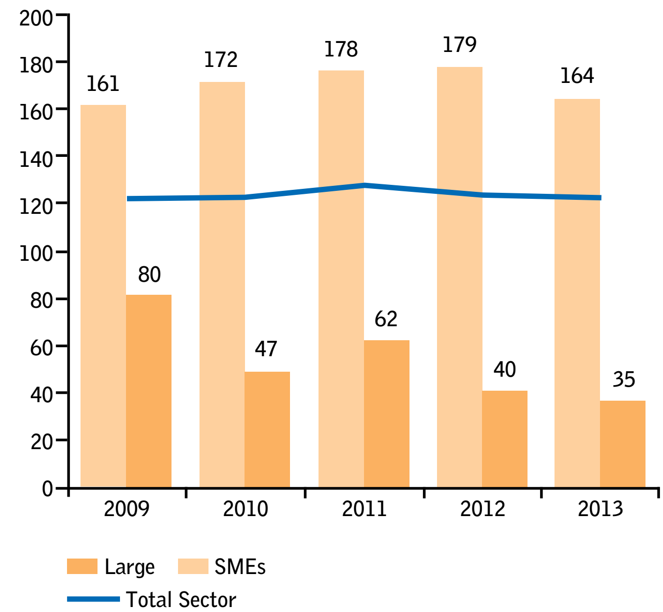
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 35 | 48 | 39 | 31 | 25 |
| SMEs | -21 | -1 | 48 | 76 | 195 |
| **Total Sector Working Capital** | **14** | **47** | **87** | **107** | **221** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 35 | 48 | 39 | 35 | 41 |
| SMEs | 189 | 218 | 288 | 315 | 316 |
| **Total Sector Working Capital** | **224** | **266** | **327** | **350** | **357** |

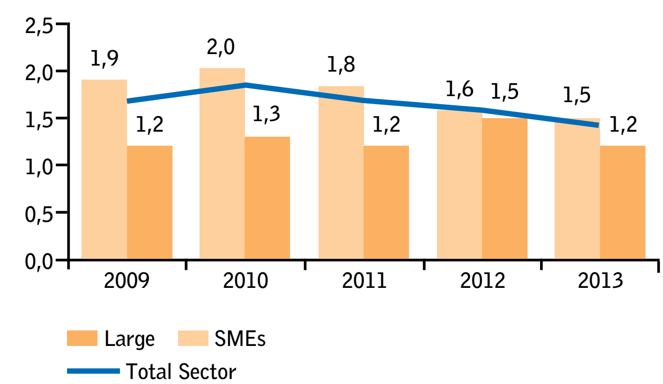
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is inversely proportional to the size of the sector's companies, with SMEs significantly falling behind Large companies.
- Increased collection period of receivables regarding SMEs strengthens the need for financing working capital through borrowings, as also mentioned above.

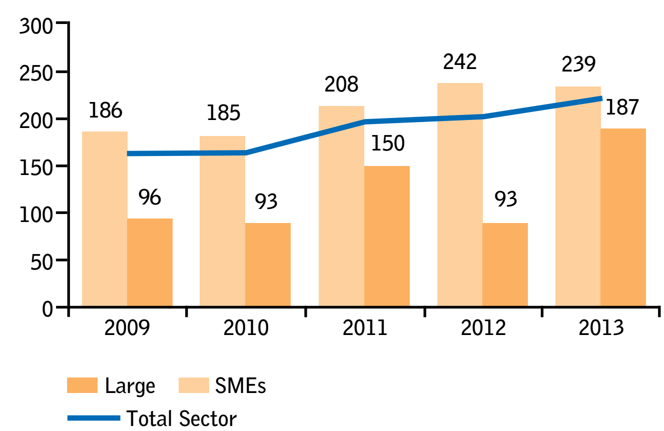
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- In the last two years, SMEs present bigger need for financing.
- Large companies of the sector make no use of borrowings in order to cover their working capital.
- The companies' size significantly affects their ability to finance the working capital.

### Average Period of Paying Liabilities




- The Average Period of Paying Liabilities steadily fluctuates over 6 months within the last three year period, with SMEs recording steadily more favorable suppliers' repayment margins.

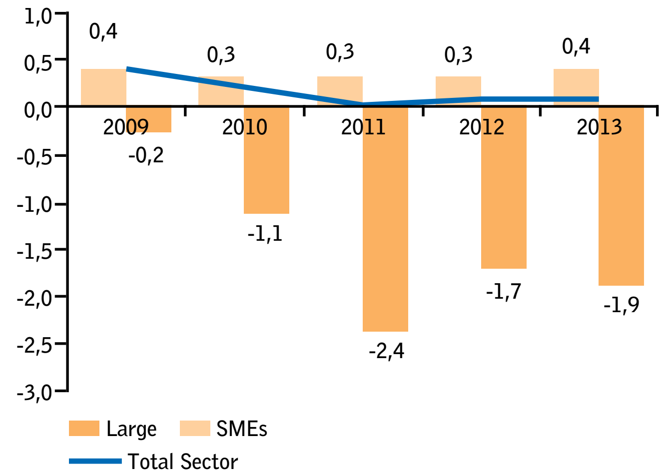
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -114 | -93 | -120 | -51 | -7 |
| SMEs | 141 | 129 | 138 | 151 | 223 |
| **Total Sector** | **28** | **36** | **18** | **100** | **216** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 0 | 0 | 0 | 1 | 1 |
| SMEs | 10 | 12 | 33 | 41 | 43 |
| **Total Sector** | **10** | **12** | **33** | **41** | **43** |

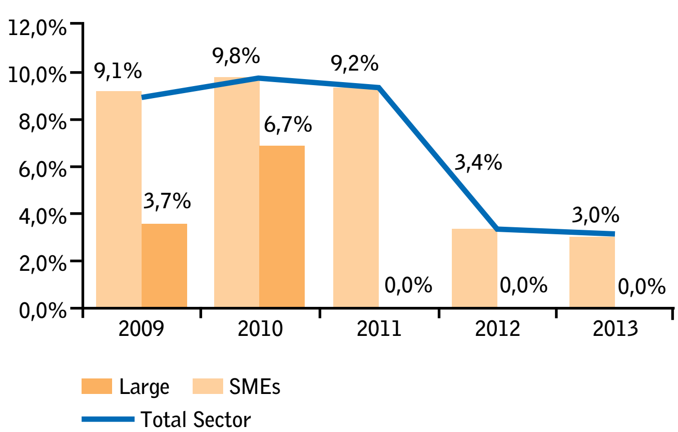
- Large companies' net borrowings are negative and generally kept at low levels. SMEs present positive net borrowings, increasing in 2013.

### Net Borrowings / Equity



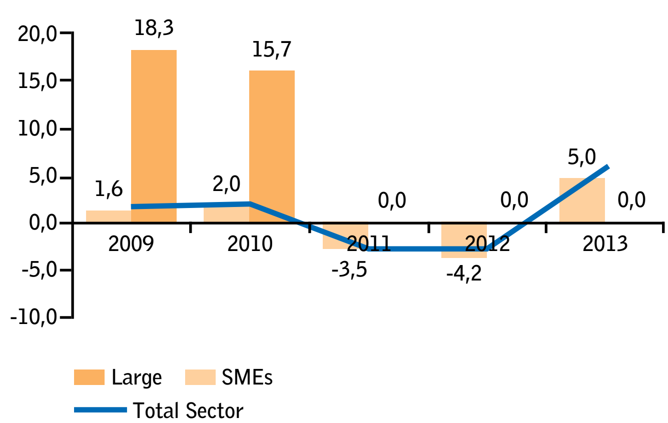

- Large companies have no borrowings, therefore the ratio remains negative within the entire five year period. SMEs record positive ratio, relatively stable within the entire five year period under survey.

### Average Borrowing Interest Rate




- The sector's SMEs steadily borrow at higher rates, while the Large companies record zero borrowings within the last three year period.

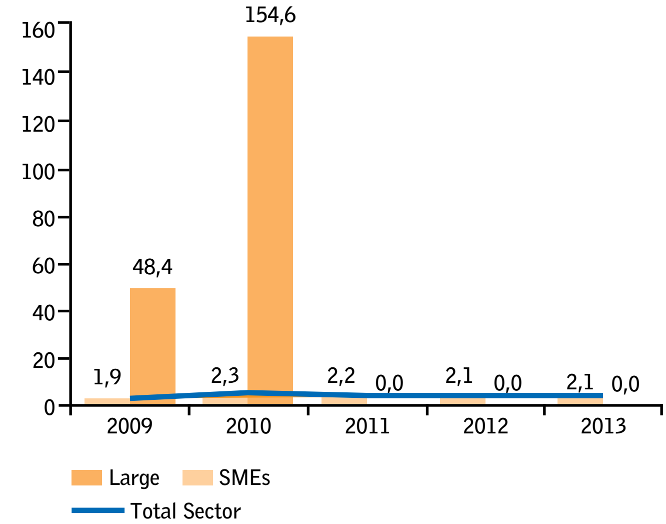
### EBITDA / Financial Expenses




- As far as SMEs performance regarding the ratio is concerned, it should be considered that they borrow at steadily higher rates within the five year period.

### Sales / Total Borrowings




- Large companies of the sector record higher performance in the particular ratio, since only 3 companies hold 30% of the sector's sales without any borrowings.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -99 | 2 | -123 | -201 |
| *(percentage)* | -24% | 1% | -23% | -27% |
| SMEs | -14 | -57 | -49 | -28 |
| *(percentage)* | -2% | -7% | -6% | -3% |
| **Total Sales of the Sector** | **-113** | **-55** | **-172** | **-229** |
| ***(percentage)*** | **-10%** | **-5%** | **-13%** | **-14%** |

- The sector's sales are decreasing, while the Large companies significantly affect the total of the sector's companies.

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 14 | 13 | 13 | 10 | 10 |
| SMEs | 52 | -39 | -83 | 80 | 67 |
| **Total Sector** | **66** | **-26** | **-70** | **89** | **77** |

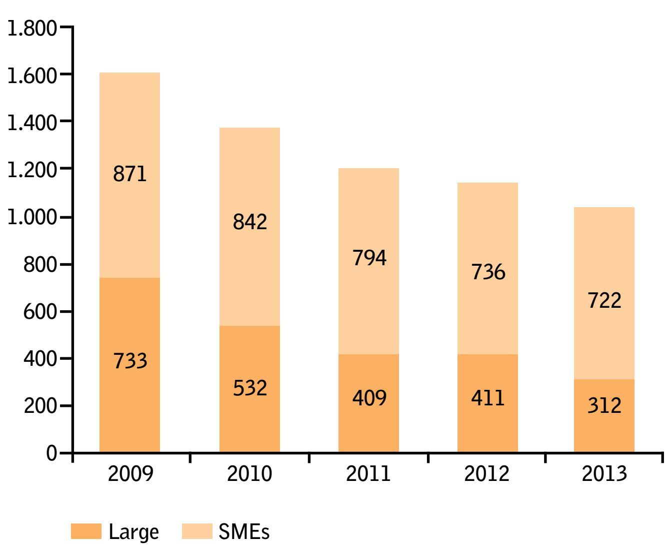
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 312 | 411 | 409 | 532 | 733 |
| SMEs | 722 | 736 | 794 | 842 | 871 |
| **Total Sector** | **1.034** | **1.147** | **1.202** | **1.374** | **1.603** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 13,8 | 12,0 | 11,5 | 8,1 | 8,0 |
| SMEs | -19,7 | -111,7 | -151,5 | -5,0 | -11,4 |
| **Total Sector** | **-6,0** | **-99,6** | **-140,0** | **3,1** | **-3,3** |

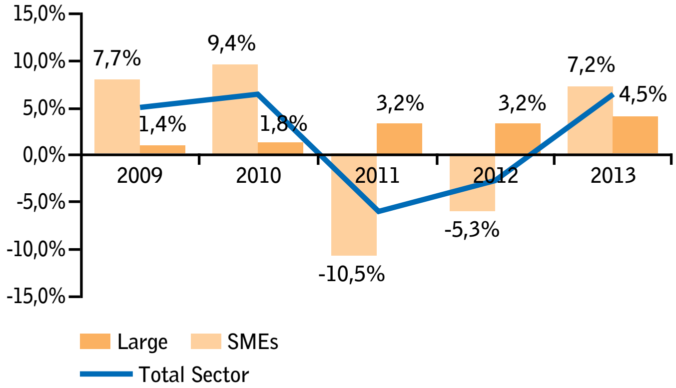
- SMEs record substantial losses before tax. In 2013, all the sector's companies are marginally loss-bearing.

### Sales



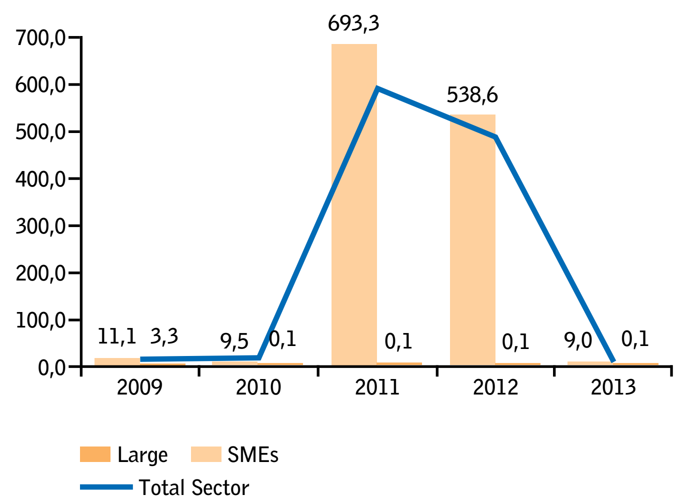

 | 

### EBITDA Margin




- Large companies of the sector record steadily increasing EBITDA margin within the five year period.

### EV/EBITDA




- Large companies of the sector present more investment interest.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 42 | -26 | 71 | 45 |
| SMEs | 53 | 71 | 44 | 36 |
| **Total Sector** | **96** | **44** | **116** | **81** |

- Cash flows from operating activities are positive in the entire four year period regarding both categories of the companies.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -17 | 1 | 1 | -1 |
| SMEs | -25 | -37 | -29 | -10 |
| **Total Sector** | **-42** | **-36** | **-27** | **-11** |

- Cash outflows from investing activities are generally negative, while the Large companies shape the sector's total in 2013.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -5 | -2 | -7 | -12 |
| SMEs | -40 | -39 | -4 | -60 |
| **Total Sector** | **-45** | **-41** | **-11** | **-72** |

- SMEs record negative cash flows from financing activities, shaping the sector's picture as a whole.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Moonlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**15%** of the total companies of the sector,<br>**9%** of the total sales of the sector,<br>**5%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**23%** of the total companies of the sector,<br>**41%** of the total sales of the sector,<br>**2%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**41%** of the total companies of the sector,<br>**16%** of the total sales of the sector,<br>**89%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**21%** of the total companies of the sector,<br>**34%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |

## CONCLUSIONS
## Professional Services Sector

- Decrease in sales is more intense regarding the Large companies that hold 30% of the sector's sales.
- Net borrowings of the Large companies are negative, since they have zero loan liabilities. As far as SMEs are concerned, their net borrowings are increased in 2013.
- Regarding companies with borrowings, increase in interest rate and decrease in profit margins have resulted in several cases when financial expenses could not be covered from EBITDA.

Grant Thornton | An instinct for growth™

# Retailers Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

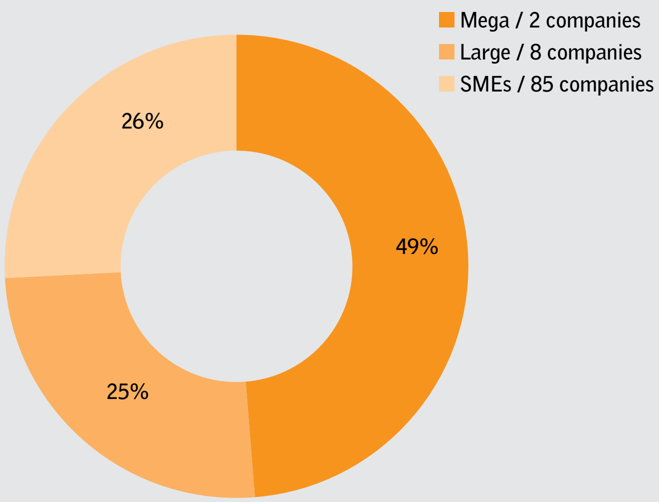
## Sector Structure

- **95** companies represent over **75%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

## Sector Characteristics

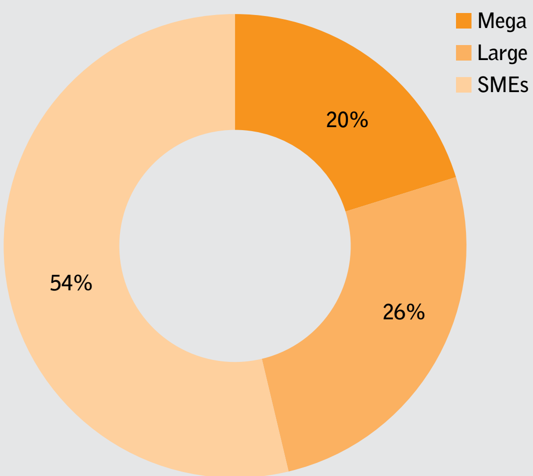
- The sector closely linked to the purchasing power of the consumers and available income.
- The sector holds liquidity given the nature of its operations.
- All the more intense competition at the global level in line with the consumers' turning to on-line shopping, in which domain the sector is not well presented.
- The sector depends on imports, which means decreased cost limiting margins.
- Potential for creating significant economy of scale through successful organization of chain network.

### Sales 2013




- 2 companies represent 49% of the sector's total sales in 2013.

### Headcount 2013




- In 2013, 20% of the sector's headcount are employed by 2 Mega companies.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's companies present relative homogeneity, which varies according to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | Two Mega companies hold almost half of the market share and employ 20% of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector records better financial performance than the general total; however, it is affected by exceptional financial performances recorded by two Mega companies. |
| **Has the sector overcome the economic crisis?** | The sector seems to be overcoming the consequences of the crisis by stabilizing its financial performance and recording slight recovery within the last two year period. |
| **How hard was it for the sector to face the crisis?** | The crisis has affected the sector, recording, due to decreasing purchasing power of the consumers,  a decrease in turnover by 19% and reducing the profit margins. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records downturn course, following the course of GDP. |
| **What is the financial performance of the sector's SMEs?** | SMEs do not present satisfactory financial performance. Decrease in their operations results in reduction in their market share and EBITDA margins. Finally, in the short-term, it can lead to closure of several companies of the sector. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability seems to be affected by both – the size and the financial structure of the sector's companies – with Mega companies achieving excellent financial performance regarding the total  ratios. |
| **What are the prospects for the sector?** | The outlook for the sector is completely inherent in the consumers' mentality, therefore, the companies have to adapt to the new trends, offering greater variety of goods and maintaining sales prices at competitive levels.<br><br>It appears there is room for growth in sizes regarding the sector as a whole, over the last five years, mainly through further development of e-commerce and franchising.<br><br>Further strengthening of export branded products through penetration into new developing markets and increased tourism is a prospect that should be considered. |

# CONDENSED FINANCIAL DATA

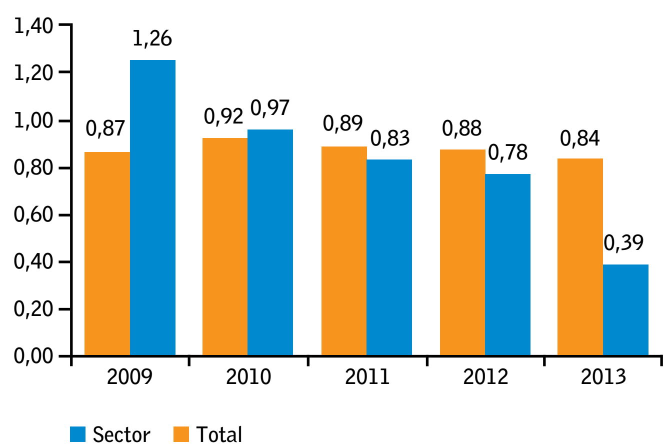
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 1.753 | 1.919 | 1.898 | 1.851 | 1.751 |
| Current Assets | 2.164 | 2.259 | 2.243 | 2.225 | 2.116 |
| **Total Assets** | **3.917** | **4.178** | **4.141** | **4.077** | **3.868** |
| **Equity** | **2.172** | **1.769** | **1.684** | **1.470** | **1.169** |
| Long-term Loan Liabilities | 233 | 753 | 678 | 1.024 | 847 |
| Other Long-term Liabilities | 162 | 212 | 192 | 192 | 180 |
| **Total Long-term Liabilities** | **396** | **965** | **870** | **1.216** | **1.027** |
| Short-term Loan liabilities | 604 | 621 | 717 | 408 | 631 |
| Other Short-term Liabilities | 745 | 823 | 870 | 984 | 1.042 |
| **Total Short-term Liabilities** | **1.349** | **1.444** | **1.587** | **1.391** | **1.672** |
| **Total Liabilities** | **1.744** | **2.409** | **2.457** | **2.607** | **2.699** |
| **Total Equity and Liabilities** | **3.917** | **4.178** | **4.141** | **4.077** | **3.868** |
| Working Capital | 815 | 815 | 656 | 834 | 444 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 2.947 | 3.189 | 3.328 | 3.471 | 3.642 |
| EBITDA | 374 | 393 | 386 | 452 | 521 |
| EBIT | 286 | 285 | 278 | 345 | 319 |
| EBT | 473 | 192 | 194 | 264 | 355 |
| EAT | 396 | 134 | 127 | 159 | 259 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,4 | 0,8 | 0,8 | 1,0 | 1,3 |
| Current Assets/ Short-term Liabilities | 1,6 | 1,6 | 1,4 | 1,6 | 1,3 |
| EV/EBITDA | 6,7 | 6,9 | 6,9 | 5,5 | 4,3 |
| EBITDA Margin | 12,7% | 12,3% | 11,6% | 13,0% | 14,3% |

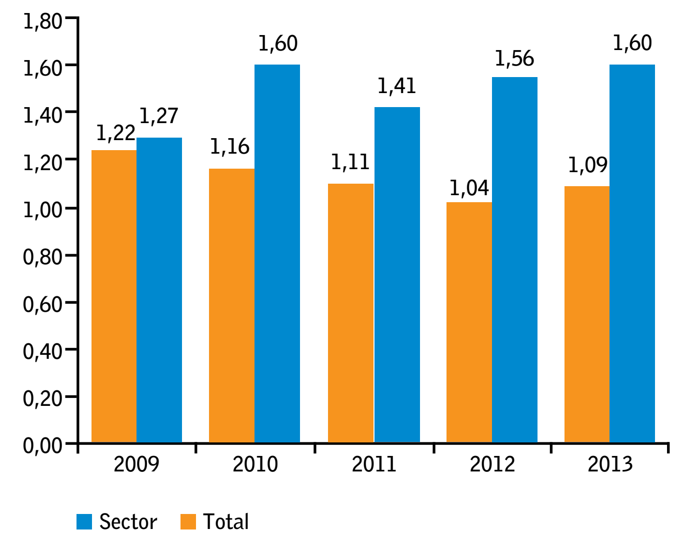
### Loan Liabilities / Equity




- Profits, recorded by the sector, as well as decrease in the total borrowings by 43%, place the ratio lower than the general total average from 2011 onwards.
- Profits before tax are presented increased due to the disposal of the retail travel trade segment by one of the two Mega companies to a foreign group of companies. Profits before taxes from this disposal amount to approximately € 368 million.
- Substantial exports are recorded by one of the two Mega companies, standing at approximately 19% of the sector's total sales.

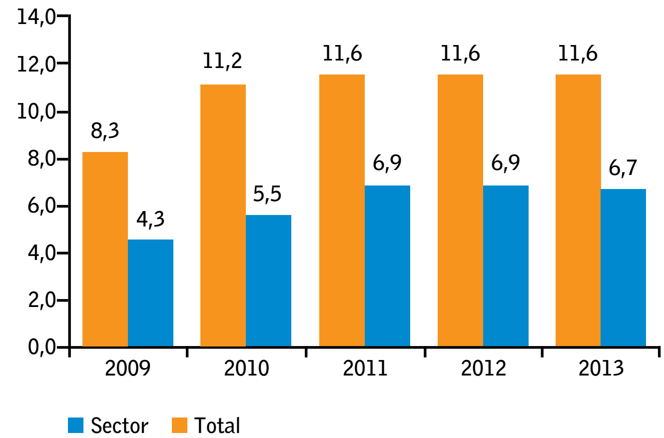
 | 

## Current Assets / Short-term Liabilities



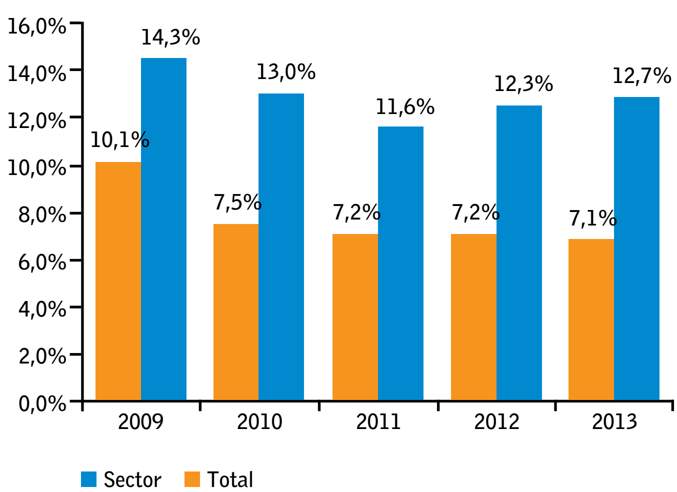

- The companies of the sector present steadily positive working capital and zero needs for financing versus the general total.

## EV/EBITDA



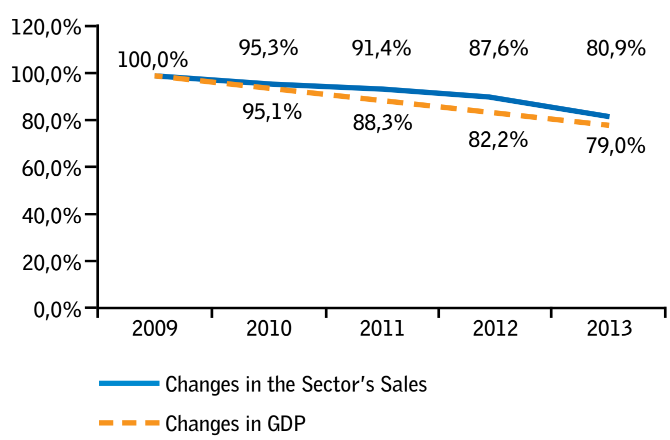

- The sector presents much more investment interest than the general total.

## EBITDA Margin




- EBITDA margin, fluctuating from 11% to 14% within the five year period, is substantially higher than that recorded by the general total.

## Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector records decreases in sales that follow the trends recorded by the Greek Economy, given the reduced purchasing power of the consumers.

# SECTOR ANALYSIS

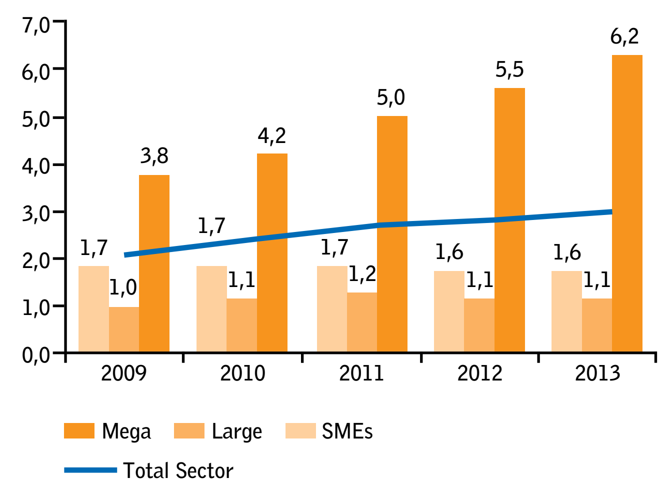
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 877 | 922 | 708 | 824 | 396 |
| Large | -42 | -99 | -74 | -62 | -34 |
| SMEs | -19 | -8 | 23 | 72 | 82 |
| **Total Sector Working Capital** | **815** | **815** | **656** | **834** | **444** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.211 | 1.237 | 1.127 | 963 | 821 |
| Large | 31 | 31 | 48 | 45 | 16 |
| SMEs | 177 | 169 | 197 | 234 | 238 |
| **Total Sector Working Capital** | **1.419** | **1.436** | **1.373** | **1.242** | **1.075** |

** Borrowings are not included*

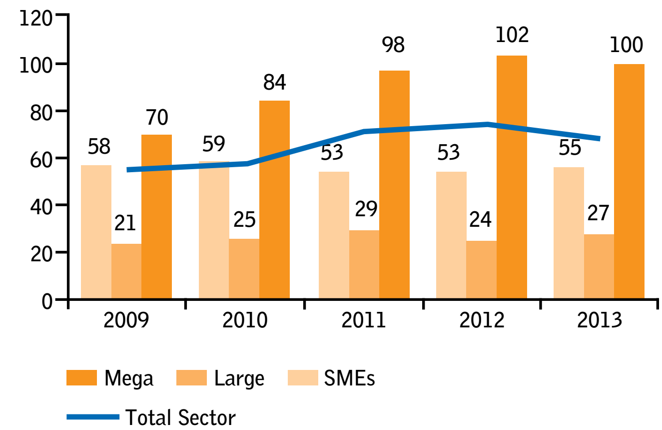
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

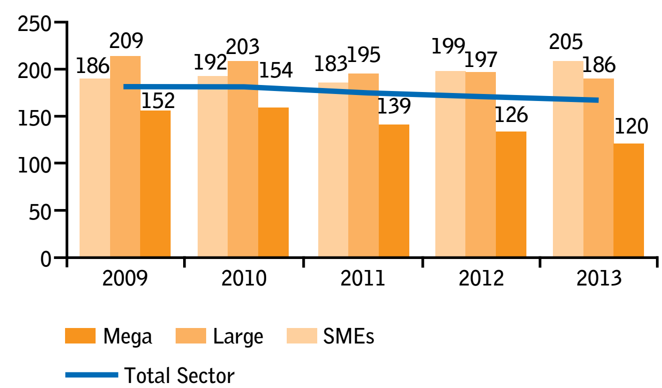
- Mega companies steadily present almost zero need for financing, with Large companies and SMEs presenting steady needs for financing and negative working capital, taking their borrowings into account.

### Average Collection Period of Receivables




- The average collection period of receivables is proportionate to the size of the companies, with SMEs and Large companies collecting their receivables much earlier than the Mega companies.
- It is to be noted that long period of collecting receivables recorded by Mega companies has to do with one of these companies, since the other company records excellent performance in the ratio in question.

### Average Period of Paying Liabilities




- Large companies and SMEs record steadily longer average period of paying liabilities that exceeds 5 months, while regarding the Mega companies, in 2013 it stands at four months.

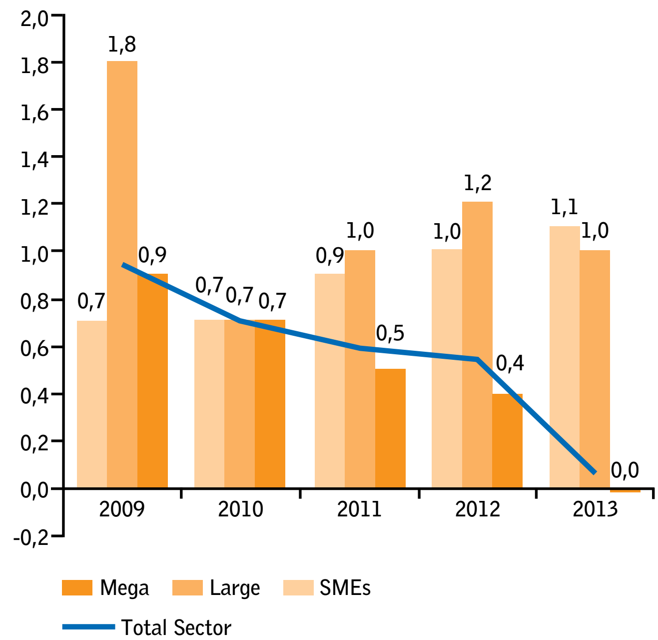
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -50 | 584 | 594 | 669 | 707 |
| Large | 161 | 172 | 182 | 152 | 199 |
| SMEs | 203 | 203 | 210 | 192 | 189 |
| **Total Sector** | **315** | **959** | **986** | **1.012** | **1.095** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 29 | 46 | 46 | 39 | 35 |
| Large | 14 | 14 | 14 | 14 | 18 |
| SMEs | 18 | 19 | 18 | 13 | 14 |
| **Total Sector** | **60** | **79** | **77** | **67** | **67** |

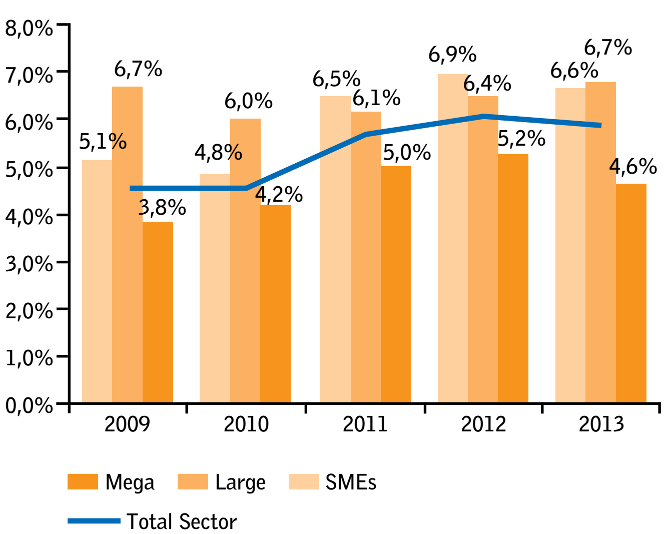
- One of two Mega companies managed to significantly decrease its total borrowings through the disposal of the retail travel trade segment. The borrowings transferred to the sector amounted to approximately € 335 million.
- The other Mega company transferred its debt, concerning the Common Bond Loan non-convertible into shares amounting to € 145 million to long-term liabilities carried forward. The capital of the loan was repaid by the issuer as lump sum in May 2014.
- In contrast, SMEs record a slight increase in net borrowings, followed by the relative increase in financial costs.

### Net Borrowings / Equity



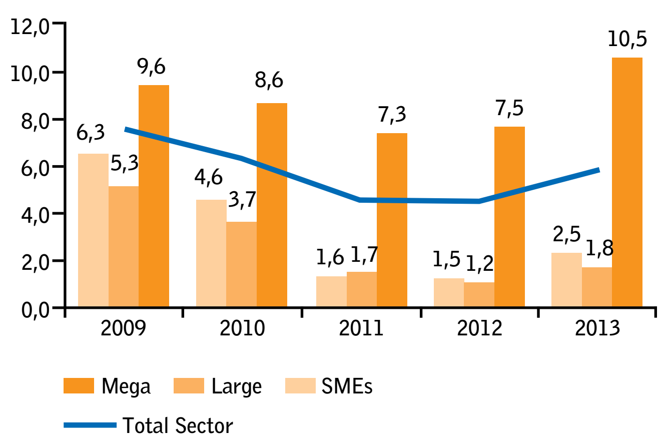

- In 2009, Large companies present high loan burdening; however, they proceed with repayment of a part of their loans and increase their equity, thus achieving improvements in loan burdening.
- As far as Mega companies are concerned, loan burdening steadily decreases, reaching negative levels in 2013, due to the existence of significant amount of cash available versus total borrowings.

### Average Borrowing Interest Rate




- The average borrowing interest rate of the sector significantly increases within the five year period from 4,5% in 2009 to 5,4% in 2013, while SMEs and Large companies borrow at steadily higher rates than Mega companies.

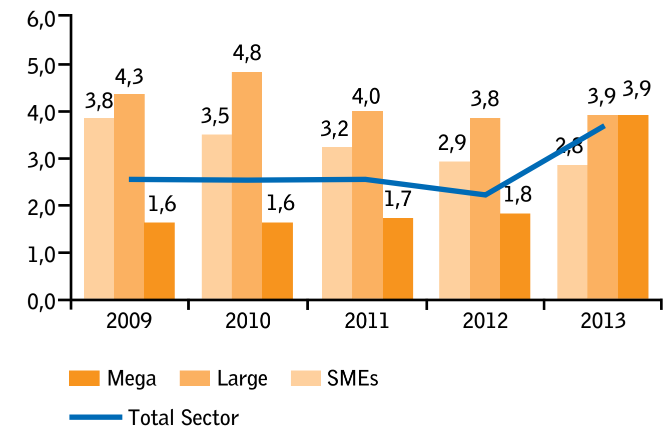
### EBITDA / Financial Expenses




- Decrease in EBITDA in line with increase in costs of financing have led to reduced coverage regarding Large companies and SMEs.
- In contrast, in 2013, Mega companies retain high profitability and decreased costs of financing, substantially increasing the coverage ratio.

## Sales / Total Borrowings




- Large companies at average present greater performance in the ratio, recording increases in 2013 given substantial decreases in the sector's borrowings.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -168 | 93 | 34 | 17 |
| *(percentage)* | -10% | 6% | 2% | 1% |
| Large | -57 | -110 | -107 | -107 |
| *(percentage)* | -7% | -12% | -10% | -9% |
| SMEs | -16 | -123 | -71 | -81 |
| *(percentage)* | -2% | -14% | -7% | -8% |
| **Total Sales of the Sector** | **-241** | **-139** | **-143** | **-171** |
| ***(percentage)*** | **-8%** | **-4%** | **-4%** | **-5%** |

- The sector presents relatively general trends in sales, with more intense decreases recorded by the Large companies.

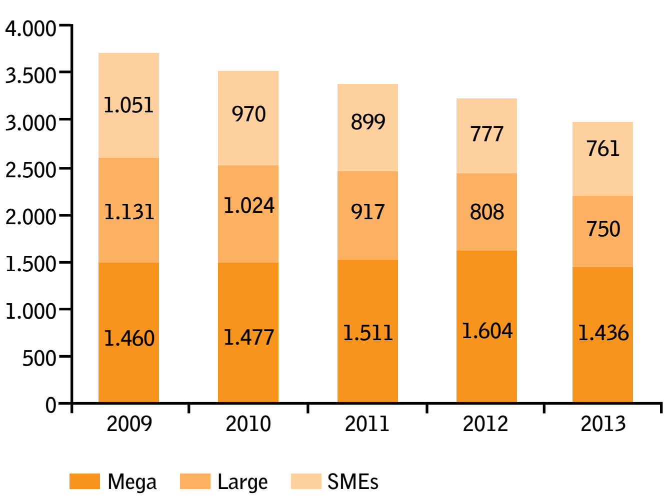
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.436 | 1.604 | 1.511 | 1.477 | 1.460 |
| Large | 750 | 808 | 917 | 1.024 | 1.131 |
| SMEs | 761 | 777 | 899 | 970 | 1.051 |
| **Total Sector** | **2.947** | **3.189** | **3.328** | **3.471** | **3.642** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 305 | 347 | 334 | 338 | 339 |
| Large | 25 | 17 | 23 | 53 | 94 |
| SMEs | 44 | 29 | 29 | 61 | 88 |
| **Total Sector** | **374** | **393** | **386** | **452** | **521** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 493,3 | 250,4 | 243,2 | 254,4 | 281,0 |
| Large | -20,5 | -37,1 | -27,5 | -5,1 | 33,8 |
| SMEs | -0,2 | -21,0 | -21,5 | 15,1 | 40,1 |
| **Total Sector** | **472,7** | **192,3** | **194,2** | **264,4** | **354,9** |

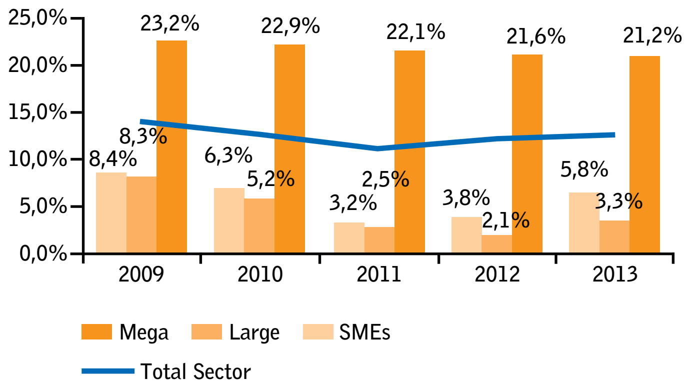
### Sales




- In 2013, Mega companies record a significant increase in profits before tax, due to the increase in financial income of one of the Mega companies following the disposal of the retail travel trade segment.

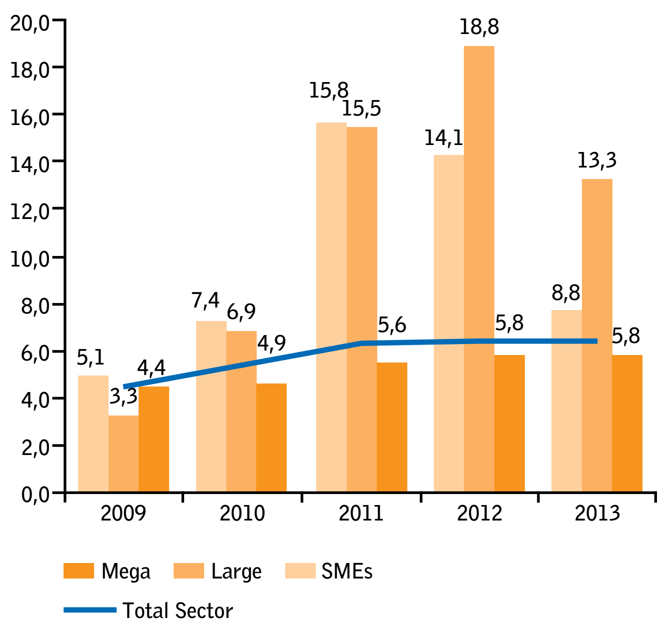
 

### EBITDA Margin




- Mega companies of the sector retain substantially higher EBITDA margin, thus affecting the sector's total, while the other categories of the companies are substantially lower than the total of the companies under survey.

### EV/EBITDA




- Mega companies present steadily more investment interest in the last four years, while the companies that belong to other categories record worse results, given decreases in operating profits.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 66 | 120 | 93 | 134 |
| Large | -7 | 21 | -1 | 16 |
| SMEs | 35 | 38 | 35 | 57 |
| **Total Sector** | **94** | **179** | **127** | **206** |

- Cash flows from operating activities are decreased within the four year period, with the Large companies of the sector not being in position to retain positive cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 245 | -79 | -85 | -103 |
| Large | -16 | -24 | -1 | -43 |
| SMEs | 3 | -17 | -38 | -41 |
| **Total Sector** | **233** | **-120** | **-124** | **-187** |

- The sector records steadily decreasing cash outflows from investing activities.
- In 2013, Mega companies recorded big cash inflows following the disposal of the retail travel trade segment by one Mega company of the sector.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -201 | -23 | 11 | 15 |
| Large | 12 | -1 | -13 | 22 |
| SMEs | -31 | -28 | -11 | -19 |
| **Total Sector** | -220 | -52 | -13 | 18 |

- The sector presents no variations in financing within the last four years, with Mega companies proceeding with significant repayments of loans in 2013.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**9%** of the total companies of the sector,<br>**2%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**11%** of the total companies of the sector,<br>**56%** of the total sales of the sector,<br>**45%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**57%** of the total companies of the sector,<br>**27%** of the total sales of the sector,<br>**51%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**23%** of the total companies of the sector,<br>**15%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. |

## CONCLUSIONS
### Retailers Sector

- Decrease in turnover is more drastic in SMEs and Large companies. In contrast, Mega companies record slight decrease.
- SMEs and Large companies of the sector record decreases in turnover that have contributed to decreasing profit margins. EBITDA margin decreased and profits after tax changed to losses, with direct adverse effect on working capital.
- In contrast, Mega companies seem to have better adapted their operating profits to the current conditions. As a result, the decrease in turnover recorded in 2013 did not negatively affect, to the same extent, their profit margins.
- Mega companies present steadily higher investment interest than the other categories of the sector's companies.

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# Supermarkets Sector

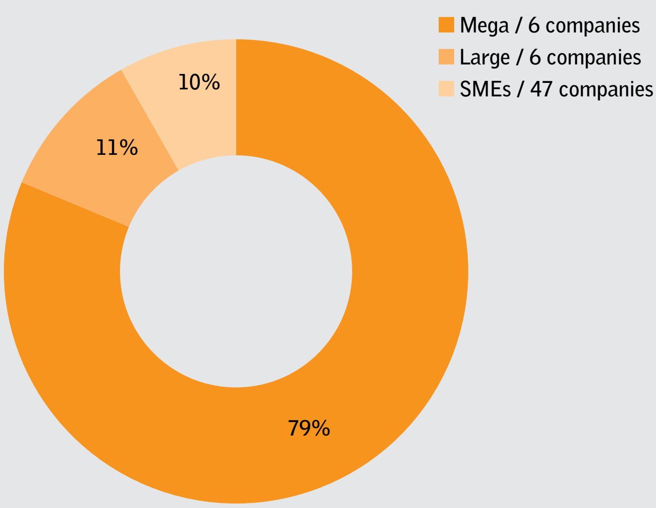
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

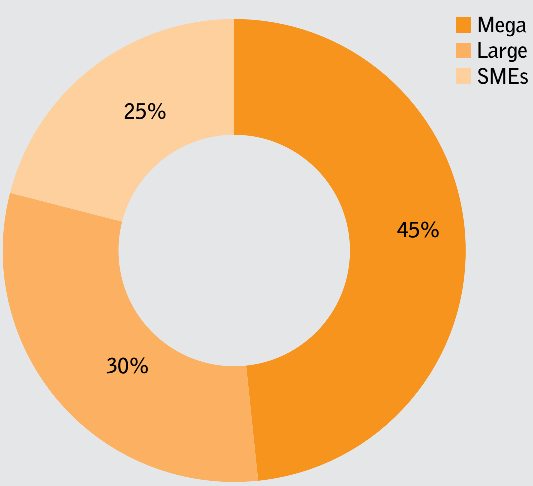
- **59** companies represent over **80%** of the sector's total operations..
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.
    - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 6 companies represent over 79% of the total sector's sales in 2013.

### Headcount 2013




- 45% of the sector's headcount are employed by 6 Mega companies.

## Sector Characteristics

- The sector plays a significant part in the country's economy.
- Stable turnover but small to minimal profit margins.
- Any decrease in sales significantly affects the profit margins and the working capital of the companies.
- Intense competition in the sector further decreases the profit margins.
- In 2013, the sector records decrease in turnover. Domestic market does not present particular growth prospects and therefore, the companies compete in order to increase their market share.
- A substantial part of the sector's financing comes from suppliers, with size playing the decisive part in determining credit limits.
- Intense need for working capital financing, in particular regarding the leading companies of the sector.
- When bank borrowings are recorded, the need for working capital financing gets more intense.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 6 companies of the sector represent 79% of turnover and employ 45% of the sector's total headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector does not essentially differentiate from the general total, while one could expect further decreases in working capital and EBITDA Margin. |
| **Has the sector overcome the economic crisis?** | Given the defensive character of the sector, it did not immediately face the consequences of the crisis, which do not seem to have been overcome, since the sector records a 2% decrease in 2013. |
| **How hard was it for the sector to face the crisis?** | The decrease in turnover generates the need for establishing resources aimed at working capital financing. |
| **What is the sector's course of development compared to that of the Greek Economy?** | In general, the sector records relatively better performance than that of GDP, however, presenting decreases. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance though they are under pressure regarding both – bank financing terms and credit limits established by their suppliers. This fact coupled with the decrease in operations can potentially terminate the business activities of some companies in the short-term. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to size as to financial structure and size of bank loans. |
| **What are the prospects for the sector?** | It does not seem there are significant growth prospects regarding the sector as a total versus the sizes already recorded in the five year period under survey.<br>There is considerable synergy potential regarding the Mega companies of the sector, although such a development is likely to lead to even greater pressure on SMEs.<br>Strengthening the sector's SMEs, given their relatively good financial position and very high contribution to facilitating employment in the sector, is a prospect that should be seriously considered. |

# CONDENSED FINANCIAL DATA

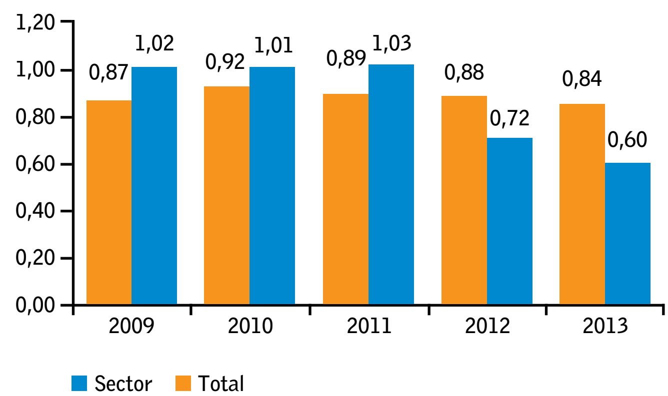
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 2.443 | 2.422 | 2.387 | 2.257 | 2.157 |
| Current Assets | 1.382 | 1.481 | 1.464 | 1.397 | 1.312 |
| **Total Assets** | **3.825** | **3.903** | **3.851** | **3.654** | **3.469** |
| **Equity** | **1.112** | **1.080** | **884** | **819** | **758** |
| Long-term Loan Liabilities | 468 | 502 | 613 | 569 | 462 |
| Other Long-term Liabilities | 156 | 155 | 122 | 104 | 103 |
| **Total Long-term Liabilities** | **624** | **657** | **735** | **673** | **565** |
| Short-term Loan liabilities | 202 | 280 | 294 | 261 | 309 |
| Other Short-term Liabilities | 1.886 | 1.886 | 1.937 | 1.902 | 1.836 |
| **Total Short-term Liabilities** | **2.089** | **2.167** | **2.232** | **2.163** | **2.145** |
| **Total Liabilities** | **2.713** | **2.823** | **2.967** | **2.835** | **2.711** |
| **Total Equity and Liabilities** | **3.825** | **3.903** | **3.851** | **3.654** | **3.469** |
| Working Capital | -707 | -686 | -768 | -766 | -833 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 7.116 | 7.285 | 7.280 | 6.997 | 6.743 |
| EBITDA | 295 | 310 | 324 | 314 | 299 |
| EBIT | 172 | 173 | 176 | 176 | 170 |
| EBT | 123 | 119 | 127 | 146 | 129 |
| EAT | 75 | 95 | 92 | 93 | 78 |

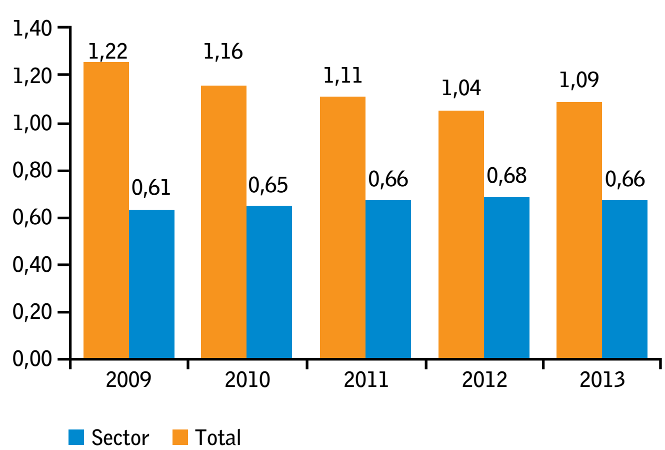
| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/Equity | 0,6 | 0,7 | 1,0 | 1,0 | 1,0 |
| Current Assets/Short-term Liabilities | 0,7 | 0,7 | 0,7 | 0,6 | 0,6 |
| EV/EBITDA | 5,0 | 5,0 | 4,7 | 4,5 | 4,3 |
| EBITDA Margin | 4,1% | 4,3% | 4,4% | 4,5% | 4,4% |

### Loan Liabilities / Equity




- Loan to equity ratio is recorded over the average till 2011 inclusively, while the sector repays a substantial part of its borrowings, thus improving its loan burdening from 2012 onwards.

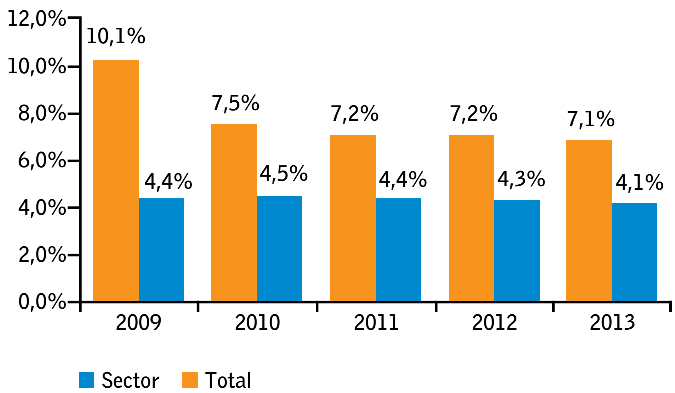
### Current Assets / Short-term Liabilities




- The sector's companies steadily present negative working capital, substantially lower than that of the general total.

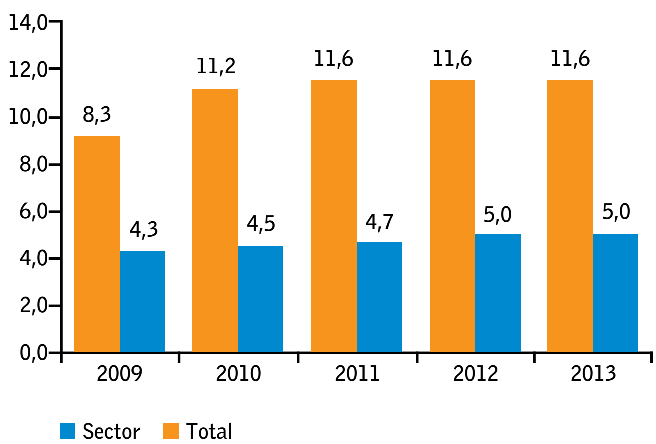
 

### EBITDA Margin



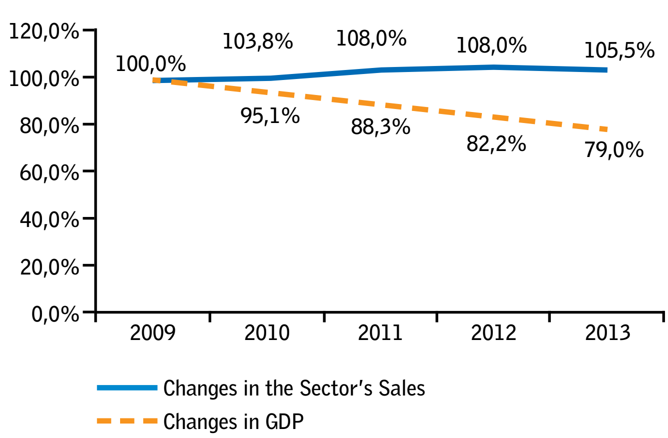

- EBITDA margin fluctuates from 4,1% to 4,5% within the five year period, substantially lower than that of the general total.

### EV/EBITDA




- The sector presents more investment interest than the general total.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes in the sector's sales are inversely proportionate to those recorded by GDP.

## SECTOR ANALYSIS

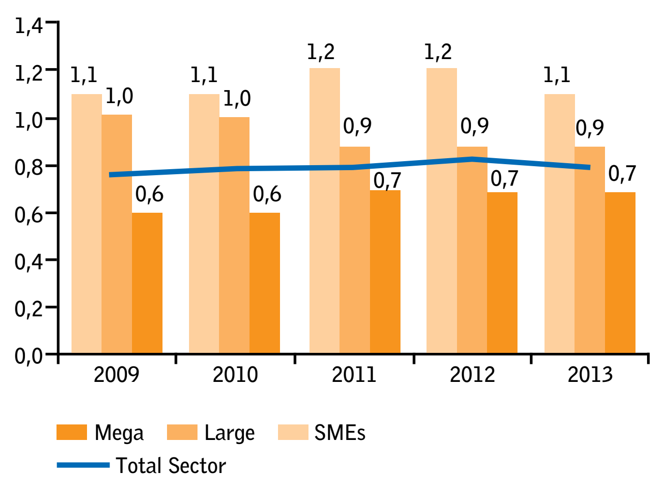
### Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -637 | -641 | -722 | -746 | -806 |
| Large | -53 | -40 | -36 | -13 | -18 |
| SMEs | -17 | -5 | -10 | -7 | -10 |
| **Total Sector Working Capital** | **-707** | **-686** | **-768** | **-766** | **-833** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -488 | -420 | -488 | -535 | -538 |
| Large | -31 | -16 | -18 | 5 | -7 |
| SMEs | 14 | 31 | 32 | 25 | 21 |
| **Total Sector Working Capital** | **-505** | **-405** | **-473** | **-505** | **-524** |

** Borrowings are not included*

### Current Assets / Short-term Liabilities*

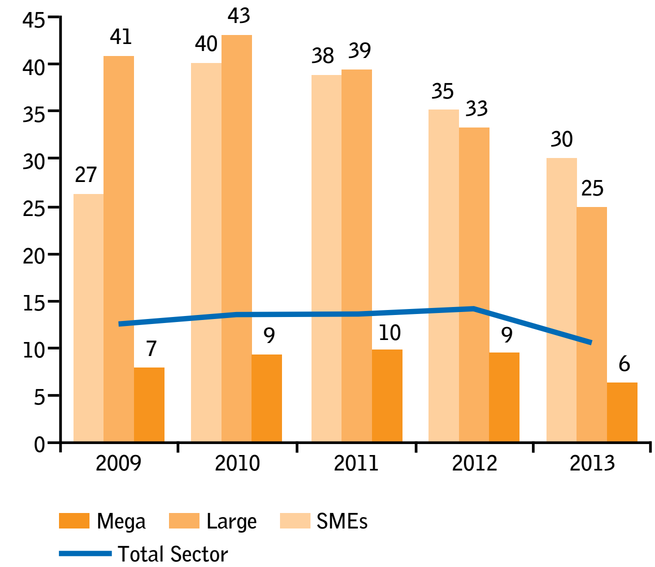



** Borrowings are not included*

- SMEs steadily record smaller needs for financing.
- The companies' size significantly affects their potential to finance working capital.

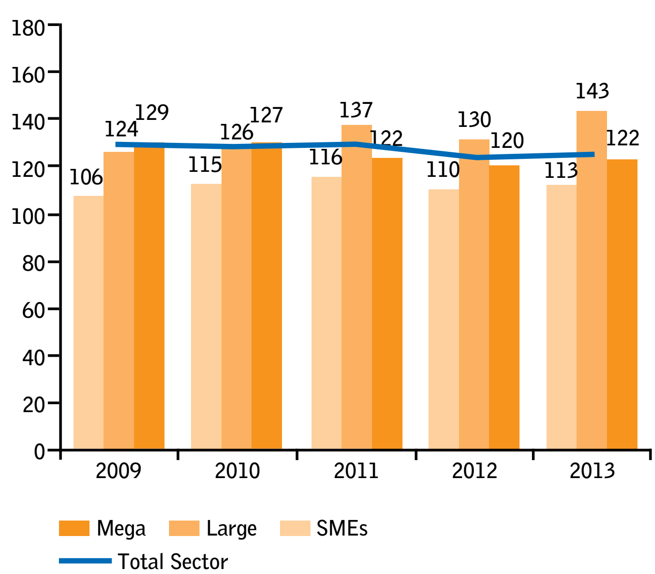
 

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportionate to the companies' size, with SMEs recording worse results than Mega companies.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily fluctuates at over 5 months, with the Large companies of the sector constantly recording more favorable margins in respect of paying their suppliers.

## Borrowings

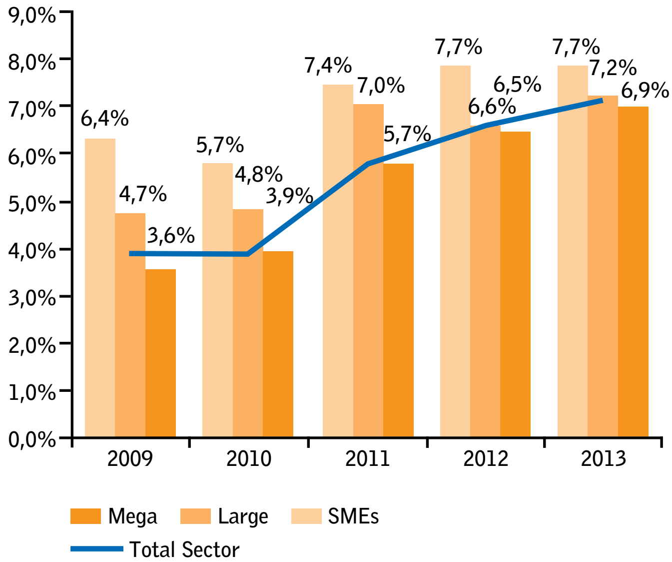
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 322 | 420 | 591 | 559 | 509 |
| Large | 28 | 17 | 15 | 12 | 7 |
| SMEs | 14 | 20 | 21 | 20 | 24 |
| **Total Sector** | **364** | **456** | **627** | **591** | **540** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 44 | 48 | 44 | 28 | 25 |
| Large | 3 | 3 | 3 | 2 | 1 |
| SMEs | 4 | 5 | 5 | 3 | 4 |
| **Total Sector** | **51** | **56** | **51** | **33** | **30** |

- Net borrowings of SMEs and Large companies stand at very low levels and do not exceed € 25 million on annual basis.
- Mega companies of the sector increase their borrowings till 2011 inclusively and proceed with substantial repayments within 2012-2013.

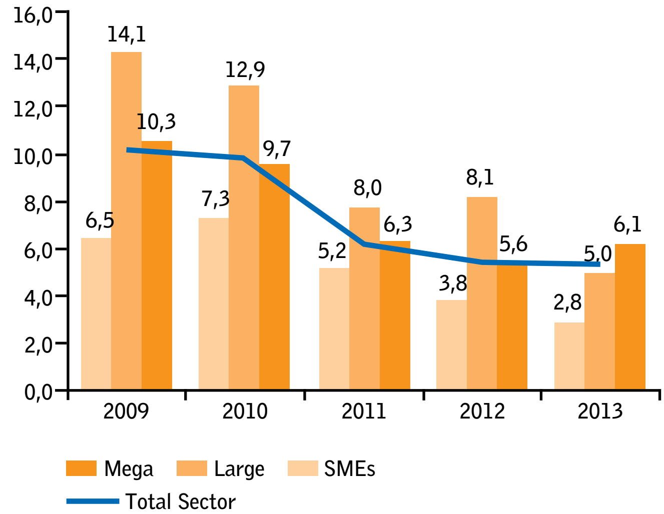
 

### Average Borrowing Interest Rate



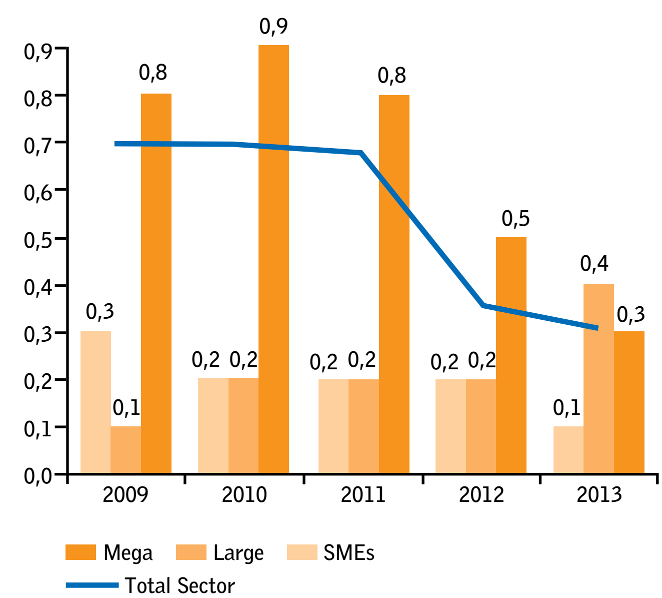

- The sector's average borrowing interest rate, standing at 4% in 2009-2010, significantly increases and reaches 7% in 2013.
- Borrowing costs are substantially lower regarding the Mega companies of the sector, while SMEs steadily borrow at higher interest rates, reaching 2,8% in 2009.

### EBITDA / Financial Expenses



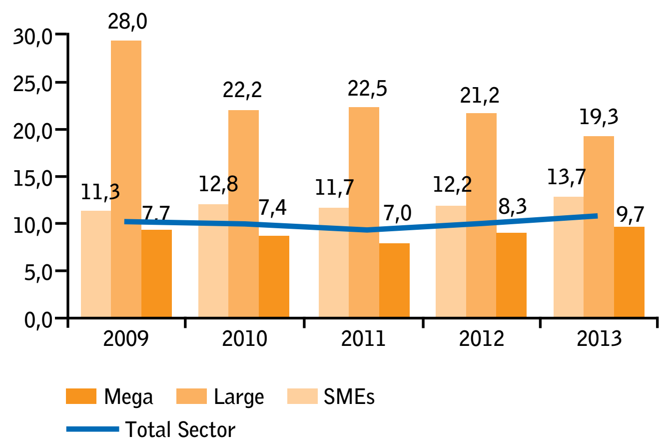

- Increase in costs of financing in line with decrease in operating profits have reduced almost in half the sector's companies potential to cover their costs of financing through operating profits.
- As far as the performance of SMEs in the particular ratio is concerned, the fact that they borrow at steadily higher rates within the five year period has to be taken into account.

### Net Borrowings / Equity




- It is to be noted that SMEs record particularly low loan burdening, since the relative ratio does not exceed 0,2 in the last four year period. Loan burdening significantly decreases in 2012 onwards in respect of the Mega companies of the sector, given substantial repayment of loans within 2012.

### Sales / Total Borrowings



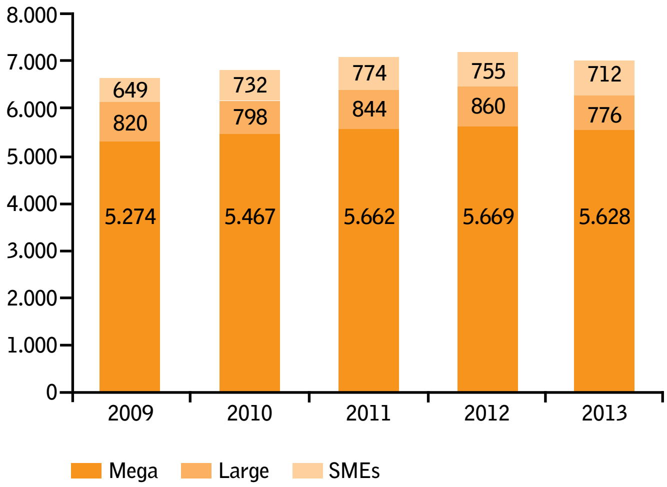

- Large companies of the sector record better performance regarding the particular ratio, while Mega companies present the worst performance and SMEs – almost average.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 5.628 | 5.669 | 5.662 | 5.467 | 5.274 |
| Large | 776 | 860 | 844 | 798 | 820 |
| SMEs | 712 | 755 | 774 | 732 | 649 |
| **Total Sector** | **7.116** | **7.285** | **7.280** | **6.997** | **6.743** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -41 | 7 | 195 | 193 |
| *(percentage)* | -1% | 0% | 4% | 4% |
| Large | -84 | 16 | 46 | -23 |
| *(percentage)* | -10% | 2% | 6% | -3% |
| SMEs | -44 | -19 | 42 | 83 |
| *(percentage)* | -6% | -2% | 6% | 13% |
| **Total Sales of the Sector** | **-169** | **5** | **283** | **253** |
| ***(percentage)*** | **-2%** | **0%** | **4%** | **4%** |

- The sector records generally homogenous performance, while changes recorded by Large companies determine the general picture.

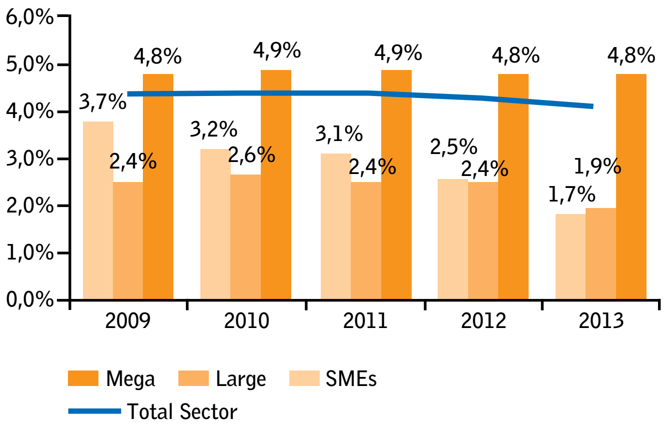
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 268 | 271 | 280 | 270 | 256 |
| Large | 15 | 21 | 21 | 20 | 19 |
| SMEs | 12 | 19 | 24 | 24 | 24 |
| **Total Sector** | **295** | **310** | **324** | **314** | **299** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 122,9 | 115,1 | 116,5 | 129,3 | 123,3 |
| Large | 1,4 | 2,1 | 3,6 | 5,7 | -3,3 |
| SMEs | -1,1 | 1,6 | 6,6 | 11,4 | 9,5 |
| **Total Sector** | **123,2** | **118,8** | **126,7** | **146,4** | **129,4** |

- Mega companies of the sector record significant profits before tax in 2013, though SMEs steadily record decreases in profitability.

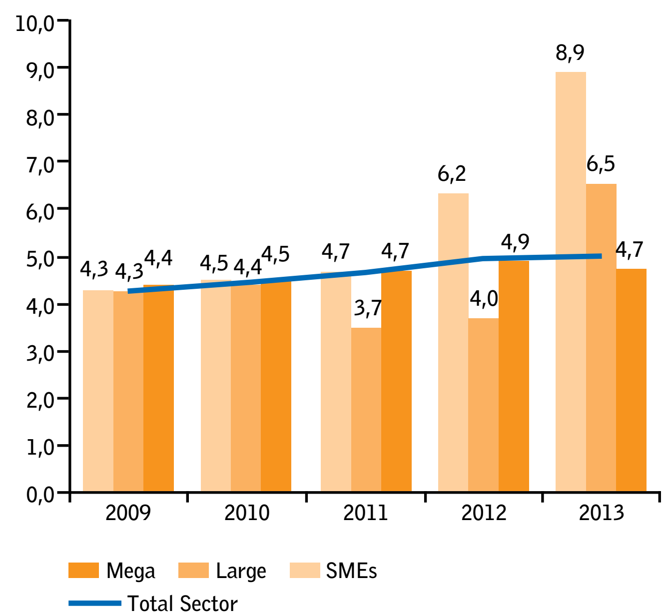
 | 

### EBITDA Margin




- Mega companies of the sector steadily maintain higher EBITDA margin than the other categories.

### EV /EBITDA




- Large companies of the sector steadily present more investment interest, with steadily lower EV/EBITDA ratio, with the exception of 2013, when Mega companies record better results.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 238 | 243 | 228 | 223 |
| Large | 20 | 18 | 42 | 8 |
| SMEs | 21 | 13 | 22 | 21 |
| **Total Sector** | **279** | **274** | **291** | **253** |

- Cash flows from operating activities are significantly increased in 2011, which was the year when the highest increase in sales was also recorded.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -99 | -134 | -236 | -208 |
| Large | -28 | -24 | -23 | -10 |
| SMEs | -14 | -14 | -19 | -16 |
| **Total Sector** | **-142** | **-172** | **-278** | **-233** |

- Cash flows from investing activities regarding the Mega companies constantly decrease, while the sector, as a total, records all the more decreasing cash outflows from investing activities.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -141 | -59 | 42 | -11 |
| Large | -3 | 7 | -20 | 4 |
| SMEs | -12 | -2 | 6 | -2 |
| Total Sector | -156 | -55 | 28 | -9 |

- In 2013, cash outflows from financing activities regarding the Mega companies exceed € 100 million, affecting the total flows of the sector.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Spotlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**34%** of the total companies of the sector,<br>**60%** of the total sales of the sector,<br>**49%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**8%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**44%** of the total companies of the sector,<br>**32%** of the total sales of the sector,<br>**51%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**14%** of the total companies of the sector,<br>**7%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Supermarkets Sector

- Decrease in turnover is more intense regarding SMEs and Large companies of the sector. In contrast, Mega companies record smaller decreases.
- As far as SMEs are concerned, decreases in turnover further reduce the profit margins. EBITDA margin and profits after tax decreased, negatively affecting the working capital.
- In contrast, Mega companies seem to have adjusted their operating expenses to the current conditions. As a result, the decrease in turnover did not negatively affect their profit margins, which, in contrast, significantly improved.
- High borrowings recorded by the sector's companies negatively affect already reduced profit margins.
- In respect of all the companies recording borrowings, increase in interest rates and decrease in profit margins result in several cases when EBITDA is not sufficient to cover financial expenses.

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# Telecommunications Sector

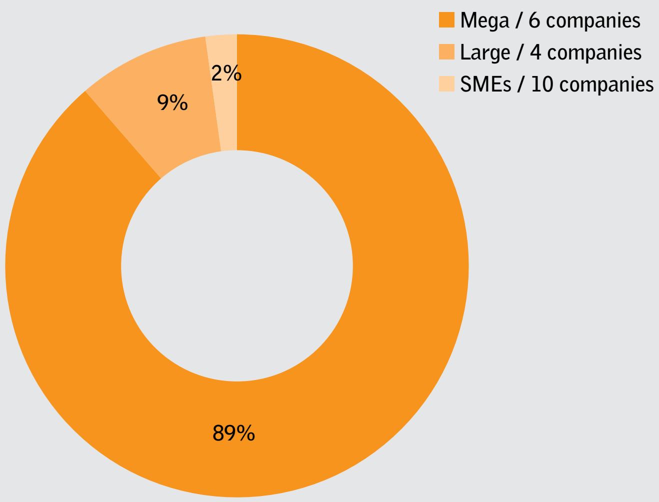
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

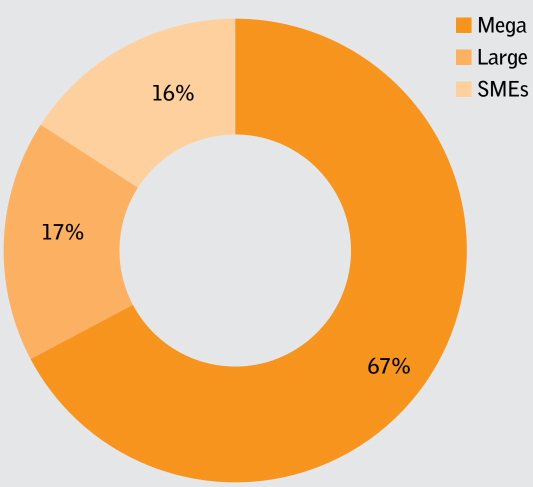
- **20** companies represent over **90%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 6 companies represent 89% of the total sector's sales in 2013.

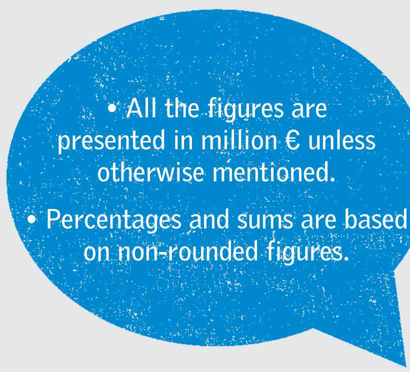
### Headcount 2013




- 67% of the sector's headcount are employed by 6 Mega companies.

## Sector Characteristics

- The sector pays a significant part in the country's economy.
- Decreasing tendencies regarding turnover though small to minimal profit margins.
- Intense competition and concentration in the sector further decrease the profit margins.
- Any decrease in sales significantly affects the profit margins and the working capital of the companies.
- The sector records decreases in turnover. Domestic market does not present particular growth prospects and therefore, the companies compete in order to increase their market share.
- Intense need for working capital financing, in particular regarding the leading companies of the sector.
- When bank borrowings are recorded, the need for working capital financing gets more intense.



## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies under survey. |
| **Does a small number of companies dominate the sector?** | 6 companies of the sector represent 89% of turnover and employ 67% of the sector's total headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector essentially differentiates from the general total, presenting lower working capital and particularly high EBITDA Margin. |
| **Has the sector overcome the economic crisis?** | The sector has not overcome the consequences of the crises, while presenting minor signs of recovery. |
| **How hard was it for the sector to face the crisis?** | Prolonged economic crisis in Greece has resulted in a gradual decline in sales, profits and investments of the sector. The size of the Greek telecommunications market declined by 31%, recording a decrease of approximately € 2,5 billion in absolute figures over the last 5 years. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records lower performance than that presented by the course of the Greek Economy. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance though they are under pressure regarding bank financing terms. As far as the credit limits established by their suppliers are concerned, SMEs have more favorable margins versus the other companies of the sector. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to size as to financial structure and size of bank loans. |
| **What are the prospects for the sector?** | Telecommunications sector is characterized by intense capital concentration and is subject to rapid and significant technological changes.<br><br>Currently, mobile phone companies are aimed at rendering a total range of services as providers of telecommunications. The companies' purpose is also to obtain more clients that switch fixed telephony providers.<br><br>The increasing penetration of broadband services in Greece continue to affect the domestic fixed telephony market in our country, since the Large companies intensely compete in prices offered to consumers in respect of the so called "packages" that combine provision of telephony and Internet in order to obtain higher market shares. Gradually and with great delay caused by the crisis, competition also starts to affect triple play services (services provision, entertainment and cinema). |

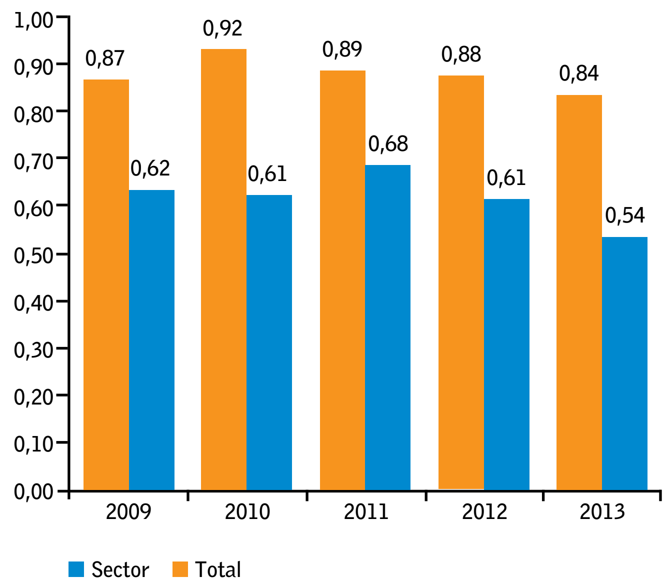
# CONDENSED FINANCIAL DATA

## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 12.051 | 13.262 | 14.143 | 15.284 | 16.570 |
| Current Assets | 2.617 | 2.641 | 3.037 | 2.865 | 2.909 |
| **Total Assets** | **14.668** | **15.903** | **17.180** | **18.149** | **19.479** |
| **Equity** | **5.850** | **5.651** | **6.047** | **6.489** | **6.297** |
| Long-term Loan Liabilities | 1.772 | 1.995 | 3.185 | 2.696 | 3.783 |
| Other Long-term Liabilities | 2.508 | 2.986 | 3.305 | 3.044 | 5.273 |
| **Total Long-term Liabilities** | **4.280** | **4.982** | **6.489** | **5.740** | **9.056** |
| Short-term Loan liabilities | 1.381 | 1.476 | 955 | 1.275 | 116 |
| Other Short-term Liabilities | 3.156 | 3.794 | 3.688 | 4.646 | 4.010 |
| **Total Short-term Liabilities** | **4.538** | **5.270** | **4.643** | **5.921** | **4.126** |
| **Total Liabilities** | **8.818** | **10.252** | **11.133** | **11.661** | **13.182** |
| **Total Equity and Liabilities** | **14.668** | **15.903** | **17.180** | **18.149** | **19.479** |
| Working Capital | -1.921 | -2.629 | -1.606 | -3.056 | -1.217 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,5 | 0,6 | 0,7 | 0,6 | 0,6 |
| Current Assets/ Short-term Liabilities | 0,6 | 0,5 | 0,7 | 0,5 | 0,7 |
| EV/EBITDA | 6,7 | 5,9 | 7,1 | 14,7 | 4,6 |
| EBITDA Margin | 22,6% | 23,3% | 21,5% | 9,8% | 27,3% |

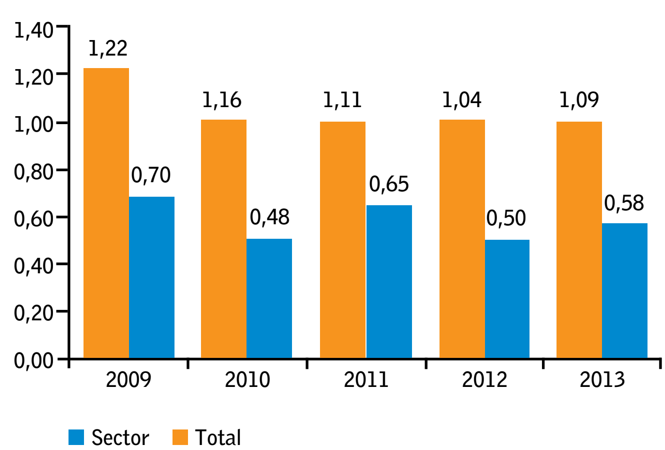
### Loan Liabilities / Equity




- Loan to equity ratio is recorded under the general total average, while the sector repays a substantial part of its borrowings, thus improving its loan burdening from 2011 onwards.

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 5.339 | 6.015 | 6.466 | 6.956 | 7.770 |
| EBITDA | 1.205 | 1.400 | 1.389 | 680 | 2.118 |
| EBIT | 121 | 264 | 182 | -573 | 854 |
| EBT | -9 | -68 | -571 | -842 | 656 |
| EAT | -14 | -138 | -682 | -1.162 | 283 |

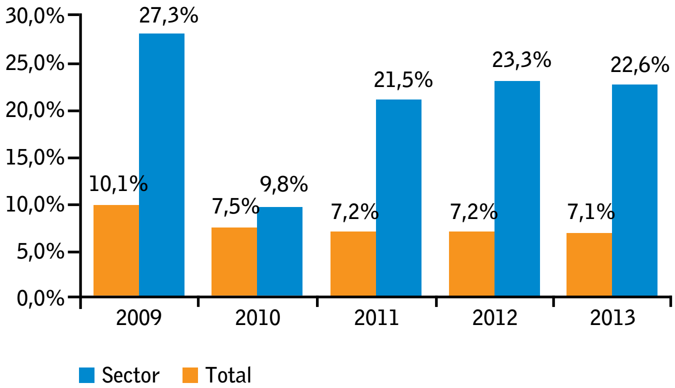
### Current Assets / Short-term Liabilities




- The sector's companies steadily present negative working capital, substantially lower than that of the general total.

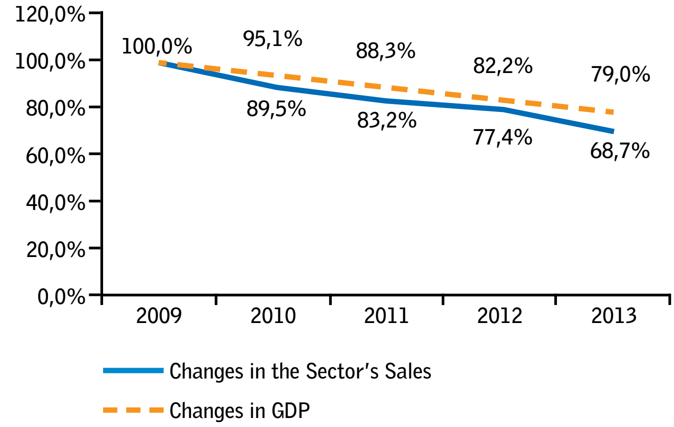
 

### EBITDA Margin



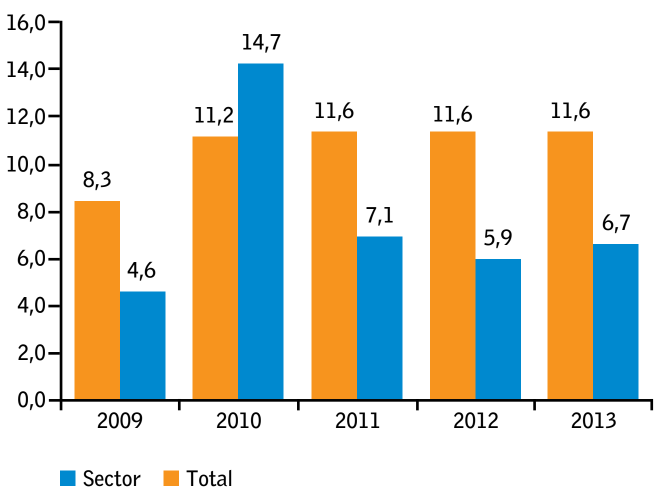

- EBITDA margin fluctuates at high levels reaching 27,3% within the five year period, while the general total is substantially lower than that of the sector.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Changes recorded by GDP are more significant than changes in the sector's sales in 2009 – 2013.

### EV/EBITDA




- The sector presents more investment interest than the general total, with the exception of 2010, when the general total records more investment interest.

## SECTOR ANALYSIS

### Working Capital

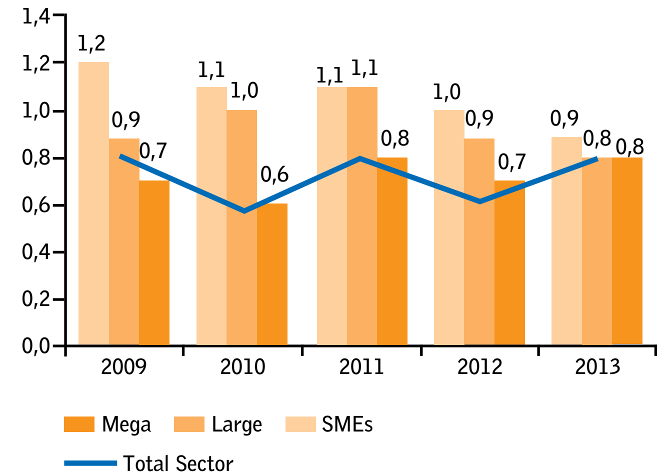
| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -1.339 | -2.274 | -1.311 | -2.981 | -1.121 |
| Large | -508 | -339 | -291 | -66 | -96 |
| SMEs | -73 | -16 | -4 | -9 | -1 |
| **Total Sector Working Capital** | **-1.921** | **-2.629** | **-1.606** | **-3.056** | **-1.217** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -473 | -1.132 | -687 | -1.800 | -1.089 |
| Large | -54 | -18 | 25 | 12 | -33 |
| SMEs | -13 | -3 | 11 | 8 | 21 |
| **Total Sector Working Capital** | **-540** | **-1.153** | **-651** | **-1.781** | **-1.101** |

** Borrowings are not included*

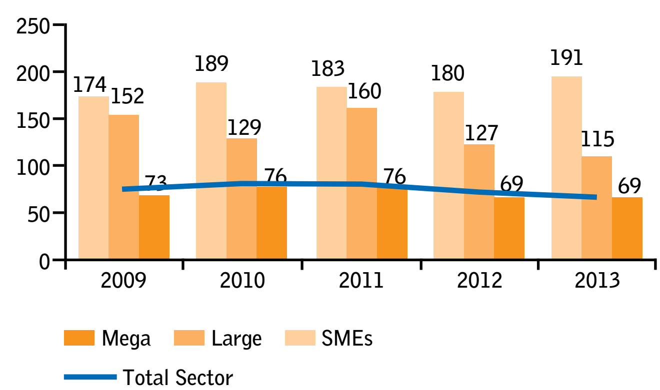
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

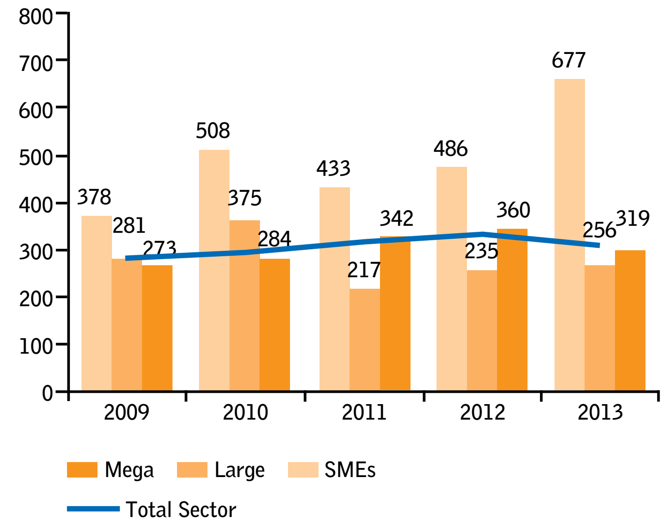
- SMEs steadily record smaller needs for financing. However, in 2013 the ratio was affected by the decrease in sales and the increase in liabilities regarding SMEs, while as far as the Mega companies are concerned, liabilities significantly increased versus 2009.
- The companies' size significantly affects their potential to finance working capital.

### Average Collection Period of Receivables




- The average collection period of receivables is inversely proportionate to the companies' size, with SMEs and Large companies recording worse results than Mega companies. Low collection period of receivables, recorded by the sector, is obviously affected by the size of the Mega companies.

### Average Period of Paying Liabilities




- The average period of paying liabilities steadily fluctuates at over 10 months, with SMEs constantly recording more favorable margins in respect of paying their suppliers, pressing them in order to respond to working capital needs.

## Borrowings

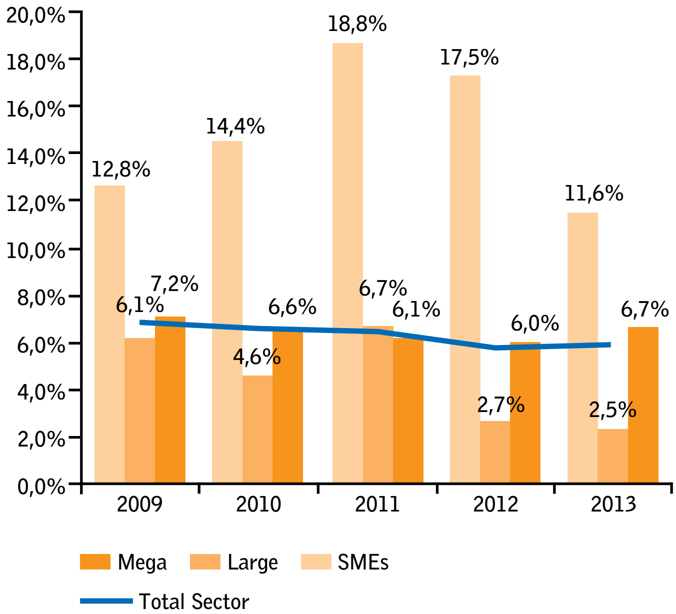
| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.703 | 2.031 | 3.170 | 2.870 | 2.897 |
| Large | 527 | 558 | 610 | 580 | 419 |
| SMEs | 46 | 49 | 28 | 20 | 27 |
| **Total Sector** | **2.276** | **2.638** | **3.807** | **3.470** | **3.343** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 181 | 190 | 208 | 220 | 244 |
| Large | 14 | 16 | 41 | 24 | 27 |
| SMEs | 7 | 10 | 10 | 8 | 7 |
| **Total Sector** | **202** | **217** | **259** | **252** | **279** |

- Net borrowings of SMEs stand at very low levels and do not exceed € 49 million on annual basis, mainly pertaining to one company of the sector.
- Mega and Large companies of the sector increase their borrowings till 2011 inclusively and proceed with substantial repayments within 2012.

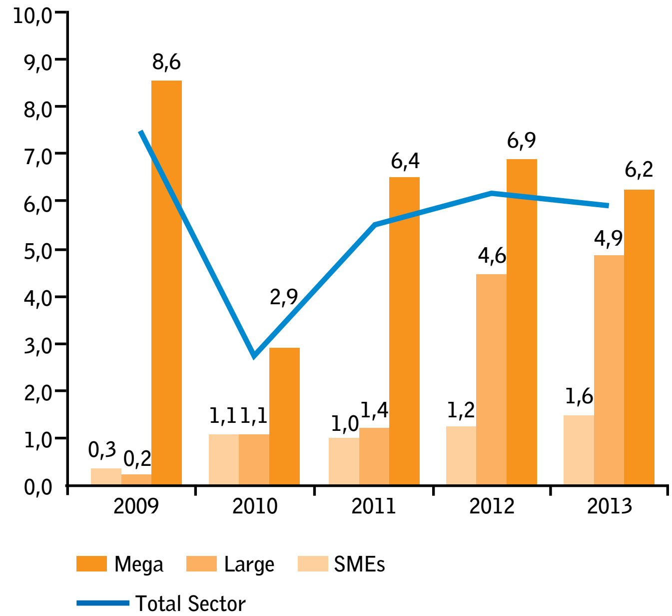
 | 

### Average Borrowing Interest Rate



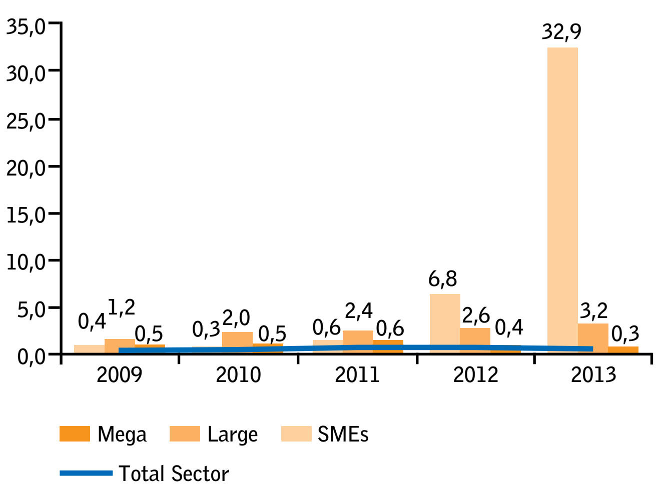

- The sector's average borrowing interest rate, standing at 7,1% in 2009-2010, reaches 6,1% in 2013.
- Borrowing costs are substantially higher regarding SMEs that steadily borrow at higher interest rates than Mega and Large companies of the sector. Particularly high borrowing costs recorded by SMEs pertain to two companies, whose borrowings, as compared to equity and sales, stand at rather unfavorable levels.

### EBITDA / Financial Expenses



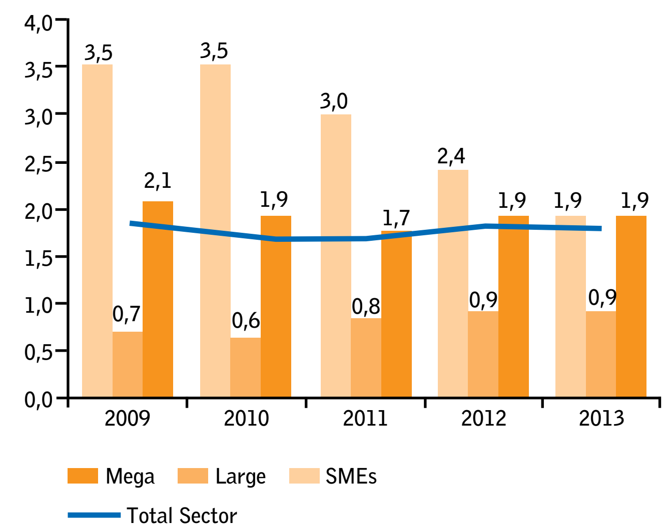

- Increase in costs of financing in line with decrease in operating profits have reduced almost in half the sector's companies potential to cover their costs of financing through operating profits in 2010. In 2011 and 2012, a steady improvement is recorded regarding the ability to pay financial interest expenses.
- As far as the performance of SMEs in the particular ratio is concerned, the fact that they borrow at steadily higher rates within the five year period has to be taken into account.

### Net Borrowings / Equity




- It is to be noted that Mega companies record particularly low loan burdening, since the relative ratio does not exceed equity on annual basis. As far as SMEs are concerned, loan burdening ratio increases till 2013, notwithstanding share capital increases that were performed, since constant losses have decreased the total of their equity.

### Sales / Total Borrowings



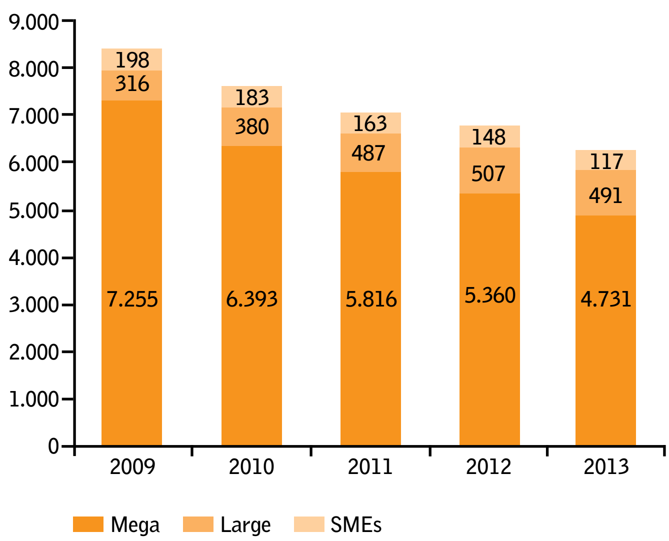

- SMEs record better performance regarding the particular ratio, while Large companies present the worst performance and Mega companies – almost average.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 4.731 | 5.360 | 5.816 | 6.393 | 7.255 |
| Large | 491 | 507 | 487 | 380 | 316 |
| SMEs | 117 | 148 | 163 | 183 | 198 |
| **Total Sector** | **5.339** | **6.015** | **6.466** | **6.956** | **7.770** |

### Sales




| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -629 | -456 | -577 | -862 |
| *(percentage)* | -12% | -8% | -9% | -12% |
| Large | -16 | 20 | 107 | 64 |
| *(percentage)* | -3% | 4% | 28% | 20% |
| SMEs | -31 | -15 | -20 | -16 |
| *(percentage)* | -21% | -9% | -11% | -8% |
| **Total Sales of the Sector** | **-676** | **-451** | **-490** | **-814** |
| ***(percentage)*** | **-11%** | **-7%** | **-7%** | **-10%** |

- The sector records generally homogenous performance, while changes recorded by Mega companies determine the general picture. A part of decrease in sales of Mega companies has been transferred to Large companies, acting as a drive towards competiveness mainly regarding fixed telephony and internet services.

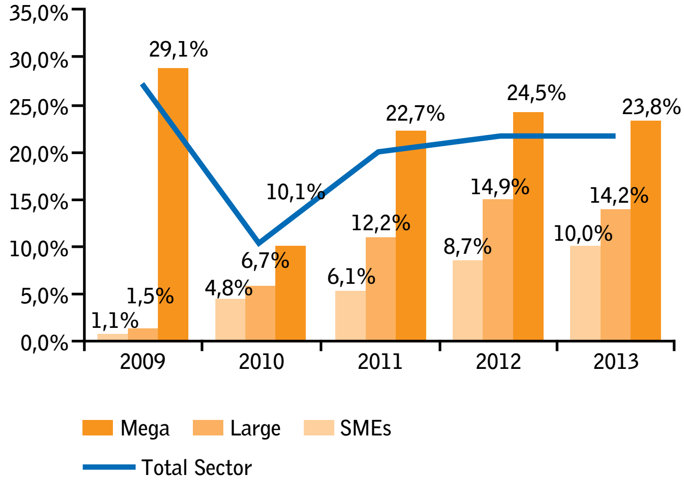
| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 1.124 | 1.312 | 1.320 | 645 | 2.111 |
| Large | 69 | 75 | 59 | 25 | 5 |
| SMEs | 12 | 13 | 10 | 9 | 2 |
| **Total Sector** | **1.205** | **1.400** | **1.389** | **680** | **2.118** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 56,8 | 32,8 | -471,3 | -734,7 | 757,7 |
| Large | -47,4 | -64,1 | -75,8 | -85,3 | -78,2 |
| SMEs | -18,2 | -36,6 | -24,2 | -21,7 | -23,5 |
| **Total Sector** | **-8,8** | **-67,9** | **-571,3** | **-841,7** | **656,0** |

- Mega companies of the sector record significant losses before tax till 2011.

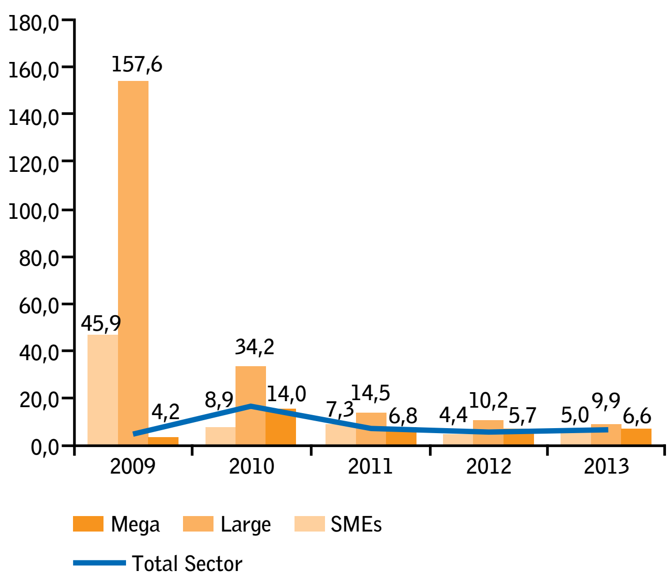
 

### EBITDA Margin




- Mega companies of the sector steadily maintain higher EBITDA margin than the other categories. Following significant decrease recorded in 2010, the margins have recovered, however, not reaching the levels of 2009, since within the last three year period, the competition among the sector's companies significantly intensified.

### EV /EBITDA




- Mega companies of the sector steadily present more investment interest, with steadily lower EV/EBITDA ratio in 2009, 2011 and 2012. In 2010 and 2013, SMEs presented more investment interest.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 841 | 725 | 1,130 | 810 |
| Large | 93 | 98 | 6 | 39 |
| SMEs | 20 | 21 | -1 | 17 |
| **Total Sector** | **954** | **845** | **1,135** | **866** |

- Cash flows from operating activities are significantly increased in 2011.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 609 | 390 | -942 | -431 |
| Large | -79 | -49 | -60 | -224 |
| SMEs | -5 | -20 | -13 | -6 |
| **Total Sector** | **525** | **321** | **-1,015** | **-660** |

- Investing activities record mixed tendencies. Investments in property, plant and equipment decrease till 2011. Substantial reinvestments were performed in the last two year period regarding disposals of subsidiaries.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -1.406 | -605 | -341 | -444 |
| Large | -15 | -45 | 43 | 193 |
| SMEs | -14 | -15 | 9 | -10 |
| Total Sector | -1.435 | -665 | -289 | -261 |

- In the last two year period, the sector proceeds with substantial repayments of loans.
- Within the four year period, total borrowings of Mega companies decreased by approximately € 859 million and stand at about € 2,5 billion.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**6%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**17%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**44%** of the total companies of the sector,<br>**89%** of the total sales of the sector,<br>**100%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**33%** of the total companies of the sector,<br>**10%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Telecommunications Sector

- Decrease in turnover is more intense regarding Mega companies of the sector. In contrasts, SMEs record smaller decreases. Large companies record increase in sales, strongly competing with Mega companies, obtaining larger market share.
- As far as Mega companies are concerned, decreases in turnover reduced the profit margins. EBITDA margin and profits after tax decreased, negatively affecting the working capital.
- Borrowings are mainly recorded by Mega companies, negatively affecting already decreased profit margins, though borrowings decreased by € 859 million.
- SMEs borrow at higher rates than the other two categories of the companies and maintain their borrowings at low levels within the five year period.
- In respect of all the companies recording borrowings, increase in interest rates and decrease in profit margins result in several cases when EBITDA is not sufficient to cover financial expenses.
- Investments in property, plant and equipment steadily decrease, while the sector's companies focus on major operations in the domestic market, making reinvestments concerning foreign markets.

# Tobacco Sector

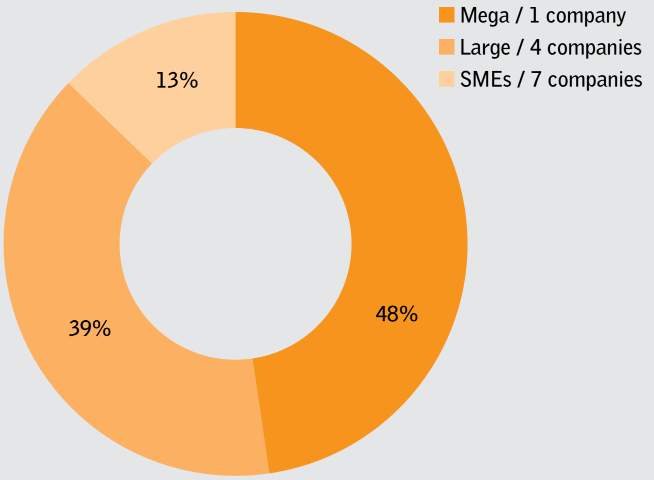
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

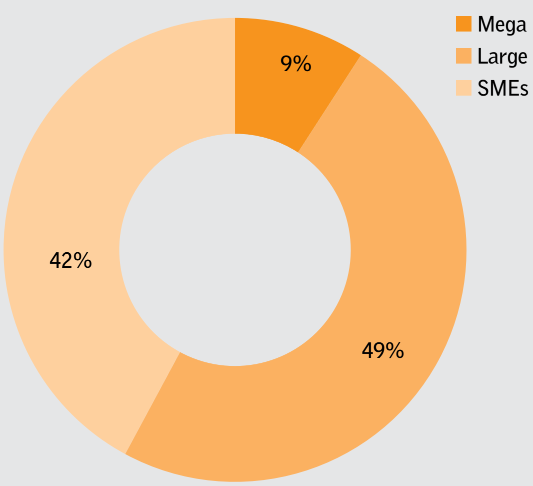
- **12** companies represent **93%** of the sector's total operations.
- **3** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large:** Companies with sales from € 50 million to € 250 million.
  - **Mega:** Companies with sales over € 250 million.

### Sales 2013




- 5 companies represent 87% of the sector's total sales in 2013, while 1 Mega company among them represents 48%.

### Headcount 2013




- Almost 50% of the sector's headcount are employed by 4 Large companies.

## Sector Characteristics

- High tax burdening (such as the Special Consumption Tax) on the sector's products leads to the total tax exceeding 80% of the products' retail price.
- The sector has lost market share to illegal sale of tobacco products, which is calculated to have stood at 20% of legal sales in 2013.
- The decline in the purchasing power of consumers due to economic recession as well as the laws restricting smoking in public spaces have undoubtedly affected the sales of the sector.
- A traditional sector of Greek economy, flourishing within 1930s.
- The sector that operates in a mature market, recording decreasing tendencies.
- The sector makes substantial contribution to the Greek Economy via direct and indirect taxes.
- Improving the liquidity of the sector's companies due to restructuring of the distribution system, mainly by companies with high market shares, implementing the exclusive distribution system, in collaboration with a limited number of wholesalers and providing low credits.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity in the sector, with the Mega company presenting zero borrowings and steadily increasing profit margins, Large companies recording high loan burdening with better interest rate than that recorded by SMEs and SMEs presenting high losses in profit margin within the five year period. |
| **Does a small number of companies dominate the sector?** | One Mega company holds almost half of the market share. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector's companies present lower loan burdening than the general total and higher profit margin, despite the losses. Moreover, they are more attractive from investment point of view. |
| **Has the sector overcome the economic crisis?** | The crisis seems to have been overcome, while profit margins have stabilized and net borrowings have decreased within the last two year period. |
| **How hard was it for the sector to face the crisis?** | The sector was under pressure, given the high tax burden on tobacco products, presenting losses in profit margin of over 8% in 2010 and decrease in profit before tax of over 59% in the five year period.<br>The economic crisis and the reduction of consumer income gave rise to illegal sale of tobacco products, drastically increasing in the recent years in the Greek market, thus harming the entire the legal supply chain as well as the State (through loss of taxable income).<br>Market participants have reported that in 2009, illegal cigarettes accounted for 3% of total consumption, while after 2012 the relative share has been estimated as that exceeding 20%. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records losses in line with the losses presented by the general total, without, however, affecting the change in sales due to over-taxation of the products. |
| **What is the financial performance of the sector's SMEs?** | SMEs have worse results than the other companies of the sector, recording lower profit margins and higher borrowing interest rates within the last two year period. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | The Mega company of the sector records better financial performance, zero borrowings and steadily increasing profit margins. |
| **What are the prospects for the sector?** | It is estimated that a further increase in the Special Consumption Tax in 2014 will increase illegal trade in tobacco by more than 20% of the legal market, further aggravating the liquidity of the sector's companies. Therefore, given that the sector operates in a mature market with downward trends, the State shall take the necessary measures to fight illegal trade so that the companies could increase their market share.<br>Following the European Parliament approval in 2014, the relevant Community Guidance governing the circulation of tobacco products in the European Union from spring 2016 onwards, was actually finalized. Application of strict legislative measures, as part of a policy of harmonization of taxation on tobacco with the healthcare policies of the Member States, is expected to have a significant effect on the sector. |

# CONDENSED FINANCIAL DATA

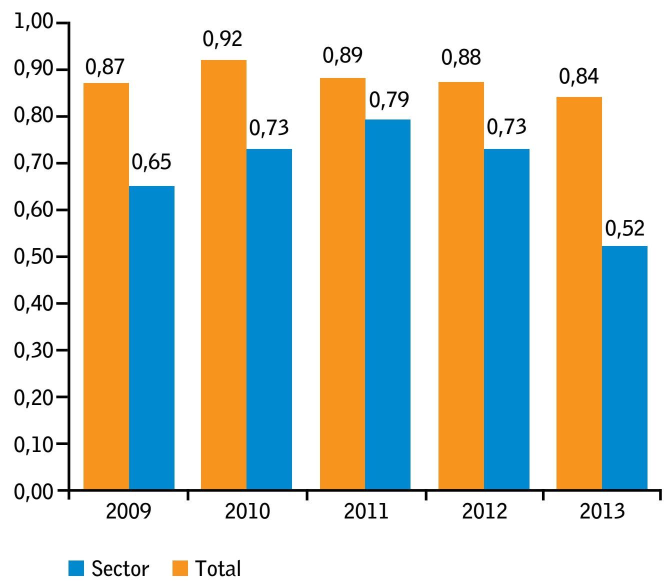
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 460 | 464 | 478 | 493 | 490 |
| Current Assets | 1.201 | 1.120 | 1.428 | 1.237 | 1.580 |
| **Total Assets** | **1.661** | **1.584** | **1.906** | **1.730** | **2.069** |
| **Equity** | **675** | **581** | **567** | **549** | **540** |
| Long-term Loan Liabilities | 242 | 174 | 78 | 135 | 167 |
| Other Long-term Liabilities | 215 | 190 | 84 | 71 | 85 |
| **Total Long-term Liabilities** | **457** | **364** | **161** | **206** | **252** |
| Short-term Loan liabilities | 112 | 248 | 371 | 268 | 185 |
| Other Short-term Liabilities | 416 | 391 | 807 | 707 | 1.093 |
| **Total Short-term Liabilities** | **528** | **639** | **1.177** | **974** | **1.277** |
| **Total Liabilities** | **986** | **1.003** | **1.339** | **1.181** | **1.530** |
| **Total Equity and Liabilities** | **1.661** | **1.584** | **1.906** | **1.730** | **2.069** |
| Working Capital | 673 | 482 | 250 | 262 | 302 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.512 | 1.430 | 1.530 | 1.415 | 1.509 |
| EBITDA | 126 | 119 | 104 | 84 | 214 |
| EBIT | 100 | 87 | 72 | 52 | 181 |
| EBT | 65 | 45 | 42 | 29 | 159 |
| EAT | 22 | 25 | 24 | 8 | 113 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,5 | 0,7 | 0,8 | 0,7 | 0,7 |
| Current Assets/ Short-term Liabilities | 2,3 | 1,8 | 1,2 | 1,3 | 1,2 |
| EV/EBITDA | 6,5 | 6,7 | 7,6 | 8,4 | 2,9 |
| EBITDA Margin | 8,3% | 8,3% | 6,8% | 5,9% | 14,2% |

### Loan Liabilities / Equity




- The sector's loan liabilities are substantially lower than its equity versus the balance recorded by the general total given the positive results recorded by the sector within the five year period.

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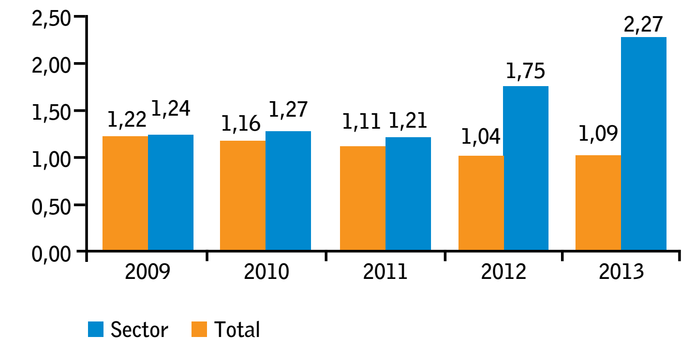
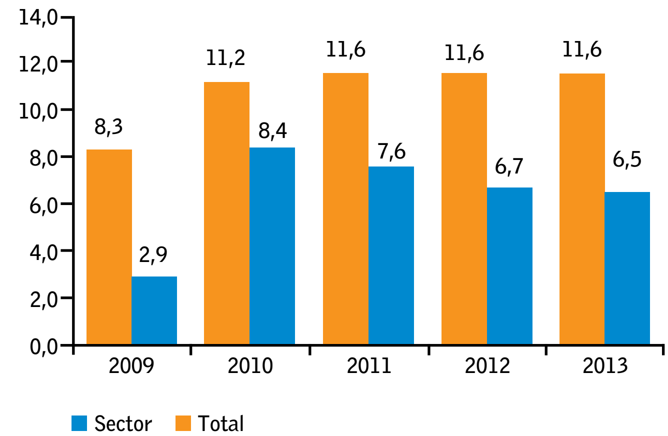
### Current Assets / Short-term Liabilities



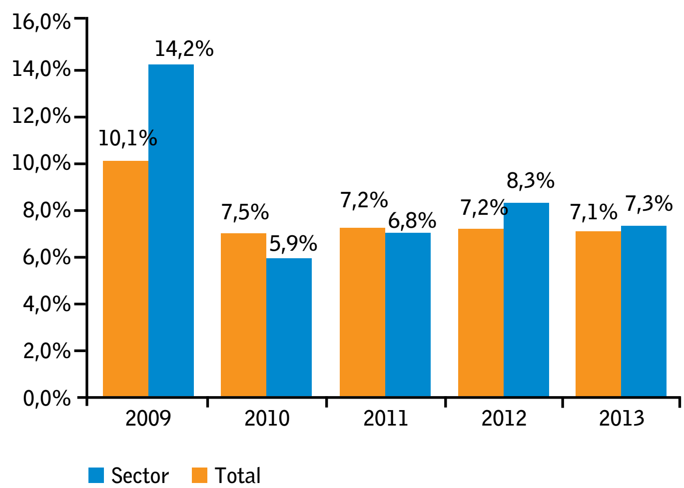

- The sector's companies present significantly higher ratio versus the general total within the five year period, while in 2013, the positive working capital of the sector's companies has almost doubled versus 2009.

### EV/EBITDA



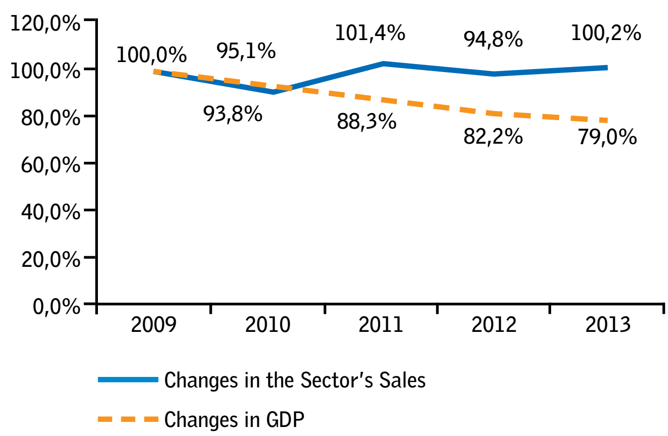

- In 2009, the sector presented high investment opportunities versus the general total, while in 2013, despite the drastically increased taxation on tobacco products, it remains more attractive to investors compared to the general total.

### EBITDA Margin




- Despite the fact that no losses have been recorded in respect of turnover, in 2013, the sector's operating profit margins decreased by almost 6% versus 2009, also as a result of recurring increases in taxation. Constant increases, taking place within the last two years, have resulted in taxation level registered at 80% of the retail price of the products.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector records profits, unlike the general total of the Greek Economy, despite the decrease in the market share caused by illegal sales.

# SECTOR ANALYSIS

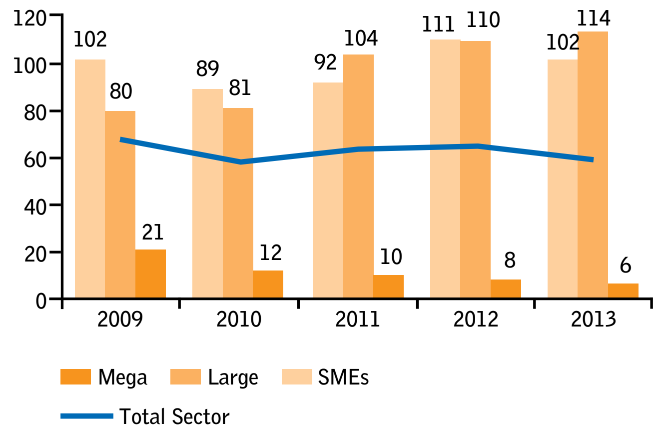
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 220 | 201 | 177 | 155 | 140 |
| Large | 429 | 341 | 112 | 128 | 158 |
| SMEs | 24 | -60 | -38 | -20 | 5 |
| **Total Sector Working Capital** | **673** | **482** | **250** | **262** | **302** |

| Working Capital * | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 220 | 201 | 177 | 155 | 140 |
| Large | 490 | 456 | 347 | 315 | 281 |
| SMEs | 75 | 73 | 98 | 61 | 66 |
| **Total Sector Working Capital** | **785** | **730** | **621** | **530** | **487** |

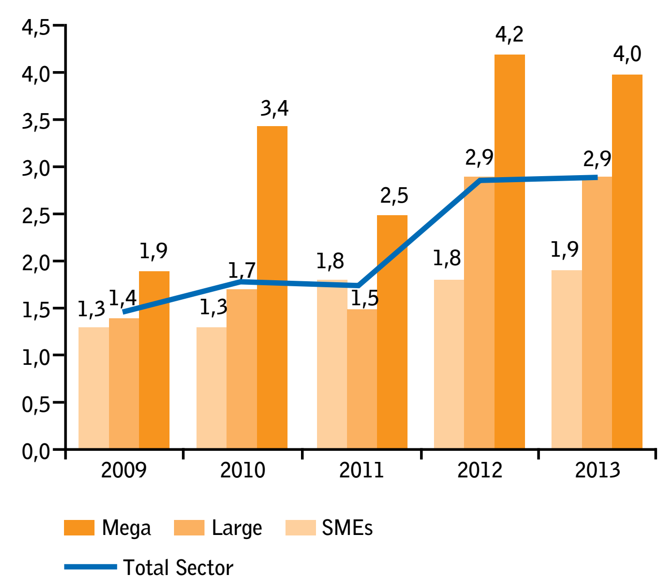
** Borrowings are not included*

### Average Collection Period of Receivables




- The average collection period of receivables in respect of the Mega company of the sector is under one months, while from 2010 onwards it is shorter than 10 days.
- In contrast, the average collection period of receivables in respect of Large companies and SMEs is marginally higher than three months within the five year period.

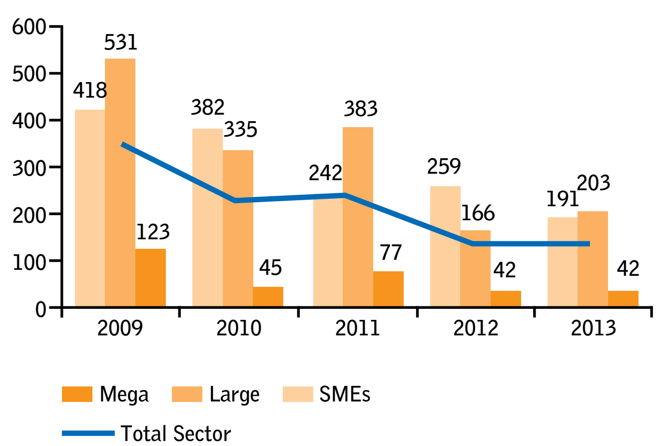
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- Financing needs of the sector are steadily low, with the Mega company recording zero borrowings within the five year period and the Large companies recording low short-term borrowings in the two year period 2012 – 2013.

### Average Period of Paying Liabilities




- Repayment margins are positive despite the decrease recorded within the five year period in respect of the suppliers of the sector's companies that from approximately 11 months in 2009 have decreased to 4 months in 2013.

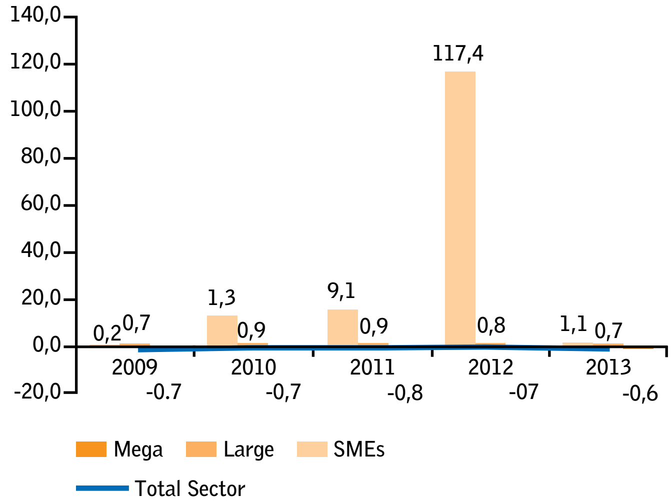
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -173 | -173 | -181 | -143 | -146 |
| Large | 252 | 264 | 281 | 259 | 209 |
| SMEs | 62 | 128 | 124 | 41 | 10 |
| **Total Sector** | **141** | **219** | **223** | **157** | **73** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 0 | 0 | 0 | 0 | 0 |
| Large | 17 | 26 | 20 | 18 | 15 |
| SMEs | 7 | 17 | 10 | 8 | 8 |
| **Total Sector** | **24** | **43** | **31** | **26** | **23** |

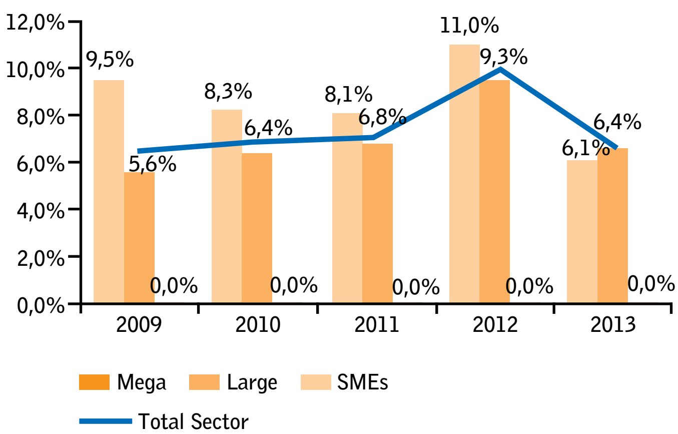
- Mega company records zero borrowings within the entire five year period, while SMEs have more than doubled their net borrowings and the Large companies increased their net borrowings by 21%.

### Net Borrowings / Equity



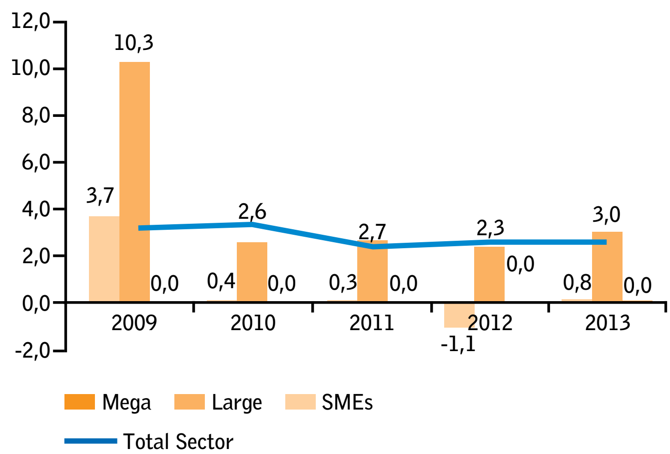

- Zero borrowings of the Mega company and low net borrowings versus equity of the Large companies are particularly differentiated compared to the high loan burdening on SMEs, mainly within the two year period 2011 – 2012.

### Average Borrowing Interest Rate




- The average interest borrowing rate of SMEs remained steadily higher than that recorded by the Large companies till 2012, while in 2013, the Large companies borrow at interest rates higher than those recorded in 2009.

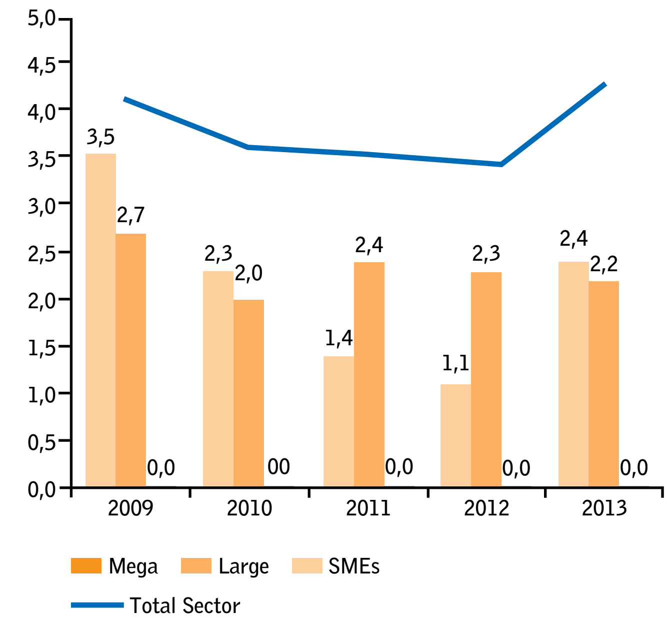
### EBITDA / Financial Expenses




- Covering financial expenses from operating profits from 2010 onwards is marginal regarding SMEs, while in 2012, operating profits are no longer sufficient. This fact is also related to increasing borrowings of SMEs.
- Large companies cover their financial expenses despite particularly high losses in operating profits recorded within the last four years.

### Sales / Total Borrowings




- Although Large companies have lower average borrowing interest rate and their operating profits are sufficient to cover financial costs in 2013, sales to total borrowings ratio is lower than that recorded by SMEs.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | 91 | 20 | 42 | 64 |
| *(percentage)* | 14% | 3% | 7% | 13% |
| Large | -38 | -62 | 83 | -109 |
| *(percentage)* | -6% | -9% | 14% | -15% |
| SMEs | 30 | -57 | -11 | -48 |
| *(percentage)* | 18% | -26% | -5% | -17% |
| **Total Sales of the Sector** | **82** | **-100** | **114** | **-94** |
| ***(percentage)*** | **6%** | **-7%** | **8%** | **-6%** |

- Given the relative increases in the Special Consumption Tax on tobacco products and the decrease in purchasing power of the consumers, the sector presents a substantial decline in sales within the five year period, with the Mega company achieving a larger market share than Large companies and SMEs in 2013 versus 2009.

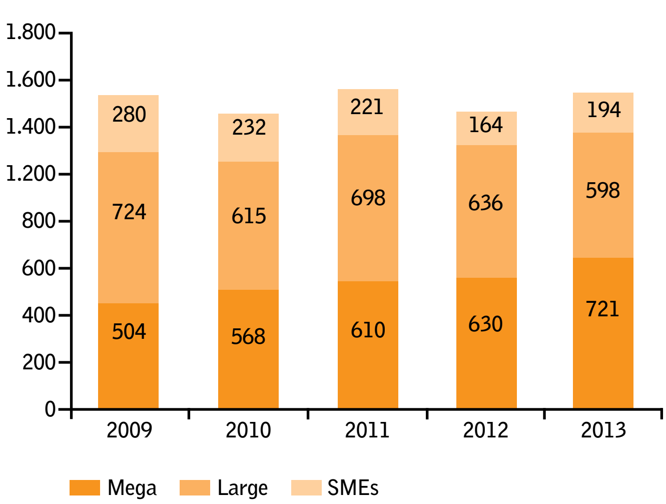
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 721 | 630 | 610 | 568 | 504 |
| Large | 598 | 636 | 698 | 615 | 724 |
| SMEs | 194 | 164 | 221 | 232 | 280 |
| **Total Sector** | **1.512** | **1.430** | **1.530** | **1.415** | **1.509** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 67 | 59 | 46 | 34 | 29 |
| Large | 53 | 62 | 55 | 47 | 156 |
| SMEs | 6 | -2 | 3 | 3 | 28 |
| **Total Sector** | **126** | **119** | **104** | **84** | **214** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 61,0 | 59,4 | 47,5 | 35,2 | 26,3 |
| Large | 11,9 | 8,0 | 7,6 | 4,0 | 120,5 |
| SMEs | -8,2 | -22,9 | -13,3 | -10,0 | 12,4 |
| **Total Sector** | **64,7** | **44,5** | **41,8** | **29,3** | **159,2** |

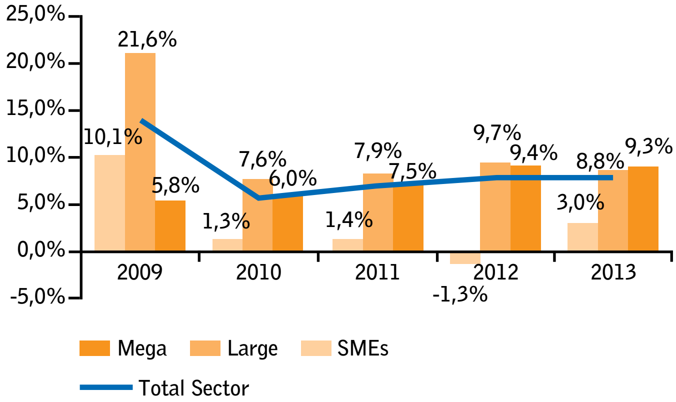
### Sales




- Profit before tax regarding the Mega company and profits decreased by approximately 90% regarding the Large companies of the sector, with SMEs presenting losses before tax in the last four year period.

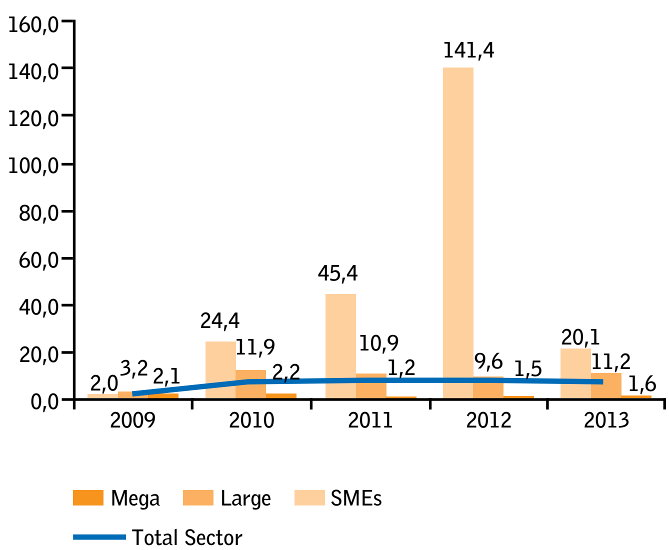
 | 

**EBITDA Margin**




- Decrease in profit margin in respect of the Large companies within the five year period of over 12,5% and of over 7% in respect of SMEs.
- Increase in the market share of the Mega company that increased its profit margins by 3,5% in the five year period.

**EV /EBITDA**




- Particularly high investment interest in the Mega company and the Large companies of the sector within the five year period.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 26 | 12 | 54 | 8 |
| Large | 28 | -105 | -34 | 88 |
| SMEs | -4 | 14 | -67 | -21 |
| **Total Sector** | **50** | **-78** | **-47** | **75** |

- Positive cash flows for the Large companies of the sector in 2013, with SMEs recording positive cash flows only in 2012. The Mega company presents positive cash flows within the entire five year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -3 | 0,2 | 2 | 2 |
| Large | -12 | 23 | 4 | 9 |
| SMEs | -0,2 | -4 | -1 | -3 |
| **Total Sector** | **-15** | **19** | **5** | **7** |

- All the sector's companies make investments, with the Large companies recording 80% of investments in 2013. Despite the intense problems the sector faces regarding the illegal sales of tobacco products and high taxation, the sector proceeds with making investments, supporting the primary production and Greek tobacco producers.
- Based on the provisions of the new European Directive on tobacco products, amendment to packaging is also required, which demands additional significant investments to be made in a short time.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -24 | -21 | -17 | -12 |
| Large | -5 | 75 | 3 | -118 |
| SMEs | 2 | -17 | 37 | 15 |
| Total Sector | -26 | 36 | 22 | -115 |

- In 2010 and 2011, SMEs proceeded with issuing loans, while the Large companies received substantial loans in 2012.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Illuminators**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**11%** of the total companies of the sector,<br>**24%** of the total sales of the sector,<br>**77%** of the total borrowings of the sector | **Illuminators**<br>Represent:<br>**11%** of the total companies of the sector,<br>**48%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**39%** of the total companies of the sector,<br>**4%** of the total sales of the sector,<br>**13%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**39%** of the total companies of the sector,<br>**24%** of the total sales of the sector,<br>**10%** of the total borrowings of the sector. |

## CONCLUSIONS
### Tobacco Sector

- The sector's profit margins decreased by 6% within the five year period, though remaining at higher levels than those recorded by the general total.
- The sector presents positive working capital within the five year period.
- Large companies record higher total borrowings versus sales and lower borrowing interest rates than SMEs, due to their ability to cover financial costs through operating profits.
- Zero bank loans regarding the Mega company of the sector, with steadily increasing profit margins.
- The Mega company of the sector as well as the Large companies present high investment interest.

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# Various Food Products Sector

BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

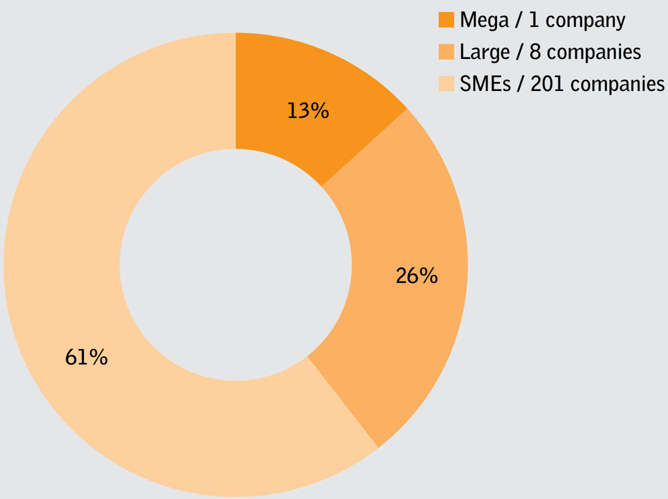
## Sector Structure

- **210** companies represent **78%** of the sector's total operations.
- **3** categories based on sales in 2013.
    - **SMEs:** Companies with sales from € 2 million to € 50 million.
    - **Large:** Companies with sales from € 50 million to € 250 million.
    - **Mega:** Companies with sales over € 250 million.

## Sector Characteristics

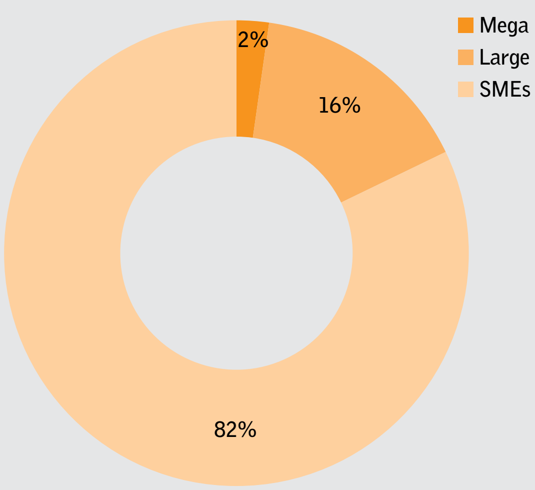
- Export oriented sector that plays a leading part in the country's economy.
- Increase in turnover and decrease in profit margins.
- High market fragmentation with numerous companies in the sector, thus further decreasing profit margins.
- The sector operating in irreplaceable product. Despite the economic crisis and the reduction in disposable income, decreases in the demand are less intense.
- Significant investments are required in order to cover the new trends and the consumers' demands for heathy life and food.

### Sales 2013




- 1 company represents 13% of the sector's total sales in 2013.

### Headcount 2013




- 82% of the sector's headcount are employed in SMEs and only 2% in Mega company.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | No homogeneity in the sector. It consists of 201 SMEs and 9 larger companies of different financial characteristics. |
| **Does a small number of companies dominate the sector?** | No. There are quite a lot of SMEs totally holding a substantial market share. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector holds a better position regarding the general picture, presenting decreasing course of EBITDA Margin despite the increase in sales. |
| **Has the sector overcome the economic crisis?** | The sector seems to have overcome the crisis, presenting stable profit margins within the last three years as well as the increase in sales. |
| **How hard was it for the sector to face the crisis?** | The sector faces decrease in profit margins, however, it maintained and in many cases increased its sales as a result of export oriented character of several companies. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector records better performance versus the general economic environment. |
| **What is the financial performance of the sector's SMEs?** | SMEs present satisfactory financial performance. However, there are negative points, such as a rather long receivables collection period and high leverage regarding the other companies of the sector. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be linked so much to the size as to financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | It appears that there is room for growth in the sector as a whole in sizes over those recorded in the last five years, mainly through further growth in exports of Greek products.<br>Strengthening the sector's SMEs, given the good financial performance they present and their particularly high contribution to employment in the sector, is a prospect that should be considered. Furthermore, significant synergy prospects are arising in SMEs, which is a factor that is likely to facilitate their opening to foreign markets. |

# CONDENSED FINANCIAL DATA

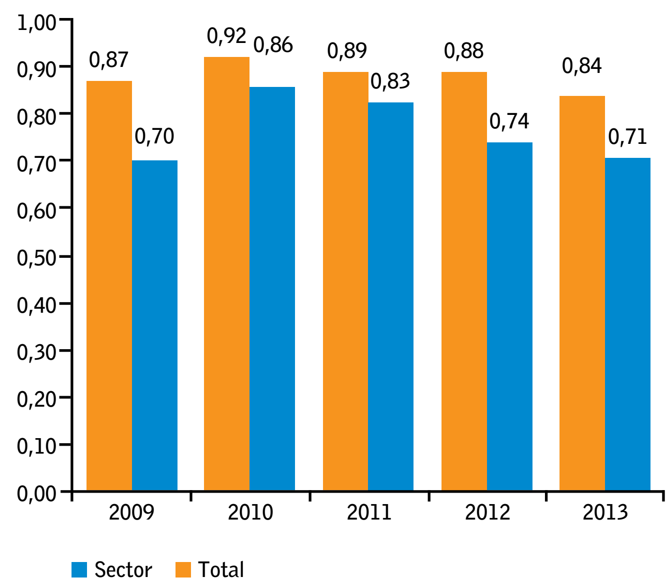
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 998 | 1.017 | 1.057 | 1.075 | 1.033 |
| Current Assets | 1.690 | 1.706 | 1.733 | 1.618 | 1.565 |
| **Total Assets** | **2.687** | **2.723** | **2.791** | **2.693** | **2.598** |
| **Equity** | **923** | **923** | **858** | **811** | **967** |
| Long-term Loan Liabilities | 308 | 269 | 288 | 313 | 325 |
| Other Long-term Liabilities | 78 | 80 | 91 | 89 | 80 |
| **Total Long-term Liabilities** | **386** | **349** | **379** | **402** | **405** |
| Short-term Loan liabilities | 352 | 418 | 428 | 381 | 351 |
| Other Short-term Liabilities | 1.027 | 1.033 | 1.125 | 1.099 | 875 |
| **Total Short-term Liabilities** | **1.379** | **1.451** | **1.553** | **1.480** | **1.226** |
| **Total Liabilities** | **1.764** | **1.800** | **1.932** | **1.882** | **1.631** |
| **Total Equity and Liabilities** | **2.687** | **2.723** | **2.791** | **2.693** | **2.598** |
| Working Capital | 311 | 256 | 180 | 138 | 340 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 3.074 | 3.052 | 3.117 | 2.923 | 2.851 |
| EBITDA | 224 | 221 | 254 | 242 | 323 |
| EBIT | 163 | 134 | 173 | 155 | 242 |
| EBT | 83 | 56 | 98 | 110 | 199 |
| EAT | 41 | 24 | 61 | 53 | 138 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,7 | 0,7 | 0,8 | 0,9 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,2 | 1,2 | 1,1 | 1,1 | 1,3 |
| EV/EBITDA | 6,4 | 6,6 | 5,6 | 5,6 | 4,5 |
| EBITDA Margin | 7,3% | 7,2% | 8,1% | 8,3% | 11,3% |

### Loan Liabilities / Equity




- Loans to equity ratio is steadily lower than the general average level within the five year period. The sector finances its operations more from equity than from borrowings

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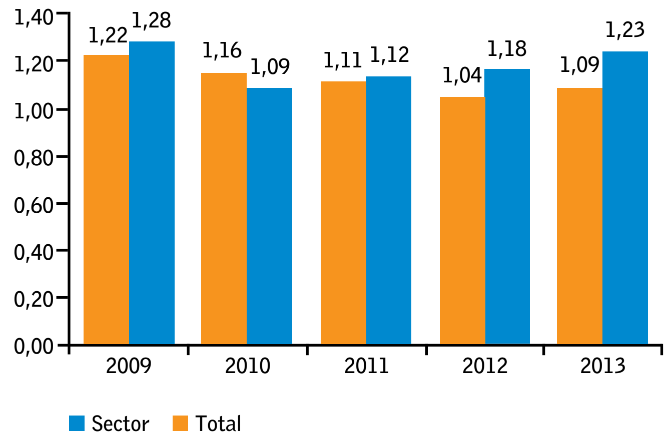
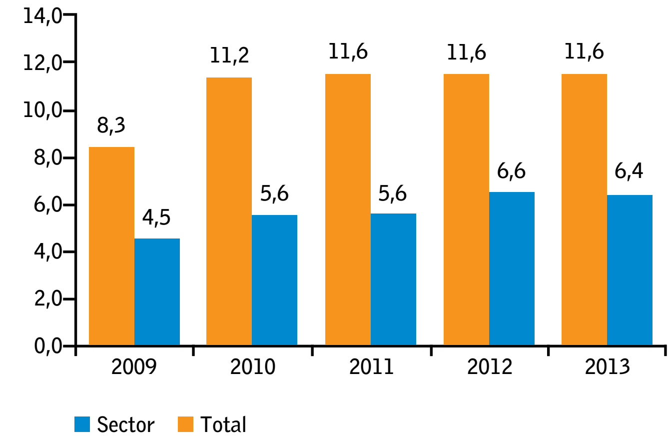
### Current Assets / Short-term Liabilities



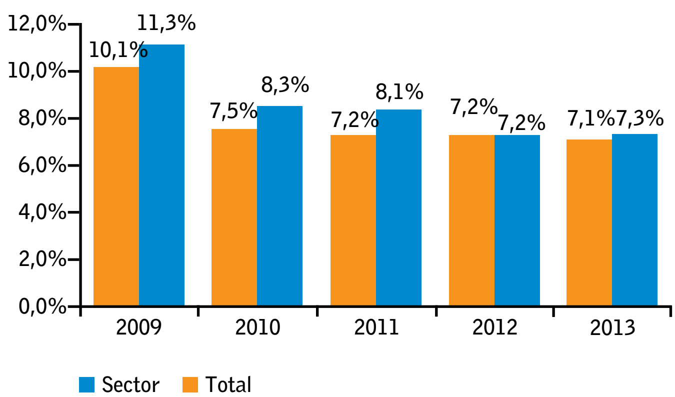

- The sector's companies present steadily positive working capital and it seems that their liquidity is better than the average of the total companies under survey.

### EV/EBITDA



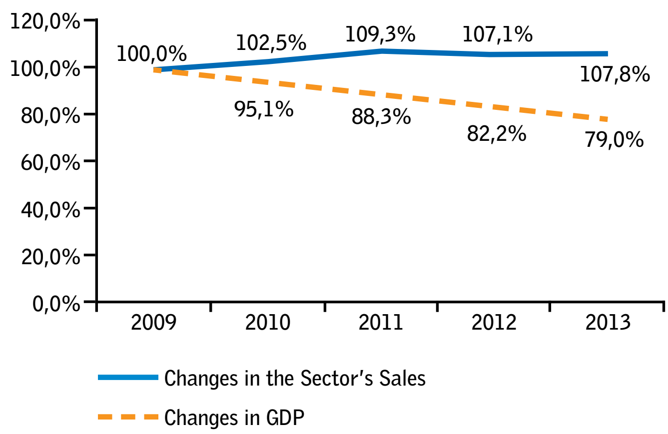

- Despite the decrease in operating profits, maintaining borrowings at low levels and holding positive profit before tax make the sector more interesting regarding investments than the general total.

### EBITDA Margin




- In 2013, EBITDA margin stands at 7,3%, marginally higher than that recorded by the total of the companies, those presenting decreasing tendencies. These tendencies are due to the increase in raw materials prices as well as to the decrease in demand, caused by the decline in the available income, obliging the sector's companies to decrease their profit margins in order to maintain their sales.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- Maintaining and increasing the sector's sales in contrast to the losses recorded by the Greek Economy within the five year period.

# SECTOR ANALYSIS

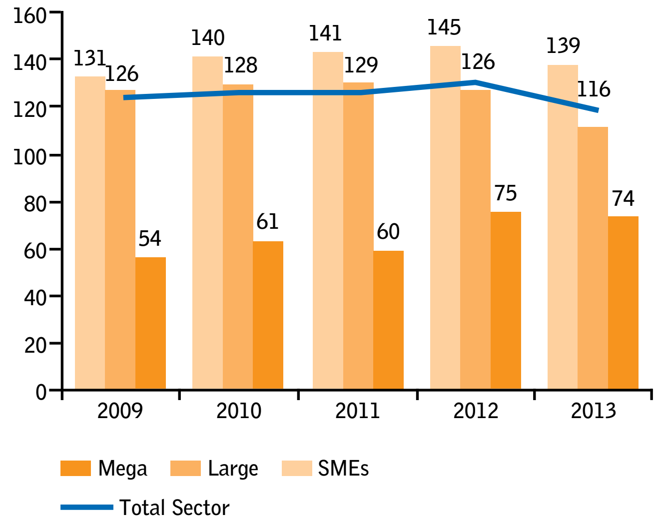
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -118 | -128 | -215 | -220 | -48 |
| Large | 133 | 104 | 117 | 108 | 105 |
| SMEs | 295 | 280 | 278 | 250 | 283 |
| **Total Sector Working Capital** | **311** | **256** | **180** | **138** | **340** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -118 | -128 | -215 | -220 | -48 |
| Large | 163 | 166 | 186 | 149 | 143 |
| SMEs | 618 | 635 | 637 | 589 | 596 |
| **Total Sector Working Capital** | **663** | **673** | **609** | **519** | **691** |

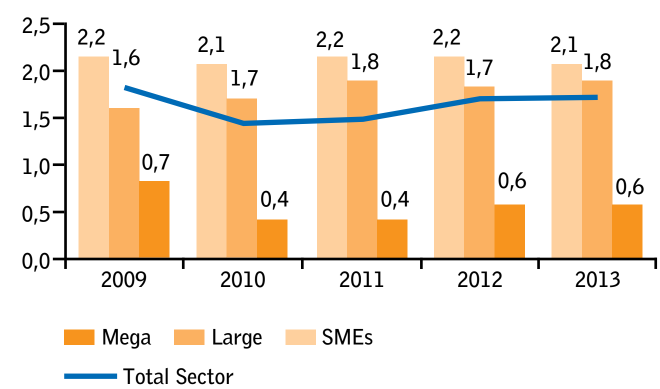
** Borrowings are not included*

### Average Collection Period of Receivables




- The average receivables collection period is inversely proportional to the size of the sector's companies. It is encouraging that in 2013, SMEs seem to improve the conditions under which they collect receivables from their clients.

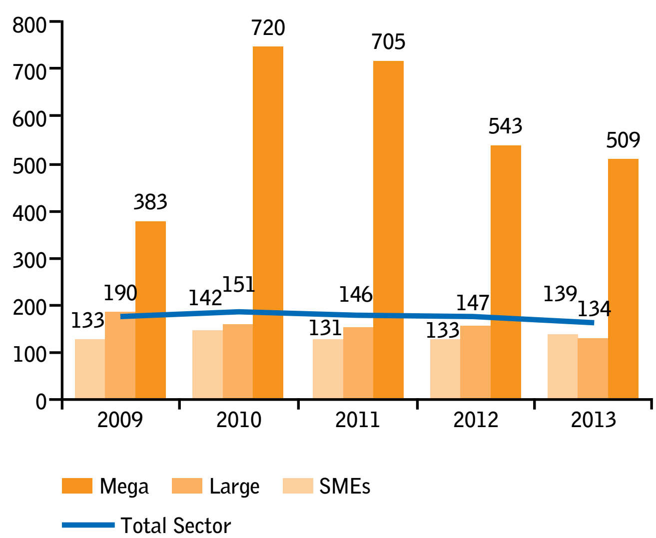
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- SMEs present better liquidity than the other companies in the sector. It is to be noted that only one company is classified as Mega, whose liquidity is burdened due to short-term loans from associates.

### Average Period of Paying Liabilities




- The average period of paying liabilities regarding SMEs of the sector steadily exceeds 4 months.

 | 

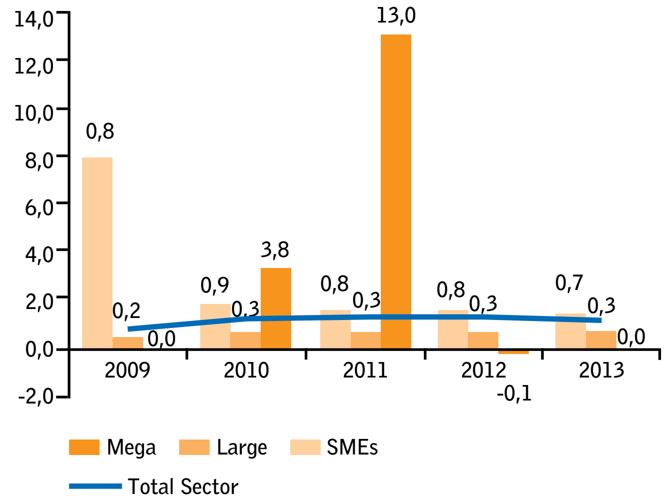
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | -2 | -6 | -3 | -9 | -2 |
| Large | 79 | 74 | 79 | 71 | 40 |
| SMEs | 432 | 475 | 491 | 488 | 461 |
| **Total Sector** | **509** | **543** | **567** | **550** | **499** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 0 | 0 | 0 | 0 | 0 |
| Large | 10 | 10 | 8 | 6 | 8 |
| SMEs | 43 | 47 | 43 | 31 | 32 |
| **Total Sector** | **53** | **57** | **51** | **38** | **40** |

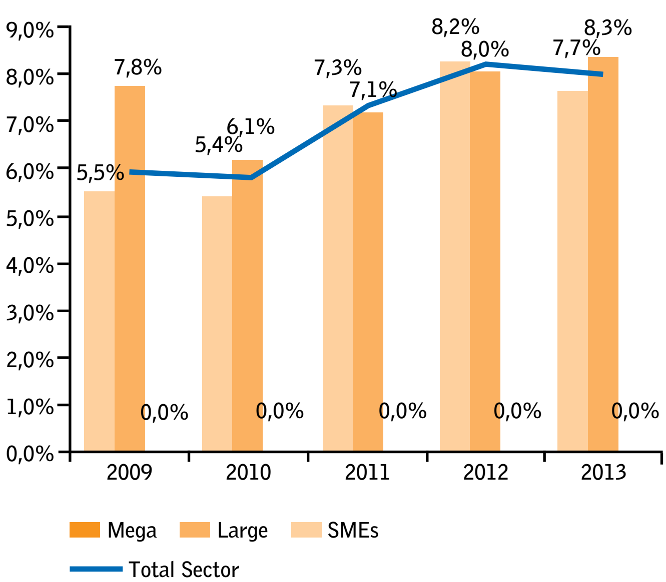
- Mega company of the sector presents zero bank loans financing its operations within the last five years through loans from associates.
- Large companies of the sector have doubled their bank loans within the five year period.
- SMEs decrease their borrowings through intense growth recorded within the last years.

### Net Borrowings / Equity



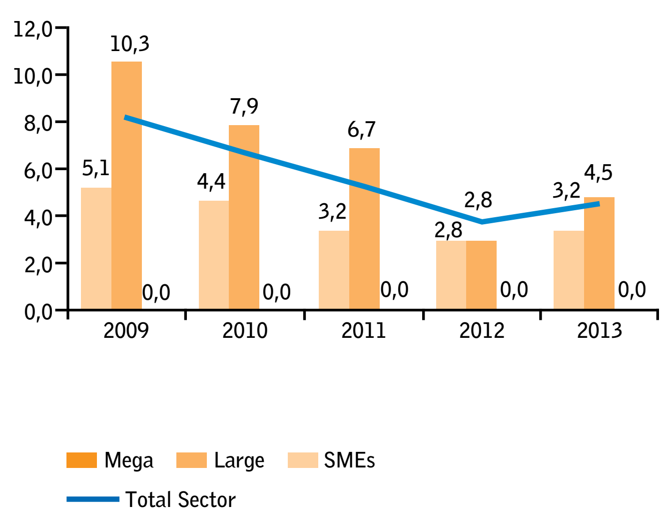

- SMEs record substantially higher loan burdening than the Large companies of the sector.
- In 2013, the Mega company of the sector presented zero bank loans, while its equity has improved since 2012 through share capital increase.

### Average Borrowing Interest Rate




- Borrowing costs steadily increase, introducing additional burdening on the companies, while the Mega company records zero bank loans.

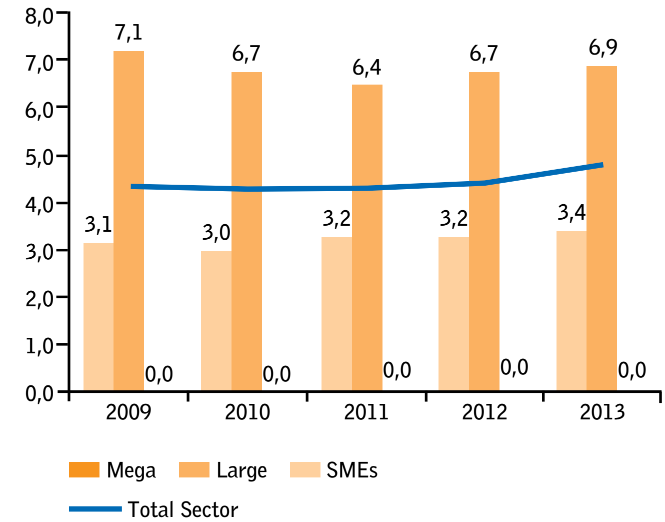
### EBITDA / Financial Expenses




- As a total, the sector's companies manage to cover their financial expenses through operating profits. Although a downward trend was recorded in 2012, it was improved in 2013.
- Financial expenses coverage is proportional to the size of the companies.

### Sales / Total Borrowings




- The sector's sales exceed its borrowings. The ratio is one of the highest in the other sectors, reflecting the low leverage of the sector. It is noted that the Mega company has zero bank loans.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Mega | -27 | 10 | 4 | 53 |
| *(percentage)* | -6% | 2% | 1% | 14% |
| Large | 13 | -35 | 99 | 3 |
| *(percentage)* | 2% | -4% | 14% | 0,5% |
| SMEs | 36 | -39 | 91 | 16 |
| *(percentage)* | 2% | -2% | 5% | 1% |
| **Total Sales of the Sector** | **22** | **-65** | **194** | **72** |
| ***(percentage)*** | **1%** | **-2%** | **7%** | **3%** |

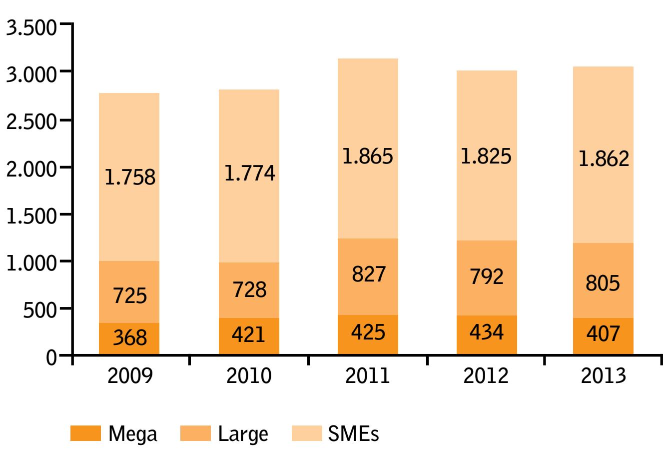
- The sector's sales have not been affected by the crisis, since even in a negative economic environment dominating within the five year period, several companies managed to increase sales. As indicated in the above table, as a total, on year-to-year basis, the decrease is recorded only in 2012 versus 2011.
- It is worth noting that out of the companies of the sector included in our survey, 61% recorded increase, even marginal, in sales in 2013 versus 2009. In respect of 50% of the sector's companies included in our survey, the increase exceeds 10%.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 407 | 434 | 425 | 421 | 368 |
| Large | 805 | 792 | 827 | 728 | 725 |
| SMEs | 1.862 | 1.825 | 1.865 | 1.774 | 1.758 |
| **Total Sector** | **3.074** | **3.052** | **3.117** | **2.923** | **2.851** |

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 45 | 63 | 59 | 52 | 79 |
| Large | 43 | 27 | 57 | 51 | 82 |
| SMEs | 135 | 131 | 138 | 139 | 163 |
| **Total Sector** | **224** | **221** | **254** | **242** | **323** |

### Sales

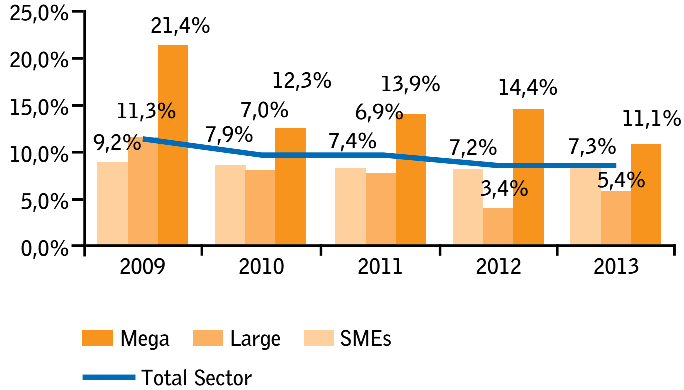



| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Mega | 22,4 | 27,4 | 31,5 | 30,2 | 75,0 |
| Large | 19,3 | 4,6 | 34,9 | 31,4 | 53,3 |
| SMEs | 41,6 | 23,8 | 31,3 | 48,9 | 70,4 |
| **Total Sector** | **83,4** | **55,8** | **97,8** | **110,4** | **198,6** |

- Despite the increase in sales, profitability, irrespectively of the companies' size, had a sufficient decline within the five year period as a result of the decrease in profit margins.

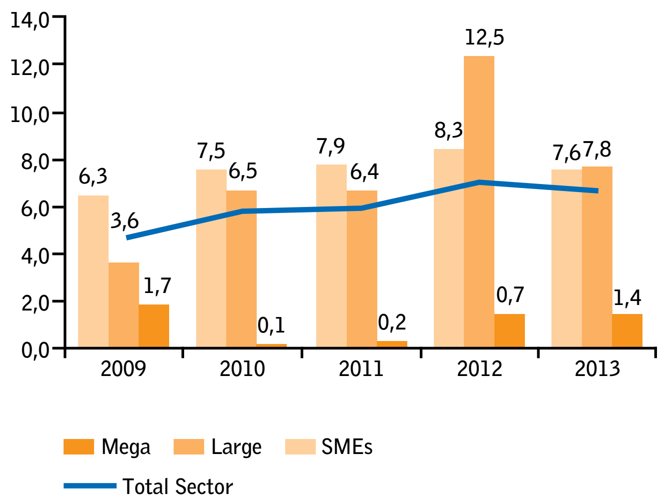
 

### EBITDA Margin




- EBITDA margin gradually decreases. As mentioned above, Mega companies' category includes only one company, which seems to have achieved higher EBITDA margin than the sector's average, however reduced by half in 2013 versus EBITDA margin recorded in 2009.

### EV/EBITDA Margin




- Mega company seems to be more attractive regarding investments than the other companies of the sector.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | 26 | 37 | 2 | 45 |
| Large | 42 | 21 | 31 | 75 |
| SMEs | 146 | 117 | 86 | 114 |
| **Total Sector** | **213** | **175** | **119** | **234** |

- Cash inflows from operating activities are presented increased within the four year period.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -8 | -13 | -11 | 1 |
| Large | -8 | -10 | -20 | -20 |
| SMEs | -26 | -38 | -42 | -74 |
| **Total Sector** | **-42** | **-61** | **-73** | **-93** |

- Investing activities are presented as decreased.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Mega | -22 | -21 | 4 | -43 |
| Large | -40 | -17 | 1 | -79 |
| SMEs | -105 | -81 | -44 | -57 |
| **Total Sector** | -167 | -120 | -39 | -180 |

- Mostly, inflows from operating activities have been directed to reduce the sector's borrowings and pay dividends.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Moonlighters**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**22%** of the total companies of the sector,<br>**18%** of the total sales of the sector,<br>**24%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**27%** of the total companies of the sector,<br>**29%** of the total sales of the sector,<br>**7%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**41%** of the total companies of the sector,<br>**37%** of the total sales of the sector,<br>**61%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**10%** of the total companies of the sector,<br>**16%** of the total sales of the sector,<br>**8%** of the total borrowings of the sector. |

## CONCLUSIONS
## Various Food Products Sector

- The sector's sales have not been affected by the generally unfavorable environment. 50% of the sector's companies, included in our survey, increased their sales in 2013 versus 2009 by more than 10%.
- EBITDA margin steadily decreases as a result of intense competition and attempts to maintain sales.
- Loan liabilities to equity ratio is one of the lowest regarding the other sectors. The sector's companies record low borrowings and, as a result, are in position to sufficiently cover their financial costs through their operating profits.

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# Various Industrial Products Sector

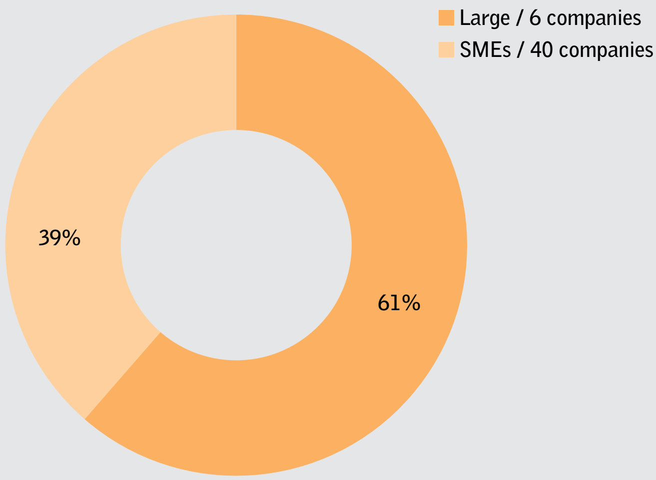
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

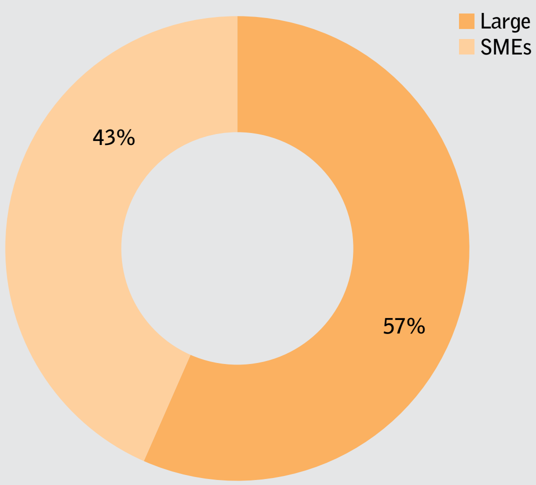
- **46** companies represent **89%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million

### Sales 2013




- 6 companies represent 61% of the sector's total sales in 2013.

### Headcount 2013




- 57% of the sector's headcount are employed in 6 Large companies.

## Sector Characteristics

- The sector presents dissimilarities, since the products produced by the sector's companies are substantially different.
- The sector faces intense competition from imported products.
- Within the last years, the companies have been transferring their manufacturing facilities abroad in compliance with the general planning to cut operating costs.
- Increase in turnover in 2013 is regarded as a satisfactory evidence of the sector's recovery following constant decrease in sales recorded within the previous years at lower levels than those recorded in GDP.
- The sector generates positive cash flows from operating activities within the entire five year period, positive, though substantially reduced working capital and is beginning to present investment interest in 2013 versus the remaining sectors.

• All the figures are presented in million € unless otherwise mentioned.
• Percentages and sums are based on non-rounded figures.

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector records homogeneity in both – financial characteristics and operating activities of the companies. |
| **Does a small number of companies dominate the sector?** | 6 companies constitute 61% of turnover and employ 57% of the sector's headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | Despite the decline in the sector's turnover, more favorable EBITDA margins are recorded compared to other sectors as a whole and the sector presents more investment interest than the overall total. |
| **Has the sector overcome the economic crisis?** | Satisfactory increase in sales (9%) in 2013 assisted in improving the sector's profitability, however, a significant decrease (-72%) in working capital as compared to 2009 onwards is an indication of liquidity problems regarding the companies of the sector. |
| **How hard was it for the sector to face the crisis?** | The crisis has been negatively affected the sector, created delay in repayment of loan liabilities and problems in financing the companies' working capital. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector recorded lower losses than those suffered by the Greek Economy and presented signs of recovery in 2013. |
| **What is the financial performance of the sector's SMEs?** | SMEs present positive earnings before tax within the five year period and higher EBITDA margins till 2012 inclusively. They record lower loan burdening regarding the sector's total, while face difficulties in covering their obligations due to limited liquidity. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability is mainly linked to the ability to maintain liquidity as well as refinance the borrowings and not so much to the market share of the sector's companies. |
| **What are the prospects for the sector?** | Financial consolidation of the sector's companies is linked to compression policies in operating expenses and finding resources to ensure liquidity and realization of investment projects.<br>Growth prospects are mainly identified in foreign market, through expansion of existing partnerships and penetration into new geographic markets. |

# CONDENSED FINANCIAL DATA

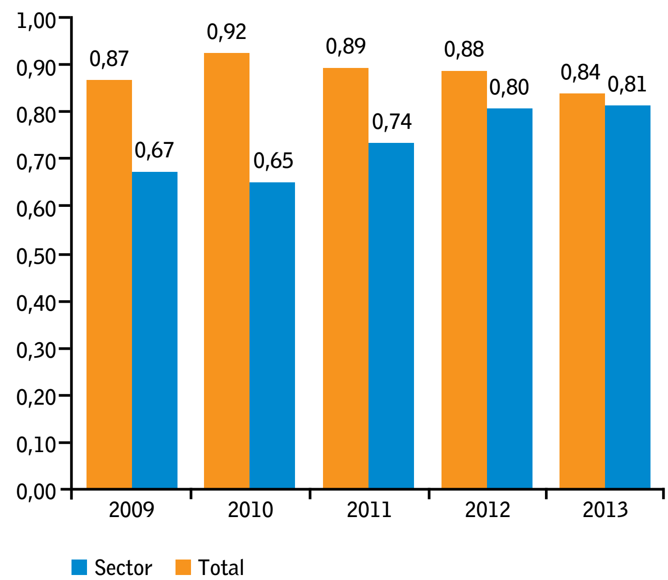
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 754 | 795 | 793 | 803 | 802 |
| Current Assets | 702 | 723 | 742 | 778 | 837 |
| **Total Assets** | **1.456** | **1.518** | **1.534** | **1.581** | **1.638** |
| **Equity** | **482** | **517** | **538** | **619** | **608** |
| Long-term Loan Liabilities | 229 | 203 | 220 | 209 | 231 |
| Other Long-term Liabilities | 85 | 121 | 129 | 111 | 110 |
| **Total Long-term Liabilities** | **313** | **324** | **348** | **320** | **341** |
| Short-term Loan liabilities | 160 | 210 | 178 | 192 | 174 |
| Other Short-term Liabilities | 501 | 466 | 470 | 450 | 516 |
| **Total Short-term Liabilities** | **661** | **676** | **648** | **642** | **690** |
| **Total Liabilities** | **974** | **1.001** | **997** | **963** | **1.030** |
| **Total Equity and Liabilities** | **1.456** | **1.518** | **1.534** | **1.581** | **1.638** |
| Working Capital | 41 | 47 | 93 | 136 | 147 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 804 | 740 | 796 | 821 | 905 |
| EBITDA | 102 | 70 | 75 | 91 | 119 |
| EBIT | 62 | 26 | 23 | 41 | 57 |
| EBT | 28 | -9 | -3 | 30 | 31 |
| EAT | 3 | -18 | -10 | 13 | 21 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,8 | 0,8 | 0,7 | 0,6 | 0,7 |
| Current Assets/ Short-term Liabilities | 1,1 | 1,1 | 1,1 | 1,2 | 1,2 |
| EV/EBITDA | 7,7 | 12,4 | 11,7 | 10,5 | 7,9 |
| EBITDA Margin | 12,7% | 9,4% | 9,5% | 11,1% | 13,2% |

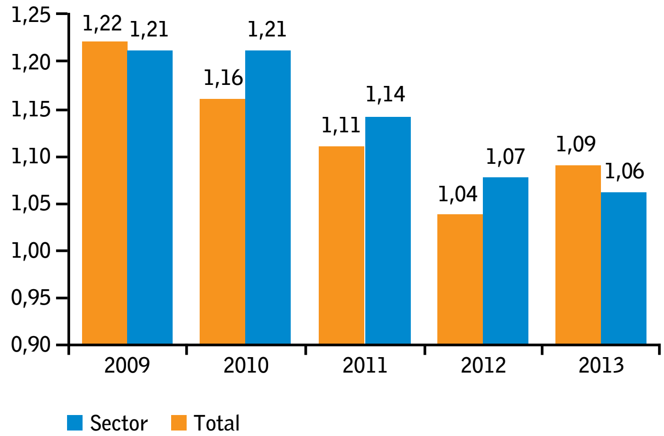
### Loan Liabilities / Equity




- The sector's companies record steadily lower loan burdening than the general total.
- Decrease in equity affects the ratio in the last three years, from 0,65 in 2010 standing at 0,81 in 2013.

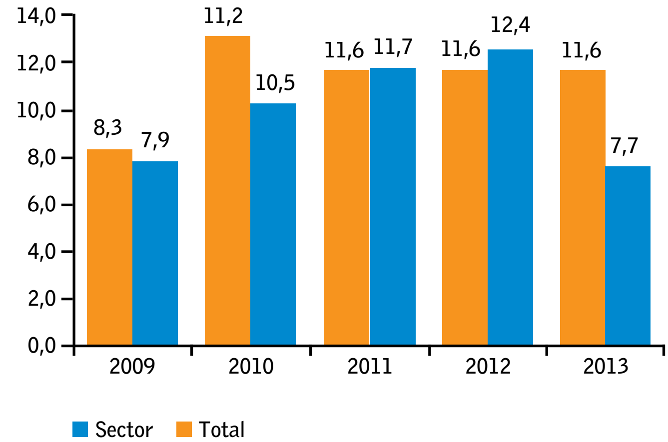
 

### Current Assets / Short-term Liabilities



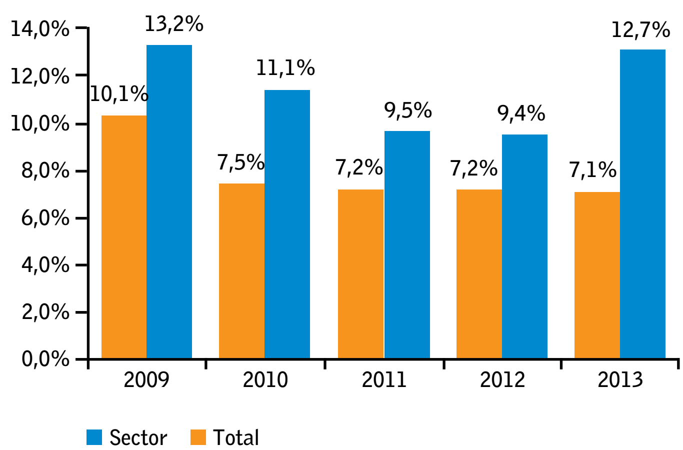

- The sector holds steadily marginal positive working capital, which, however, significantly decreases within the five year period, recording losses of approximately 72% in 2013 versus 2009.

### EV/EBITDA



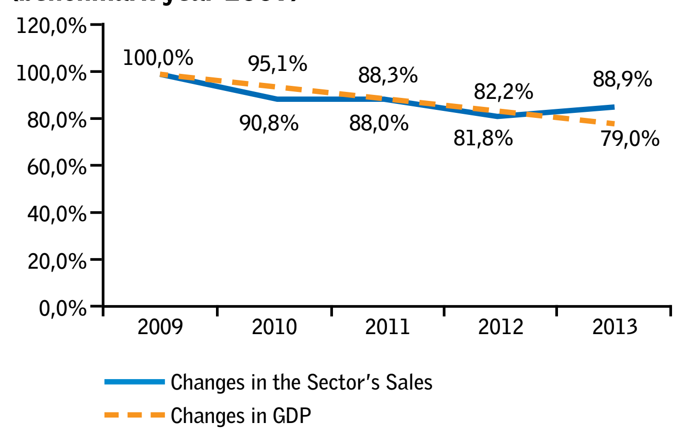

- The ratio follows the general trends till 2013, when increase in profitability substantially improves the sector's ratio.

### EBITDA Margin




- Despite the downward trend recorded till 2012 inclusively, traditionally high profit margins of the sector versus the general total significantly increase in 2013.
- In 2013, the ratio approaches the levels of 2009, with sales recording increase of 9% and operating expenses of 4%.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector records losses at a higher level than the respective GDP losses till 2012.In 2013, the sector presents an increase of approximately 9%, thus differentiating from the constantly downward trend, recorded in GDP.

# SECTOR ANALYSIS

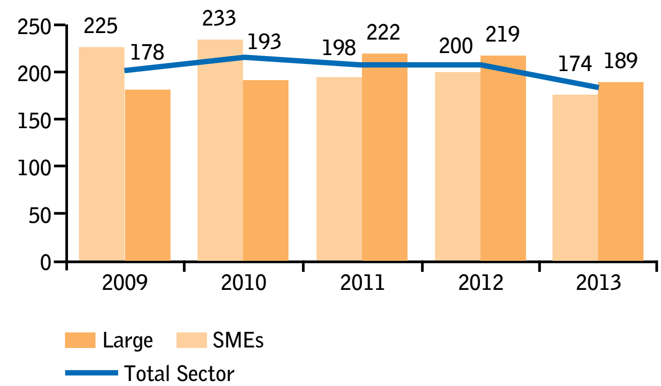
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -96 | -60 | -17 | 10 | 58 |
| SMEs | 137 | 107 | 111 | 125 | 89 |
| **Total Sector Working Capital** | **41** | **47** | **93** | **136** | **147** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -4 | 59 | 70 | 98 | 117 |
| SMEs | 205 | 198 | 201 | 230 | 204 |
| **Total Sector Working Capital** | **201** | **257** | **272** | **328** | **321** |

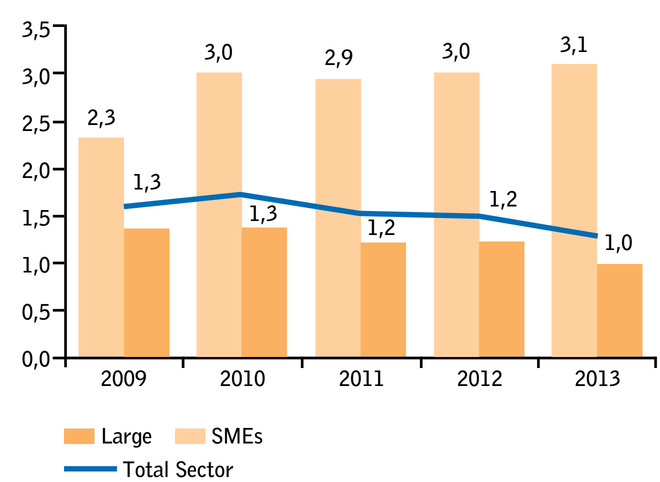
** Borrowings are not included*

### Average Collection Period of Receivables




- Despite recording positive working capital, SMEs have to repay their obligations in a period that is shorter than receivables collection period.
- Large companies seem to significantly benefit from liabilities payment period terms, two times longer that receivables collection period.

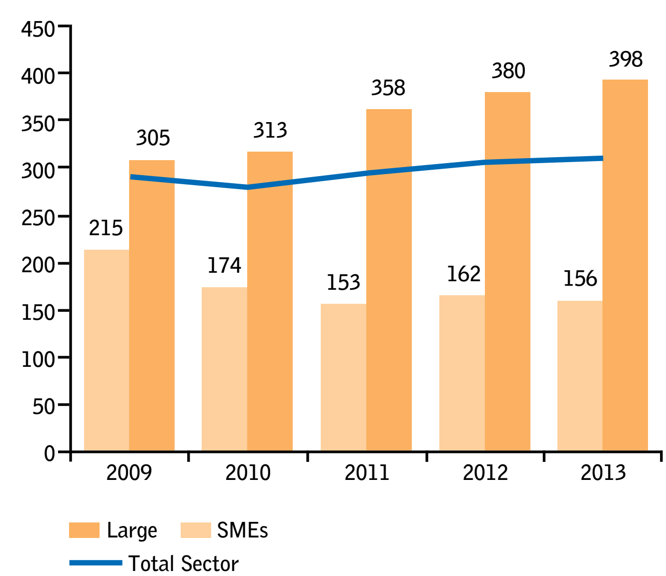
### Current Assets / Short-term Liabilities*




** Borrowings are not included*

- The sector maintains positive working capital within the entire five year period, while borrowings significantly affect the Large companies, whose working capital, in case borrowings are included, has been negative within the last three years.
- Relatively high working capital of SMEs should be examined in line with the receivables collection period reaching 7 months in 2012, which to a certain extent indicates non-making adequate provisions for bad receivables.

### Average Period of Paying Liabilities



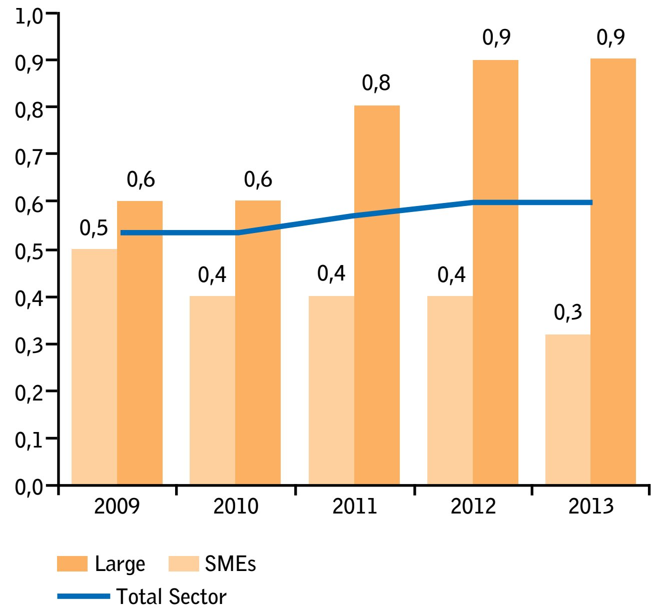
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 244 | 257 | 241 | 221 | 206 |
| SMEs | 62 | 88 | 103 | 112 | 121 |
| **Total Sector** | **306** | **345** | **343** | **333** | **327** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 24 | 24 | 25 | 13 | 19 |
| SMEs | 9 | 11 | 11 | 9 | 10 |
| **Total Sector** | **33** | **35** | **37** | **23** | **29** |

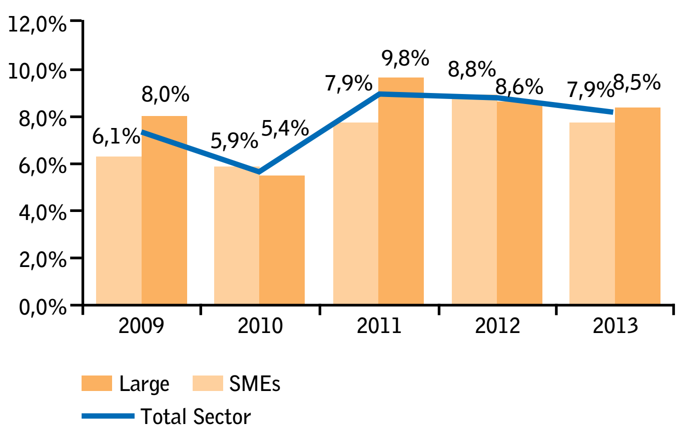
- Increased loan burdening of the Large companies till 2012 inclusively in contrast to SMEs, whose loans decreased by half from 2009 to 2013.

### Net Borrowings / Equity



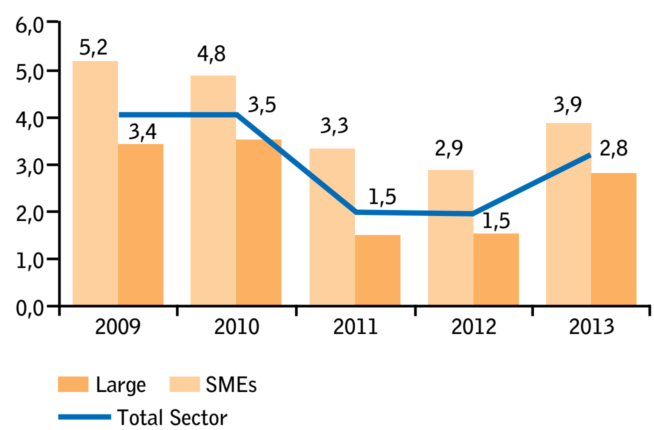

- Improvement in cash available, particularly in the last three years, has contributed to decrease in net borrowings by 6% regarding the total sector. SMEs record more substantial decreases versus the Large companies.
- Loan burdening of SMEs has been steadily decreasing, while, in contrast, loan burdening of the Large companies has been increasing, mainly due to the increase in total borrowings.

### Average Borrowing Interest Rate




- The Average Borrowing Interest Rate records mixed tendencies, more intense regarding the Large companies, while within the five year period it increases by approximately 1% in respect of the total sector.
- The Average Borrowing Interest Rate does not substantially differ between Large companies and SMEs, although there is a big difference between two categories regarding total borrowings.

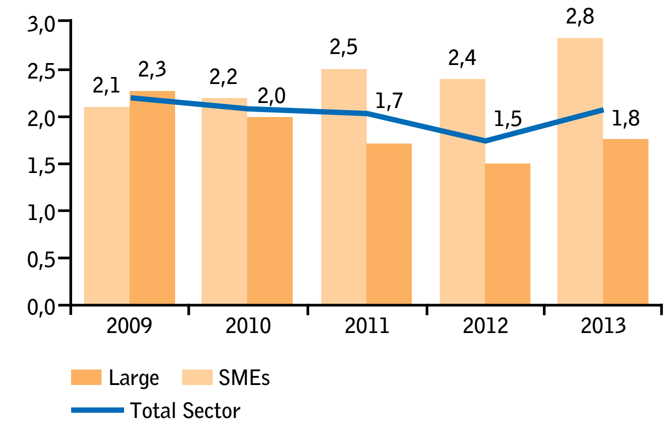
### EBITDA / Financial Expenses




- SMEs are more flexible in covering their financial costs through EBITDA, given lower loan burdening.

**Sales / Total Borrowings**




- The changes in the ratio are mainly affected by borrowings, with the Large companies increasing their loans till 2012 inclusively, and SMEs decreasing them.

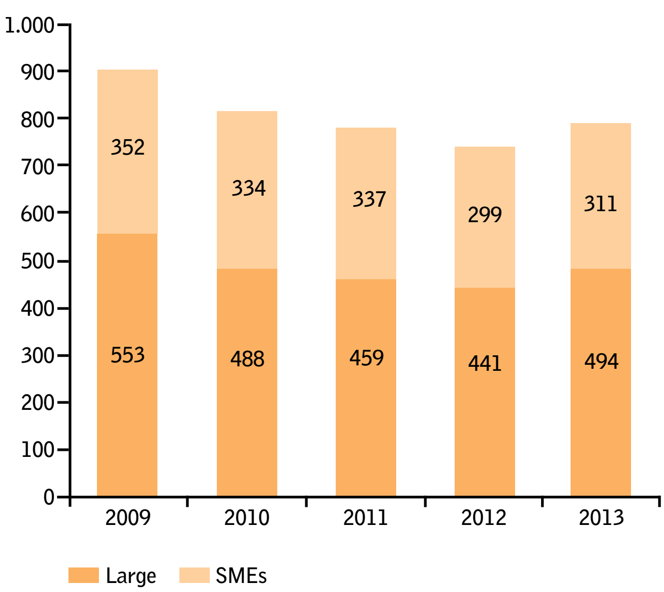
| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 53 | -18 | -29 | -65 |
| *(percentage)* | 12% | -4% | -6% | -12% |
| SMEs | 11 | -38 | 3 | -19 |
| *(percentage)* | 4% | -11% | 1% | -5% |
| **Total Sales of the Sector** | **64** | **-56** | **-25** | **-84** |
| ***(percentage)*** | **9%** | **-7%** | **-3%** | **-9%** |

- The sector presents total losses in turnover of 11% within the five year period, while in 2013 recovery starts with increases of approximately 9%.
- The increase in sales in 2013 is followed by the improvement in EBITDA regarding the total of the companies. Within the same year, the companies maintain increases in flexible expenses at low levels.

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 494 | 441 | 459 | 488 | 553 |
| SMEs | 311 | 299 | 337 | 334 | 352 |
| **Total Sector** | **804** | **740** | **796** | **821** | **905** |

**Sales**



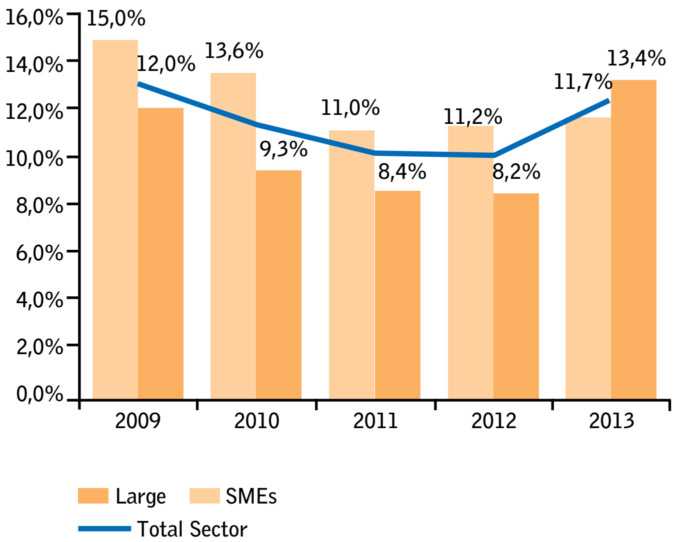

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 66 | 36 | 38 | 45 | 66 |
| SMEs | 36 | 34 | 37 | 45 | 53 |
| **Total Sector** | **102** | **70** | **75** | **91** | **119** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 17,3 | -15,3 | -6,9 | -1,2 | 17,0 |
| SMEs | 10,8 | 6,4 | 4,1 | 31,2 | 14,1 |
| **Total Sector** | **28,1** | **-9,0** | **-2,8** | **29,9** | **31,1** |

- In 2013, Large companies manage to revert previous years losses before tax, recording profits they presented in 2009.
- In 2013, the sector presented profit before tax after two consecutive years of presenting losses.

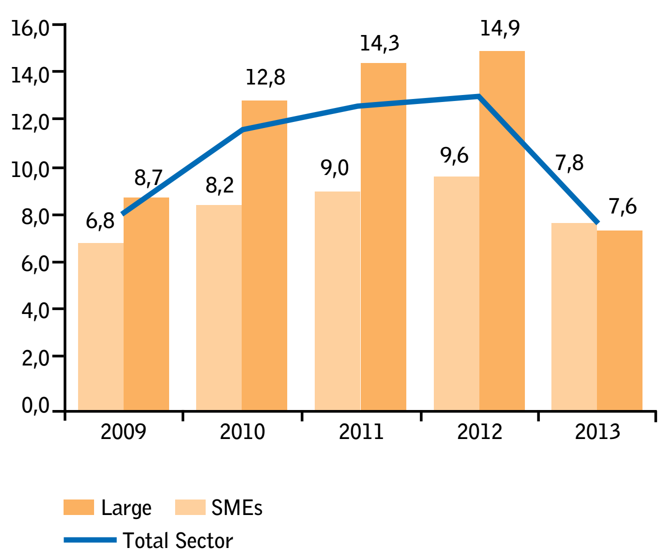
 | 

### EBITDA Margin




- The long-lasting prevalence of profitability margins of SMEs is reverted in 2013, with Large companies significantly improving, by almost 5 points from 2012.
- The total sector presents increase in EBITDA Margin in 2013, when the margin in question approaches the levels recorded in 2009 with the increase in sales exceeding the increase in operating costs.

### EV/EBITDA Margin




- SMEs record marginally low EBITDA performance but constantly decrease their borrowings, thus maintaining the ratio at low levels within the entire period under survey.
- In 2013, Large companies increase the relative ratio mainly through increase in profitability.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 68 | 55 | 89 | 42 |
| SMEs | 49 | 42 | 50 | 32 |
| **Total Sector** | **118** | **97** | **138** | **73** |

- Positive cash flows of the sector for four years, while in 2013 they exceed the levels of 2010.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -17 | -50 | -54 | -29 |
| SMEs | 2 | -12 | -1 | -22 |
| **Total Sector** | **-14** | **-62** | **-56** | **-51** |

- Cash outflows from investing activities regarding the Large companies stand at € 150 million versus € 33 million regarding SMEs for the period 2010-2013.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -50 | 0 | -38 | -18 |
| SMEs | -40 | -20 | -59 | -13 |
| **Total Sector** | **-90** | **-20** | **-97** | **-31** |

- Distribution of dividends in Large companies offsets the inflows from increase in borrowings.
- SMEs repay their loans, with outflows from financing activities approaching €132 million.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| **Spotlighters**<br>Represent:<br>**7%** of the total companies of the sector,<br>**1%** of the total sales of the sector,<br>**1%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**18%** of the total companies of the sector,<br>**10%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. |
|---|---|
| **Gloomers**<br>Represent:<br>**57%** of the total companies of the sector,<br>**84%** of the total sales of the sector,<br>**96%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**18%** of the total companies of the sector,<br>**5%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Various Industrial Products Sector

- Constant decreases in sales regarding both – Large companies and SMEs till 2012 inclusively, with the sector recovering in 2013, but still recording substantially lower sales than in 2009.
- The sector presents steadily higher profit margins than the general total, constantly decreasing and recovering in 2013.
- It is worth mentioning the fact that operating profitability margins of the Large companies remain at the levels higher than 10% within the five year period.
- SMEs continuously decrease their loan burdening, while Large companies increase it mainly due to the increase in total borrowings. However, the sector records lower loan burdening than the general total.
- Over € 150 million cash flows from investing activities for the Large companies, while SMEs record only € 33million.
- The year 2013 is the year of recovery for the sector, since it presents profit before tax after losses for two consecutive years, increase in EBITDA and in turnover.

 | 

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# Various Metal Products Sector

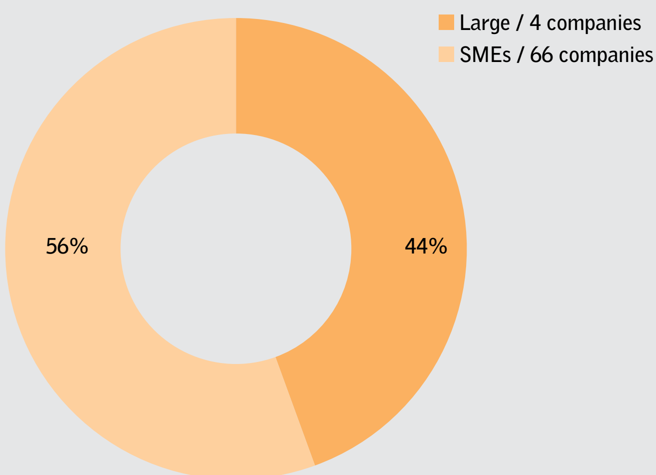
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

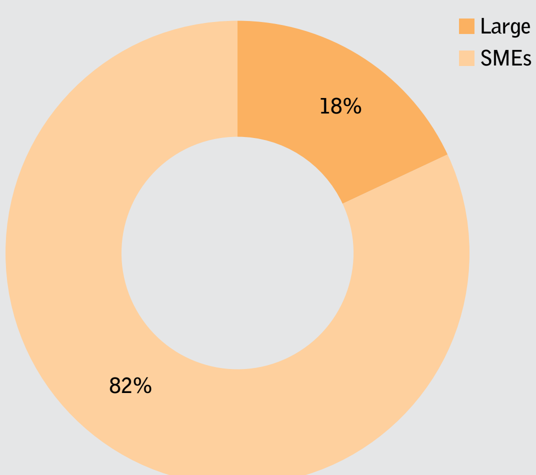
- **70** companies represent over **85%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 4 companies represent 44% of the sector's total sales in 2013.

### Headcount 2013




- 82% of the sector's headcount are employed in 66 SMEs.

## Sector Characteristics

- The sector with a lot of companies whose scopes of operations substantially vary.
- A shared characteristic regarding the total of the companies is their dependence on construction activity in the country.
- Raw materials prices significantly define the sector's profitability.
- The sector records relatively low profit margins, while the performance differs in respect of the companies' structure and scope of operations.
- The decrease in construction works has negatively affected the majority of the sector's companies, since more than half of the companies record decrease in sales in every year under the survey.
- Extremely high loan burdening, especially in respect of the Large companies.

- All the figures are presented in million € unless otherwise mentioned.
- Percentages and sums are based on non-rounded figures.

 | 

## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The sector's financial characteristics differ proportionally to the size of the companies. |
| **Does a small number of companies dominate the sector?** | 4 companies hold 44% of turnover and employ 18% of the sector's headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector presents stamina, while the results substantially differ proportionally to the size of the companies under survey. |
| **Has the sector overcome the economic crisis?** | Improvement in profit margins and decrease in loan burdening constitute signs of recovery, while decrease in sales from 2012 to 2013 cannot be regarded indicative as it will be further explained. |
| **How hard was it for the sector to face the crisis?** | The sector with high loan burdening and, therefore, high cost of financing, negatively affected by the crisis. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector presents relative stamina versus the general level of economic activities. |
| **What is the financial performance of the sector's SMEs?** | SMEs record satisfactory financial performance, while their low loan burdening makes them more flexible. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Viability does not seem to be so much linked to the size as to the financial structure and the size of bank loans. |
| **What are the prospects for the sector?** | Manufacturing metal products is closely connected with the fluctuations in the construction sector and its investing activities. Formation of metal prices in international stock exchanges is an additional factor significantly affecting the sector.<br>Production activity of the sector has also suffered the effects of the overall increase in energy costs and cost of financing.<br>The financial problems faced by the country and economy recess negatively affect the constructions sector, which, in turn, affects the manufacture of metal products.<br>Such conditions do not generate favorable prospects, especially for the domestic market oriented companies. |

# CONDENSED FINANCIAL DATA

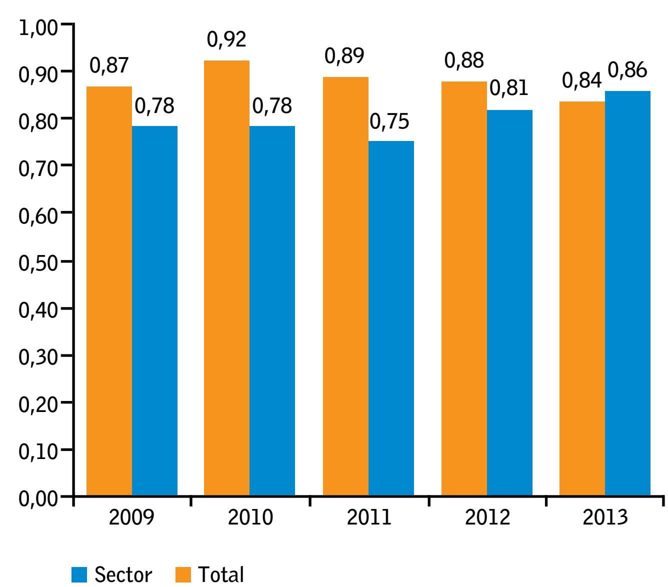
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 760 | 801 | 794 | 807 | 824 |
| Current Assets | 923 | 1.025 | 1.057 | 1.081 | 1.042 |
| **Total Assets** | **1.683** | **1.826** | **1.852** | **1.888** | **1.865** |
| **Equity** | **741** | **806** | **812** | **820** | **800** |
| Long-term Loan Liabilities | 372 | 320 | 238 | 343 | 317 |
| Other Long-term Liabilities | 78 | 78 | 102 | 80 | 88 |
| **Total Long-term Liabilities** | **450** | **397** | **339** | **423** | **405** |
| Short-term Loan liabilities | 262 | 335 | 370 | 296 | 311 |
| Other Short-term Liabilities | 229 | 288 | 329 | 350 | 350 |
| **Total Short-term Liabilities** | **492** | **623** | **700** | **645** | **660** |
| **Total Liabilities** | **941** | **1.020** | **1.039** | **1.069** | **1.066** |
| **Total Equity and Liabilities** | **1.683** | **1.826** | **1.852** | **1.888** | **1.865** |
| Working Capital | 431 | 402 | 357 | 436 | 381 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.076 | 1.409 | 1.444 | 1.418 | 1.354 |
| EBITDA | 70 | 105 | 112 | 145 | 134 |
| EBIT | 15 | 27 | 36 | 66 | 53 |
| EBT | -25 | -14 | -5 | 36 | 21 |
| EAT | -37 | -22 | -16 | 23 | 8 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 0,9 | 0,8 | 0,7 | 0,8 | 0,8 |
| Current Assets/ Short-term Liabilities | 1,9 | 1,6 | 1,5 | 1,7 | 1,6 |
| EV/EBITDA | 18,1 | 12,7 | 11,7 | 9,3 | 10,0 |
| EBITDA Margin | 6,5% | 7,5% | 7,7% | 10,2% | 9,9% |

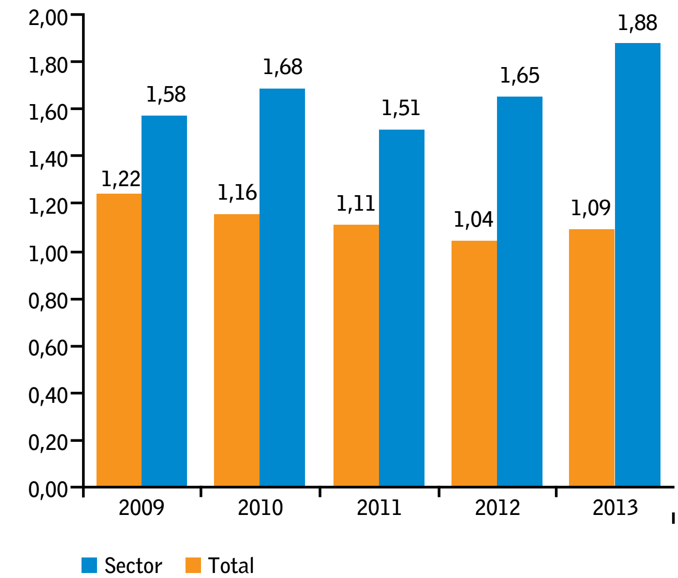
### Loan Liabilities / Equity




- The sector's loan burdening does not substantially differ from the general total, while it records a slightly heavier burden than the general total in 2013.

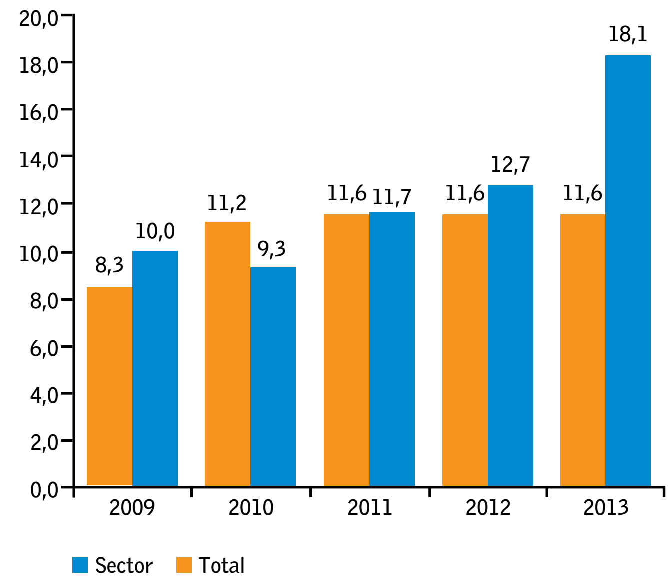
 

### Current Assets / Short-term Liabilities



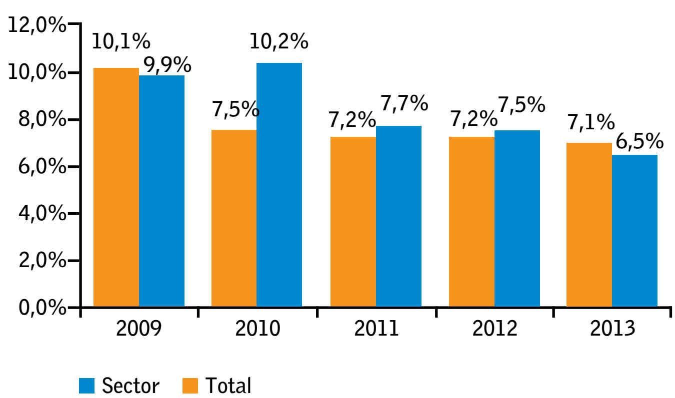

- The sector presents steadily positive and larger working capital versus the general total.

### EV/EBITDA



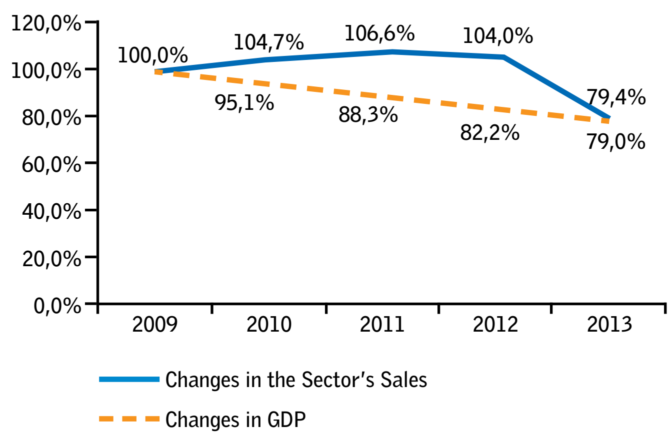

- The ratio displays increasing tendencies regarding the sector in 2013, mainly due to decrease in operating profits.

### EBITDA Margin




- The sector's EBITDA margin steadily declines from 2010 onwards and in 2013 stands at the levels that are lower than the general total.

### Changes in the sector's Sales and GDP (benchmark year 2009)




- The sector's performance is steadily higher versus the general total, while the decrease presented in 2013 is not indicative regarding the total of the sector, since in 2013 one of the sector's companies disposed a foreign subsidiary, which in 2012 recorded sales exceeding € 250 million.

## SECTOR ANALYSIS

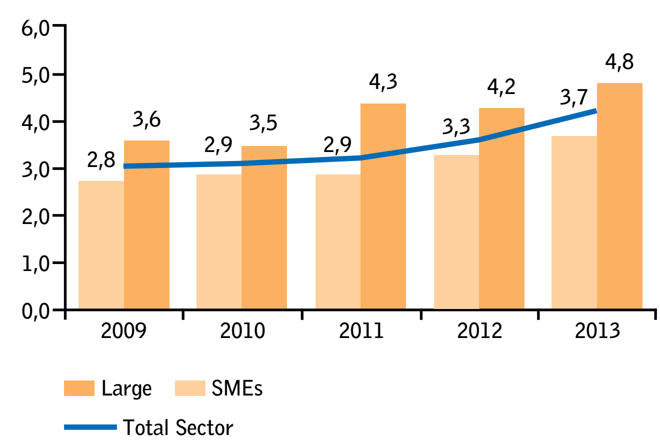
### Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 144 | 114 | 64 | 129 | 99 |
| SMEs | 287 | 288 | 294 | 307 | 282 |
| **Total Sector Working Capital** | **431** | **402** | **357** | **436** | **381** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 239 | 251 | 261 | 257 | 238 |
| SMEs | 454 | 486 | 466 | 474 | 454 |
| **Total Sector Working Capital** | **693** | **737** | **728** | **731** | **692** |

** Borrowings are not included*

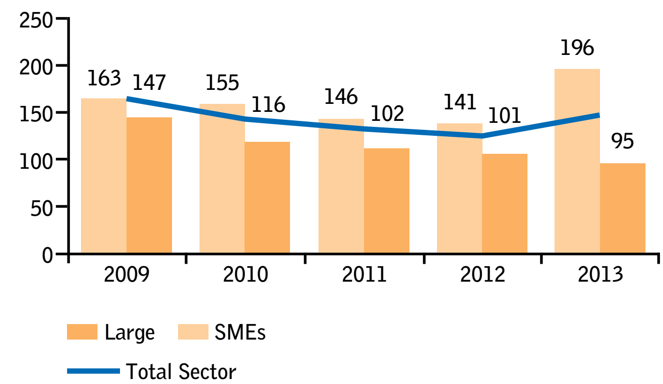
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

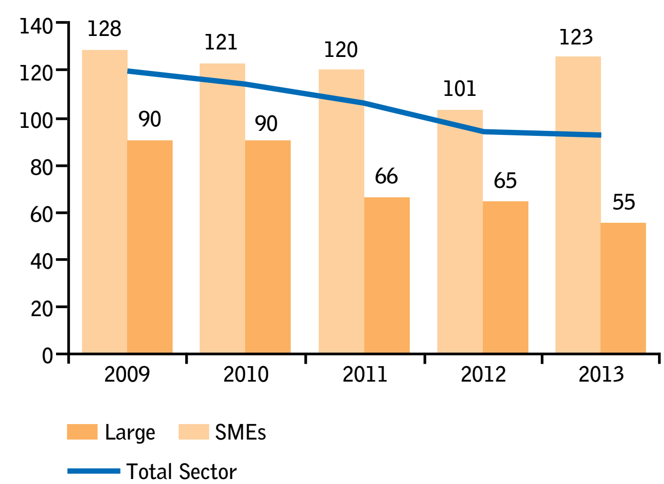
- Steadily positive working capital, with or without borrowings, with Large companies presenting steadily higher levels than SMEs.

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is inversely proportional to the size of the sector's companies, with SMEs falling behind the Large companies for the period 2009-2013.

### Average Period of Paying Liabilities




- The Average Period of Paying Liabilities fluctuates at a level exceeding three months regarding the sector, with both categories of companies presenting steadily higher average period of collecting receivables than paying liabilities.

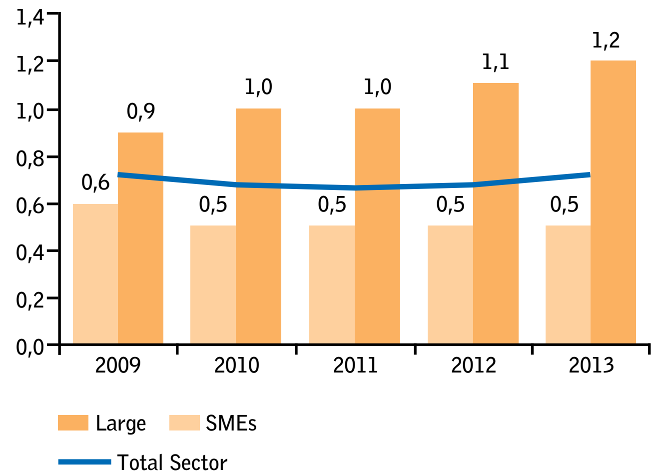
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 233 | 231 | 234 | 236 | 230 |
| SMEs | 288 | 299 | 266 | 293 | 315 |
| **Total Sector** | **520** | **530** | **500** | **530** | **544** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 16 | 16 | 16 | 12 | 12 |
| SMEs | 20 | 21 | 23 | 19 | 21 |
| **Total Sector** | **36** | **38** | **38** | **31** | **34** |

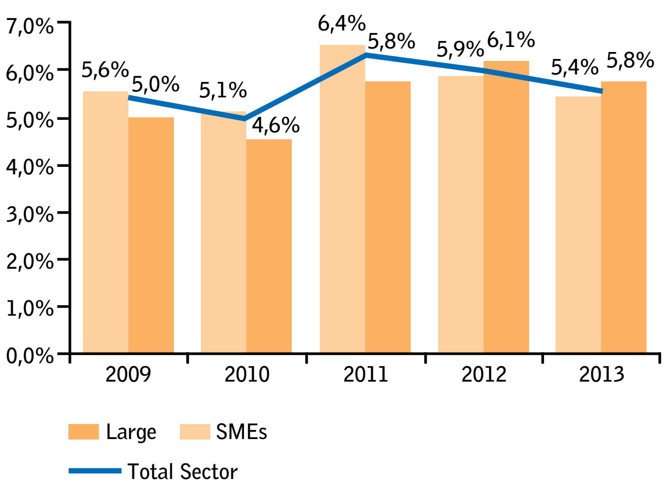
- Steady net borrowing regarding the Large companies of the sector, while SMEs repay their loans, except in 2012.

### Net Borrowings / Equity



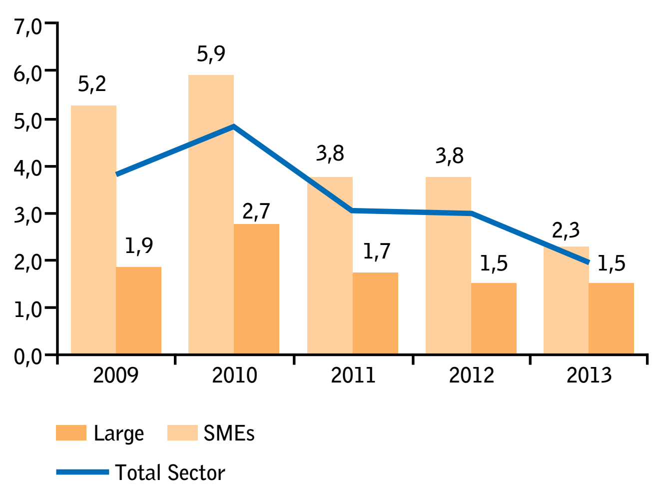

- Steadily low loan burdening regarding SMEs, while, in contrast, loan burdening of the Large companies is constantly increasing.

### Average Borrowing Interest Rate




- Higher average borrowing interest rate regarding SMEs within the first three years under the survey, while within the last two years the picture changes, burdening the Large companies that refinance the existing bank loans under unfavorable terms.

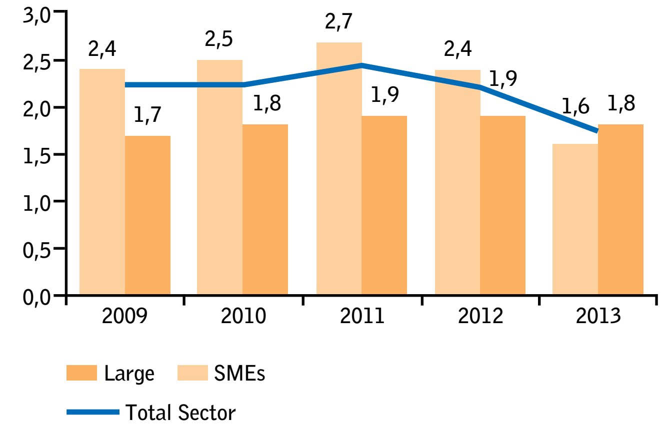
### EBITDA / Financial Expenses




- The increase in cost of financing, coupled with the decline in operating profit, have decreased the ability of the Large companies to cover the cost of their financing through operating profits. Constant decrease is also recorded by SMEs from almost 6 times in 2010 to only 2,3 in 2013.

### Sales / Total Borrowings




- Steadily higher ratio regarding SMEs till 2012 inclusively.

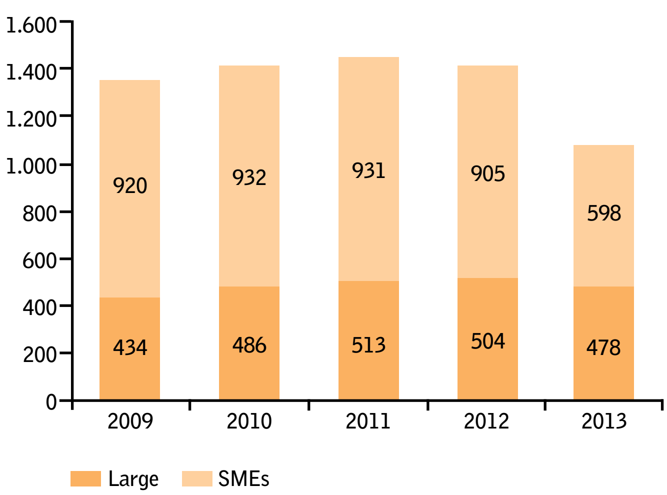
| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | -26 | -9 | 27 | 51 |
| *(percentage)* | -5% | -2% | 6% | 12% |
| SMEs | -307 | -26 | -1 | 12 |
| *(percentage)* | -34% | -3% | -0,1% | 1% |
| **Total Sales of the Sector** | **-333** | **-35** | **26** | **63** |
| ***(percentage)*** | **-24%** | **-2%** | **2%** | **5%** |

- Low performance of the sector's sales in 2013 does not reflect the general picture regarding the total of the companies, as mentioned above.
- We separated the sales recorded by one company from the total sales of the sector, since in 2012, this company's sales are not comparable to those recorded in 2013, and, therefore, the sector's sales following the decreases in 2012 stand at approximately 7% and not 24%.

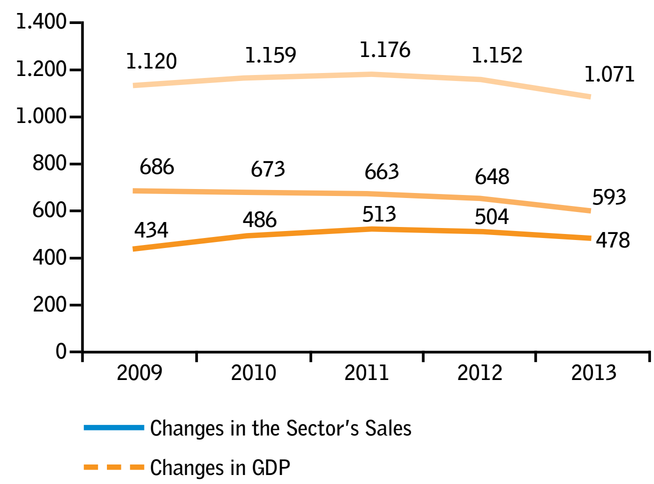
## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 478 | 504 | 513 | 486 | 434 |
| SMEs | 598 | 905 | 931 | 932 | 920 |
| **Total Sector** | **1.076** | **1.409** | **1.444** | **1.418** | **1.354** |

### Sales




### Sales




| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 23 | 24 | 26 | 32 | 24 |
| SMEs | 47 | 81 | 85 | 112 | 110 |
| **Total Sector** | **70** | **105** | **112** | **145** | **134** |

| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -14,0 | -13,2 | -13,8 | -2,7 | -10,0 |
| SMEs | -11,3 | -0,6 | 8,9 | 38,8 | 30,9 |
| **Total Sector** | **-25,2** | **-13,9** | **-4,9** | **36,1** | **20,9** |

- Significant losses before tax are recorded by Large companies, while the SMEs also present losses before tax during the last two years.

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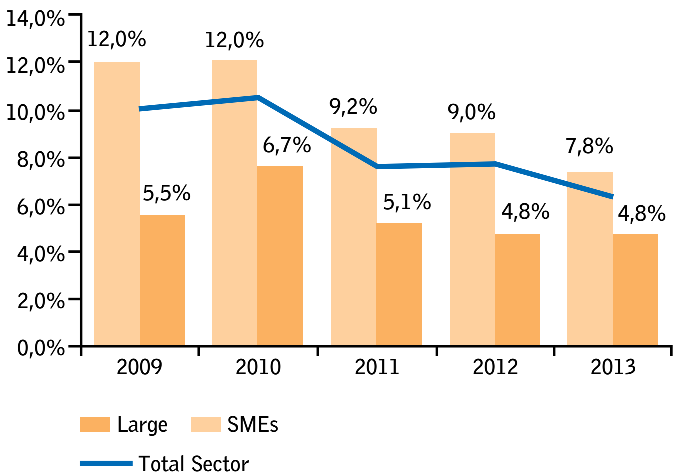
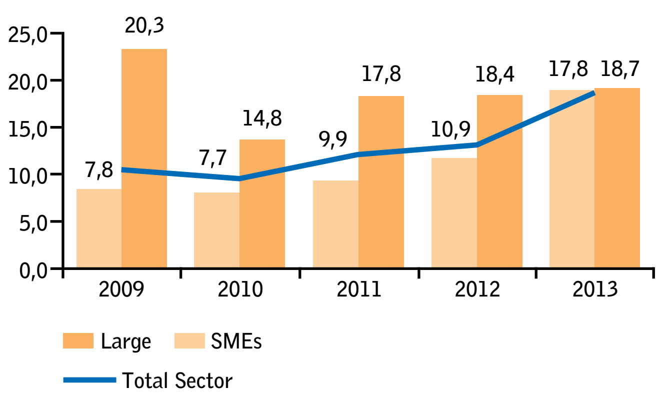
### EBITDA Margin




- EBITDA margin is steadily higher regarding SMEs, while the Large companies record low but relatively stable results.

### EV/EBITDA




- SMEs present higher investment interest till 2012 inclusively. In 2013, the decrease in EBITDA and in equity substantially declines investment interest regarding the SMEs of the sector.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 14 | 24 | 7 | 16 |
| SMEs | 42 | 41 | 103 | 81 |
| **Total Sector** | **56** | **65** | **110** | **96** |

- Positive cash flows from operating activities of the sector, though steadily decreasing from 2011 onwards.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -12 | -17 | -7 | -15 |
| SMEs | -53 | -70 | -56 | -45 |
| **Total Sector** | **-64** | **-87** | **-63** | **-60** |

- The sector's cash outflows from investing activities are low, with the total outflow for the four year period standing at € 274 million, while the sector's total sales for the same period exceeded € 5,3 billion.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -8 | -0,3 | -2 | 16 |
| SMEs | 10 | 39 | -47 | -26 |
| **Total Sector** | **2** | **38** | **-49** | **-10** |

- Positive cash flows from financing activities in 2012 and 2013 pertain to refinancing performed by very few companies, while the vast majority of the companies did not substantially change their loan liabilities.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**8%** of the total companies of the sector,<br>**8%** of the total sales of the sector,<br>**3%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**14%** of the total companies of the sector,<br>**31%** of the total sales of the sector,<br>**4%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**54%** of the total companies of the sector,<br>**45%** of the total sales of the sector,<br>**88%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**24%** of the total companies of the sector,<br>**16%** of the total sales of the sector,<br>**5%** of the total borrowings of the sector. |

## CONCLUSIONS
## Various Metal Products Sector

- Positive working capital of the sector, with the Large companies presenting steadily better performance.
- The sector's loan burdening stands at the same levels as that recorded by the general total, while SMEs record steadily low loan burdening.
- Better coverage regarding SMEs both in respect of the cost of bank financing from EBITDA and of total loans from sales.
- The decrease in sales from 2011 onwards, losses before tax recorded by most of the sector's companies and steady decline in EBITDA margin indicate the strong pressure the sector has to overcome.
- The sector's investing activities are at a very low level versus the general level of its operations.
- SMEs present better resistance to financial problems through further development of exports constituting the greatest challenge for all the companies of the sector.

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# Vehicles Importers - Representatives Sector

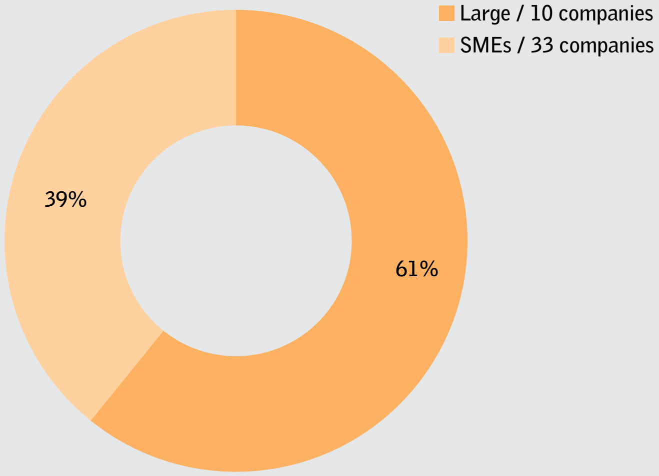
BRIEF FINANCIAL PRESENTATION 2009-2013

# SECTOR AND ITS CHARACTERISTICS

## Sector Structure

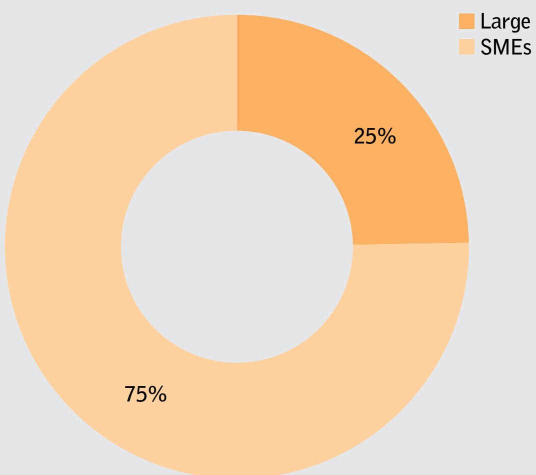
- **43** companies represent over **90%** of the sector's total operations.
- **2** categories based on sales in 2013.
  - **SMEs:** Companies with sales from € 2 million to € 50 million.
  - **Large**: Companies with sales from € 50 million to € 250 million.

### Sales 2013




- 10 companies represent over 60% of the sector's total sales in 2013.

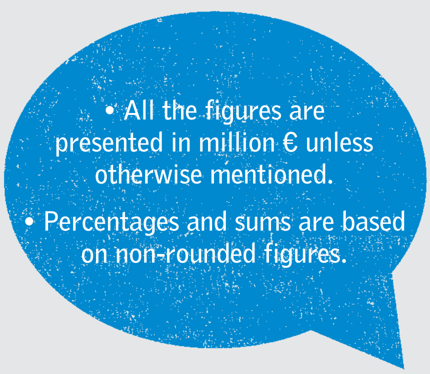
### Headcount 2013




- 75% of the sector's headcount are employed in 33 SMEs.

## Sector Characteristics

- The sector that experienced particularly hard effects of the financial crisis.
- 68% decrease in turnover within the five year period.
- Decrease in positive results, with stronger effects on SMEs.
- In 2013, the sector's working capital is recorded positive mainly due to the Large companies.
- Almost no investing activities within 2011 - 2012.
- Average period of paying liabilities is lower than average receivables collecting period, mainly due to difficulties in collecting SMEs receivables.

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## SECTOR OUTLOOK

| | |
|---|---|
| **Is the sector of homogeneous nature?** | The general tendency regarding decreases in operations and profit margins is shared among the sector's companies. SMEs are different, since their borrowings are particularly high proportionally to their sizes. |
| **Does a small number of companies dominate the sector?** | 10 companies of the sector conduct 61% of the sector's sales in 2013, employing only 25% of headcount. |
| **What is the course of development and the position of the sector versus the other companies included in other sectors' analyses as a total?** | The sector was substantially affected by the crisis as compared to the total of the economy, presenting decrease in sales of 68% and decrease in EBITDA of 77% within the five year period. |
| **Has the sector overcome the economic crisis?** | The sector seems to be recovering through restoring the trust of the consumers, with an increase of 3% in sales from 2012 to 2013. The Large companies decreased their loans by at least 20%, while SMEs hold their borrowings at approximately the same levels within the five year period. |
| **How hard was it for the sector to face the crisis?** | In 2012, the sector recorded € 134 million losses versus € 87 million profit before tax in 2009. In 2013, losses before tax stood at € 55 million. |
| **What is the sector's course of development compared to that of the Greek Economy?** | The sector has no resistance against the financial crisis. In 2010, sales decreased by 38,6%, while GDP decreased by 4,9%. |
| **What is the financial performance of the sector's SMEs?** | The average period of paying liabilities regarding SMEs is over a month shorter than the average receivables collection period, thus making it necessary for the companies to resolve to bank loans in order to cover their operating needs. Therefore, they have maintained their bank loans almost stable during the entire five year period. |
| **Is the market share of a sector's company linked to its viability and to what extent?** | Large companies, holding 61% of the market, seem to be more capable of keeping positive results versus SMEs. |
| **What are the prospects for the sector?** | In 2013, the sector records marginal recovery, potentially due to the return of the consumers' trust. Thus recovery is verified by the increase in imports recorded in 2014 in respect of both – cars and lorries, while SMEs turned out to be less flexible.<br>It seems that in 2013 Large companies recovered and are prepared to record positive results in 2014, while SMEs prospects are not so good.<br>The sharp decrease in sales stops in 2013, when while the GDP of the country decreases by 3,1%, the sector records a marginal increase in sales. |

# CONDENSED FINANCIAL DATA

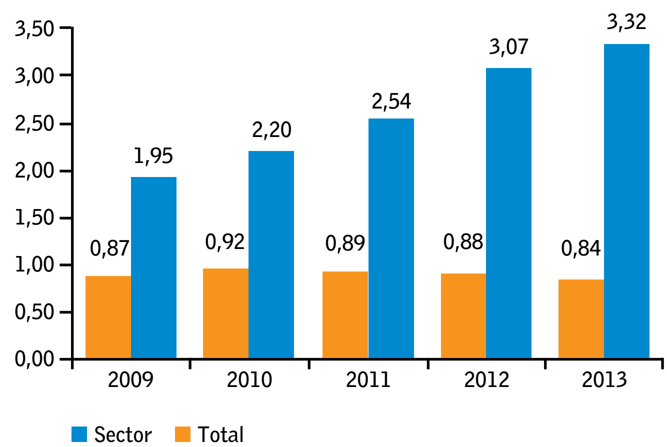
## Total Sector

| Condensed Statement of Financial Position | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Non-current Assets | 784 | 743 | 821 | 927 | 935 |
| Current Assets | 1.101 | 1.164 | 1.364 | 1.656 | 2.060 |
| **Total Assets** | **1.885** | **1.907** | **2.186** | **2.583** | **2.995** |
| **Equity** | **323** | **346** | **435** | **565** | **630** |
| Long-term Loan Liabilities | 540 | 236 | 379 | 662 | 674 |
| Other Long-term Liabilities | 101 | 93 | 95 | 96 | 91 |
| **Total Long-term Liabilities** | **641** | **328** | **474** | **758** | **765** |
| Short-term Loan liabilities | 535 | 827 | 726 | 580 | 552 |
| Other Short-term Liabilities | 386 | 406 | 550 | 679 | 1.048 |
| **Total Short-term Liabilities** | **921** | **1.233** | **1.277** | **1.259** | **1.599** |
| **Total Liabilities** | **1.562** | **1.561** | **1.750** | **2.017** | **2.364** |
| **Total Equity and Liabilities** | **1.885** | **1.907** | **2.186** | **2.583** | **2.995** |
| Working Capital | 180 | -69 | 87 | 397 | 460 |

| Condensed Income Statement | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Sales | 1.531 | 1.482 | 2.174 | 2.967 | 4.829 |
| EBITDA | 52 | -10 | 18 | 41 | 222 |
| EBIT | 6 | -63 | -45 | -31 | 152 |
| EBT | -55 | -134 | -115 | -88 | 87 |
| EAT | -56 | -138 | -125 | -99 | 54 |

| Key Ratios | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Loan Liabilities/ Equity | 3,3 | 3,1 | 2,5 | 2,2 | 1,9 |
| Current Assets/ Short-term Liabilities | 1,2 | 0,9 | 1,1 | 1,3 | 1,3 |
| EV/EBITDA | 23,8 | 1.286,6 | 77,0 | 40,6 | 7,5 |
| EBITDA Margin | 3,4% | -0,7% | 0,8% | 1,4% | 4,6% |

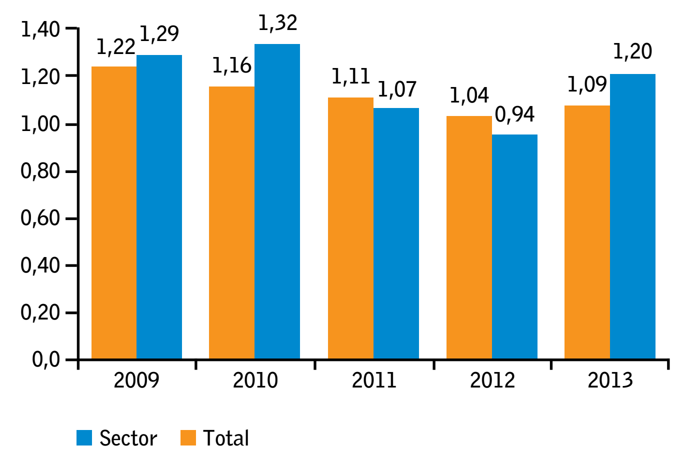
### Loan Liabilities / Equity




- Over borrowing. Loan liabilities to equity ratio has remained over the average level within the entire five year period. From 2009 to 2013, the ratio burdening reaches 70% due to particular decrease in equity.

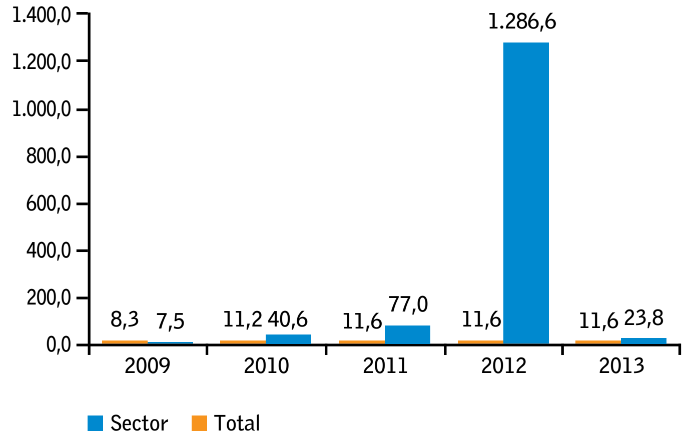
 

**Current Assets / Short-term Liabilities**



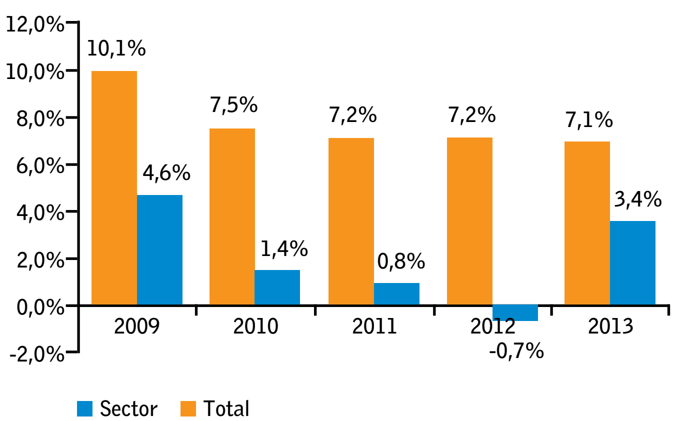

- Changes are recorded in the sector's working capital within the period under survey. These changes are mainly due to reclassification of long-term loan liabilities into short-term. In 2013, loans refinancing brought the sector back to almost 2009 levels.

**EV/EBITDA**



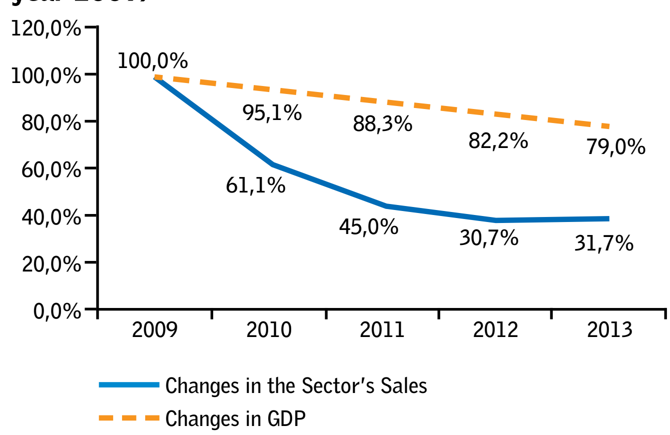

- From 2010 to 2013 the sector presents fewer investment opportunities compared to the total, which is due to decreases in EBITDA reaching 77% from 2009 to 2013.

**EBITDA Margin**




- EBITDA margin presents particular variations that do not follow the general pattern, while in 2012, 26 companies of the sector recorded negative EBITDA. In 2013, profit margins recovered due to increase in sales and cost cuts performed in the previous years.

**Changes in the sector's Sales and GDP (benchmark year 2009)**




- The sector presents dramatic losses versus the total economy of the country figures, since within the last 5 years the turnover decreased by more than 68% versus 2009.

# SECTOR ANALYSIS

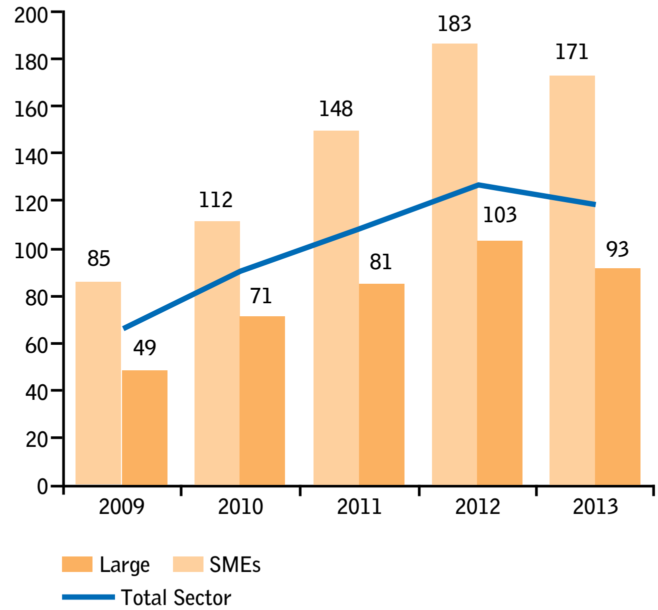
## Working Capital

| Working Capital | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 187 | -65 | 28 | 285 | 327 |
| SMEs | -6 | -4 | 59 | 113 | 133 |
| **Total Sector Working Capital** | **180** | **-69** | **87** | **397** | **460** |

| Working Capital* | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 375 | 383 | 428 | 525 | 576 |
| SMEs | 340 | 375 | 385 | 452 | 436 |
| **Total Sector Working Capital** | **715** | **758** | **814** | **977** | **1.012** |

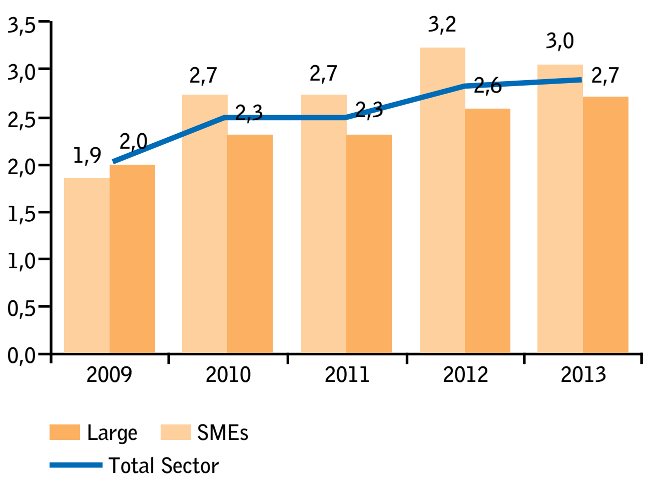
** Borrowings are not included*

### Average Collection Period of Receivables




- The Average Collection Period of Receivables is almost two times longer in SMEs, indicating difficulties in collecting receivables of up to six months, credit risk and trends for business disposal.

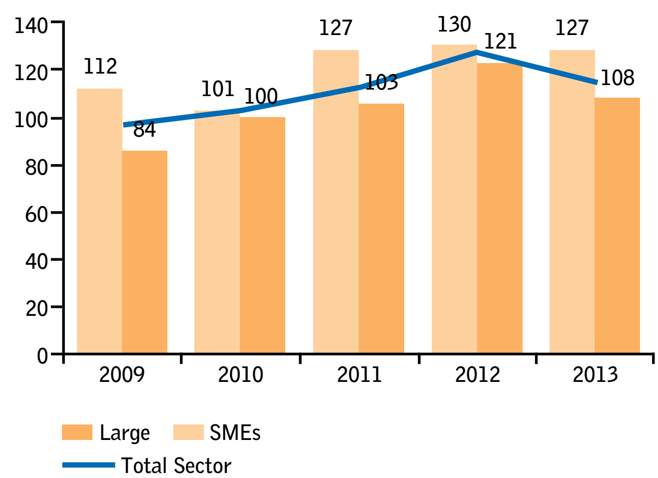
### Current Assets /Short-term Liabilities*




** Borrowings are not included*

- SMEs present urgent needs for working capital financing due the high level of their loan liabilities. Loans refinancing performed in 2013 improved the ratio – both for the Large companies and for SMEs.

### Average Period of Paying Liabilities




- The Average Period of Paying Liabilities fluctuates at about 4 months regarding SMEs and at about 3 months regarding the Large companies. The Large companies managed to keep balance between payments and liabilities, while, in contrast, SMEs have a big difference between collections and payments.

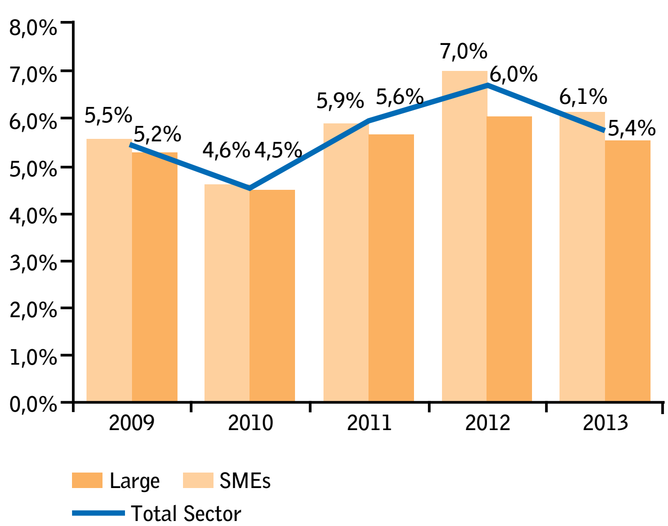
## Borrowings

| Net Borrowings | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 408 | 451 | 465 | 575 | 518 |
| SMEs | 502 | 479 | 486 | 535 | 512 |
| **Total Sector** | **910** | **931** | **951** | **1.110** | **1.029** |

| Financial Expenses | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 28 | 34 | 35 | 30 | 34 |
| SMEs | 33 | 37 | 32 | 26 | 31 |
| **Total Sector** | **61** | **71** | **67** | **57** | **65** |

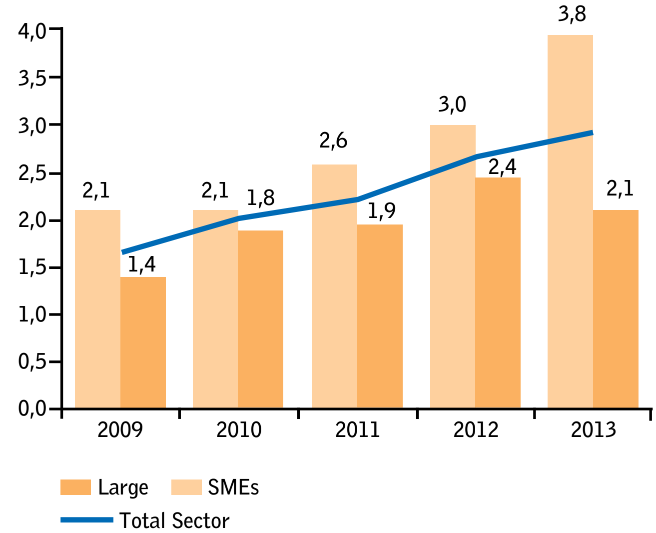
Large companies managed to repay a part of their borrowings in contrast to SMEs, whose borrowings remain at the same levels.

### Average Borrowing Interest Rate



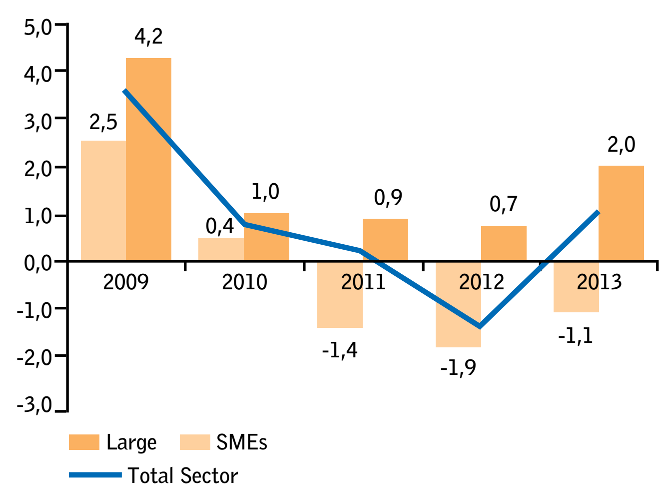

- The average borrowing interest rate of the sector is steadily over 5,7% from 2011 to 2013, while SMEs have higher interest by 0,8% in 2013.

### Net Borrowings / Equity




- Net borrowings to equity ratio of SMEs is steadily higher than the sector's average and increases within the five year period. Loans repayment improves the picture regarding the Large companies, without, however, modifying the overall results for the sector.
- In particular, in 2013, the ratio for SMEs is almost double that for the Large companies, thus affecting the sector's overall results.

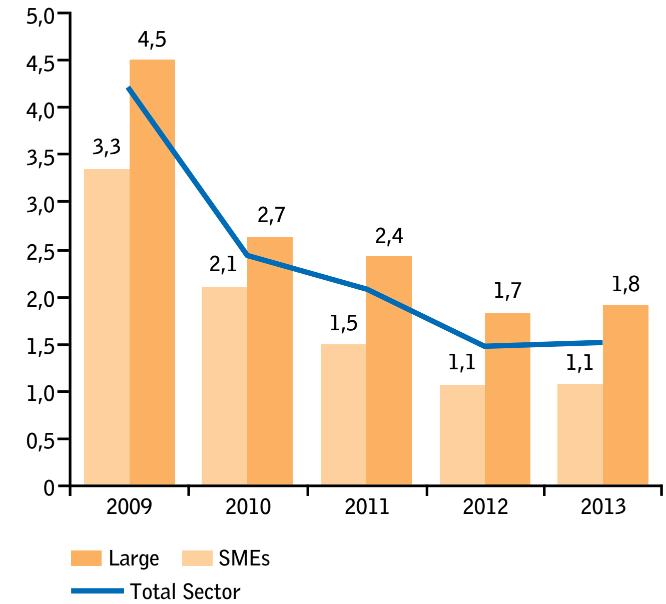
### EBITDA / Financial Expenses




- SMEs do not record operating profits from 2011 to 2013, and, as a result, do not cover the costs of financing. This fact casts doubt on repayment of their loan liabilities.
- The Large companies affected the overall results of the sector from 2010 to 2012, marginally covered financing from their operating profits, and in 2013 the said ratio improved, without, however, arriving at satisfactory levels.

## Sales / Total Borrowings




- From 2009 to 2012, the ratio decreased by approximately 65%, presenting a marginal improvement in 2013. The decrease is mainly due to decline in sales of the sector by almost 68% within the five year period. The changes to the ratio cast doubt on loans repayment.

| Changes in Sales in Absolute Numbers and Percentage | 2013-2012 | 2012-2011 | 2011-2010 | 2010-2009 |
|---|---|---|---|---|
| Large | 23 | -462 | -412 | -1.201 |
| *(percentage)* | 2% | -34% | -23% | -40% |
| SMEs | 26 | -230 | -380 | -662 |
| *(percentage)* | 5% | -29% | -32% | -36% |
| **Total Sales of the Sector** | **49** | **-693** | **-792** | **-1.863** |
| ***(percentage)*** | **3%** | **-32%** | **-27%** | **-39%** |

- Market increase of 3% in 2013, without, however, reaching the pre-crisis levels, while in the period 2009 – 2012 sales decreased by 68%. The same tendencies have been recorded in respect of the total market

| EBITDA | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 56 | 23 | 31 | 30 | 144 |
| SMEs | -4 | -32 | -13 | 11 | 77 |
| **Total Sector** | **52** | **-10** | **18** | **41** | **222** |

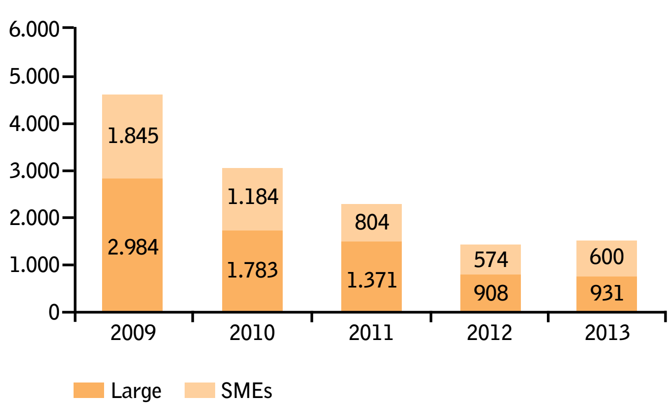
| EBT | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | -3,3 | -53,9 | -50,7 | -49,2 | 66,2 |
| SMEs | -51,6 | -79,7 | -64,6 | -38,5 | 20,3 |
| **Total Sector** | **-55,0** | **-133,5** | **-115,4** | **-87,7** | **86,6** |

## Sales - Profitability

| Sales | 2013 | 2012 | 2011 | 2010 | 2009 |
|---|---|---|---|---|---|
| Large | 931 | 908 | 1.371 | 1.783 | 2.984 |
| SMEs | 600 | 574 | 804 | 1.184 | 1.845 |
| **Total Sector** | **1.531** | **1.482** | **2.174** | **2.967** | **4.829** |

- Large companies lost 61% of operating profits, while SMEs lost total profits within the period under survey.
- The sector records losses before tax for the period 2010 – 2013 for all the sizes of the companies. In 2013, the Large companies present remarkable recovery, decreasing losses before tax by 94% versus 2012

## Sales

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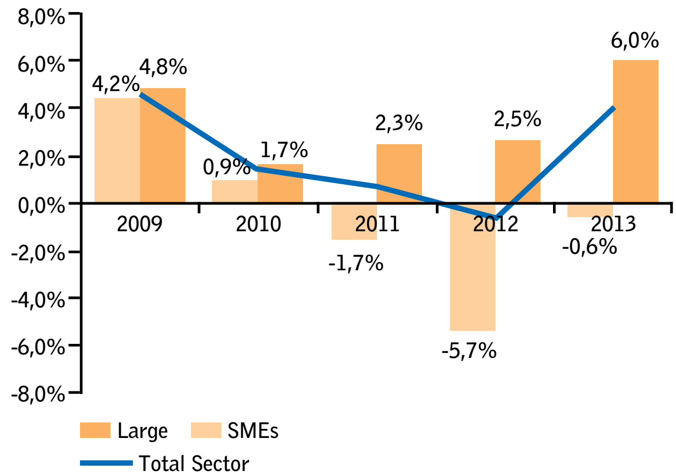
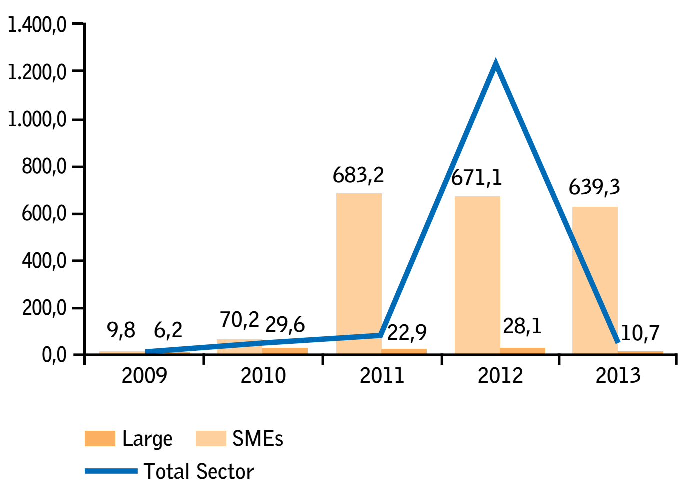
### EBITDA Margin




- Large companies of the sector maintain positive EBITDA margins within the five year period, while in 2013 they present remarkable improvement, exceeding 2009 levels. In contrast, SMEs constantly present negative EBITDA margin.

### EV /EBITDA




- Large companies of the sector steadily present bigger interest for investments, while SMEs follow the opposite trend in the period 2010 - 2013.

## CASH FLOWS

| Cash Flows from Operating Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 49 | 11 | 140 | 71 |
| SMEs | 41 | -19 | 57 | -38 |
| **Total Sector** | **91** | **-8** | **169** | **33** |

- Cash flows from operating activities of the Large companies resisted to the market pressure, remaining positive within the five year period.
- Overall, the sector limited its costs and, as a result, the decrease in sales did not substantially reduced cash flows from operating activities.

| Cash Flows from Investing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | -30 | 16 | 3 | -69 |
| SMEs | -58 | -3 | 28 | -35 |
| **Total Sector** | **-88** | **13** | **31** | **-104** |

- The sector slowed down its investing activities. In 2013 this trend was reverted.

| Cash Flows from Financing Activities | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|
| Large | 10 | -52 | -126 | -50 |
| SMEs | 20 | 24 | -79 | 56 |
| **Total Sector** | **30** | **-28** | **-205** | **6** |

- Large companies decreased their borrowing, while SMEs proceeded with refinancing of the existing loans in 2012 – 2013.

## SECTOR AND ITS COMPANIES' POSITION REGARDING FINANCIAL GROWTH / HEALTH MATRIX

Under our analysis, the sector is classified as **Gloomers**. The classification of the sector's companies in financial growth / health matrix, as well as their condensed financial data per category, are as follows:

| | |
|---|---|
| **Spotlighters**<br>Represent:<br>**2%** of the total companies of the sector,<br>**2%** of the total sales of the sector,<br>**7%** of the total borrowings of the sector. | **Illuminators**<br>Represent:<br>**0%** of the total companies of the sector,<br>**0%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |
| **Gloomers**<br>Represent:<br>**78%** of the total companies of the sector,<br>**64%** of the total sales of the sector,<br>**93%** of the total borrowings of the sector. | **Moonlighters**<br>Represent:<br>**20%** of the total companies of the sector,<br>**34%** of the total sales of the sector,<br>**0%** of the total borrowings of the sector. |

## CONCLUSIONS
## Vehicles Importers - Representatives Sector

- Dramatic decrease in sales (68%) leading to equally significant cuts in costs. The sector was badly affected by the crisis, but found the solutions and recorded a small recovery in 2013.
- The aforementioned facts dissolved operating profits and profits before tax.
- In their efforts to survive, the companies operated under zero or negative profit margins.
- Large companies managed to reduce their borrowing, based on positive operating results, while SMEs maintained their borrowings almost at the same levels within the five year period.
- The sector, and in particular SMEs, record over borrowing. There are significant doubts regarding settling loan liabilities in respect of a lot of companies.
- Large companies were more resistant to the crisis, maintaining positive cash flows and operating activities despite the decrease in sales of 68% recorded within the five year period.
- The sector and, in particular, SMEs, record high needs of working capital financing.
- It is quite positive that the companies have adjusted their operating expenses and, therefore, a potential increase in turnover will directly restore positive profit margins.

DISCLAIMER

The current analysis is based solely on information contained in the publicized Financial Statements of the companies under survey.

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