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PRESS RELEASE

ORDINARY ANNUAL GENERAL MEETING

On Saturday, June 7, 2014, it was held the Annual General Meeting of KARATZIS SA

Among other topics, the financial statements for the fiscal year 2013 both in company and consolidated level along with the Board of Directors and Auditors reports were approved.

Within the framework of the General Assembly KARATZIS' management presented Group's activities as well as the results of the fiscal year 2013. In summary in the fiscal year 2013 consolidated **turnover** increased by 8.0%, Group's gross profit stood in the fiscal year 2013 at € 16.3 mil. increased by 4.5%. **Consolidated profits before taxes, financial & investing results and depreciation (EBITDA)** stood at € 13.9 mil. increased by 13.9%, **consolidated profits before taxes** increased by 107.8% standing in the fiscal year 2013 at € 7.2 mil. while **consolidated profits after tax and minority rights** stood at € 4.3 mil. increased by 43.3%. Finally, in 2013 Group managed to record significantly increased cash flows from operating activities.

Reference was made to the recently published financial results for the first quarter of 2014, which reflected the continuation of the positive economic results of the fiscal year of 2013. In Q1 2014 in consolidated level **turnover** increased by 7.01%, **gross profits** stood at € 4.42 mil. Increased by 19.75%. **Profits before taxes, financial & investing results and depreciation (EBITDA)** stood at € 2.46 mil. Increased by 23.74%.

It is also noted that the General Meeting approved the formation of specific taxed reserves of the amount of € 3.27 mil. from retained earnings, for the coverage of the company's contribution in investment project for the construction of a new hotel. The said investment project of a total budget of € 15 mil. has already included to the provisions of Investment Law 3908/2011 and concerns the construction of a new 5* hotel with the capacity of about 240 beds, in a nearby of Nana Beach coastal area of 32 acres. This new investment is expected to further strengthen the Group's hotel sector, utilizing the ever growing prospects that exist in the field of tourism in Greece.

Moreover, it was decided, instead of dividend to distribute taxed reserve under article 72 of L. 4172/2013, of total amount 767,436.10 euro or 0.0522784 euro per share.

Finally, at the closing session of the General Meeting there was reference to the perspectives for the current fiscal year, when it is estimated that there will be further strengthening both of the hotel and the industrial sector on the basis of the under realization strategic plan and the investment plan of the Group.

About KARATZIS Group of Companies

KARATZIS Group of Companies is active since 1974 in the production of nets for use in the food industry, the agricultural and horticultural industry as well as in the field of constructions. Additionally, it has realized selective investments in the hotel and the renewable energy industry.

Regarding the key business of nets' manufacturing, the Group has developed a truly multinational presence with six production facilities in Greece and in Germany, having significant market shares in the international markets.

In the field of hotel business, the Group owns and manages the Nana Beach Hotel, an all inclusive 5 stars resort with 500 rooms in the prefecture of Heraklion.

In the field of renewable energy, the Group holds licenses for electricity production from photovoltaic plants with a total capacity of 13,74 MW, which builds gradually developing the relevant premises.

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