

## **ANNOUNCEMENT**

The big global crisis of the last months, affected the financial results of the use, but also the regular revolutionary course of our last semester's sales, disturbing maybe for the first time the regular rising revolutionary course of our sales the last years, resulting in 2008 a decline in the parent company, with negative consequences to all the relative indicators.

Totally, the Group had also the declining in the turnover by 2.41% (€18.992 thousand versus €19.462 thousand) and the company by 2.64% (€18.728 thousand versus €19.237 thousand) in the current -under review- use versus the use 2007.

The profits EBITDA (before taxes, financial expenses and also before deferred taxes) in a consolidated level reached the amount of €2.965 thousand (with a percentage of sales 15.61%) versus €3.292 thousand in 2007 (with a percentage of sales 16.9%), while the parent company from €3.213 thousand (with a percentage of sales 16.7%) in 2007 to €3.111 (with a percentage of sales 16.61%) in 2008.

The profits before taxes of the parent company retreated by 43,95%, because, from €1.399 thousand in 2007 they dropped to €784 thousand in the current use, affected by the rise of total functional expenses, the rise of depreciation expenses, the rise of financial expenses caused of the increase in bank interest rates, but also the decrease in sales.

At the same way, the profits before taxes of the Group retreated by 60.52%, because, from €1.347 thousand in 2007 they dropped to €532 thousand in the current use, affected mainly by the decrease in the parent company's profits.

Finally, the parent company's profits after taxes were limited (€224 thousand versus €1.082 thousand last year) because in this use: a) the sales decreased and b) the fixed inelastic expenses were maintained.



## **DROMEAS**

The index of economic structure of consolidated equity capital to consolidated foreign capital was for the financial period 2008: 1,56 and for the financial period 2007:1,73.

The index of economic structure of consolidated equity capital to consolidated fixed assets was for the financial period 2008: 0,90 and for the financial period 2007: 0,96.

The general liquidity ratio (total of current assets to current liabilities) was for the financial period 2008 2,36, for the financial period 2007: 2,87, but these indexes for both years 2007-2008 are considered (with economic and technical terms) particularly satisfactory from the Management.

The retardation in the positive turnover's evolution began to be obvious during the last 3 months of the year, resulting the quarter to be closed with reduced sales, which affected the total annual return in a percentage of -2,65%, affecting also the total –mentioned above – sizes.

The Group's Management, which from the beginning of the second semester in 2008, was expecting the negative turnover's evaluations of this year, developed various defensive and offensive strategies like the drawing of a rigorous expansions' budget with often revisions relative to the evolutions and the development and the incitement of the sales network. The actions of sales sectors which will characterize the new year by activity sector are:

The effort of utilization in a big range of the new commercial store (DROMEAS CENTER in KIFISIAS street) which started operating on Christmas days in 2008, located in a 3-floor building of a special architectural appearance, in an area of 1.500sq.m , with all the exhibition products, except the other two exhibitions in Mesogion and Benaki streets, which the company was operating until today.

The placement in the market of a new complete desk series 'Slim' which was designed from the company's Research and Development Department in terms of new products construction with environmental protection emphasis. The whole series was designed bearing in mind that:

- a) The quantitative reduction in materials, which helps in environmental protection because of lower energy consumption in materials' production and recycling.



**DROMEAS**

b) The use of environmental friendly materials and environmental protection during production process.

In office furniture sector, through competitions and project contracts, we paid our attention in contracts that are performed by national operators (mainly banks or big companies), but also by international operators.(European Commission, Airports, international partnerships).

The results of a great international competition of the European Commission (of a €31 million budget) are already expected, in which we had submitted offers and samples and we are in the final list of the candidate contractors.

The sector of home products (kitchen mainly) which, as a new sector, has the possibility of easier expansion in the market, has a significant importance for the turnover relaunching. So, we are moving to the creation of new collaborations with traders and manufacturers in whole Greece, for kitchen furniture, aiming at more than doubling annual turnover of these products.

Finally, in the sector of aluminium products, we continue the successful collaboration with MTU (Germany) and its subsidiary in the U.S.A., but also Daimler (Mercedes-trucks), a productive collaboration which is located in May this year.