

ANNUAL REPORT 2018



AVRAMIDIS PANAGIOTIS • ADAMOPOULOS IOANNIS • ADELFDIS ANTONIOS • APOSTOLOU KONSTANTINOS • ATHANASOPOULOS STAVROS
• ALEXIADIS DIMITRIS • ANAGNOSTOPOULOS THODOROS • ANASTASIOU ELINA • ANDRIKOPOULOS ANTONIS • ANDREADIS NIKOLAOS •
ANTONETSIS CHARALAMPOS • ANTONOPOULOS IOANNIS • ARGYRATOU EFTHYMIA • ARGYRIS ALEKOS • ARGYROPOULOU IOANNA • ARGYROS
VASILEIOS • ASIMAKOPOULOS DIMITRIS • VAITSIS STEFANOS • VELOUDOS SPYRIDON • VITTIS DIMITRIOS • VRYONI MAGDALINI • GAVRIIL
IOANNIS • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS
KONSTANTINOS • DALKITZIS ELEFTHERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS •
DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS
NIKOLAOS • ZAMPOLIS IOANNIS • ZEPPOS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI
PARASKEVI • KALAMARAS ANASTASIOS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL
• KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARVELA ANASTASIA • KARRAS
SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI
EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU
CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS •

MANIATIS DIMITRIOS • MANOLIS

• MIZYTHRAS KONSTANTINOS

BAROUTIS VASILEIOS • BELLOS

• MYLONIDOU ELENI • NIKOLA

CHRISTOS • XYDIAS CHARALAM

PANTELEIMONITIS SPIROS • PAF

KONSTANTINOS • PASCHALIS VAL

• PETROPOULOS DIONYSIOS • P

VASILEIOS • PLAKAKIS PETROS

PANAGIOTA • RAPTOU MARIA •

SKIADA MARIA • STAVRIANOU

TSOLIAKOS GEORGIOS • TZIALA

GEORGIOS • FOLIA AIMILIA • C

EIRINI • CHATZITHEODOSIOU DIM

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STAVROS • ALEXIADIS DIMITRIS

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ELENI • NIKOLAOU NIKOLAOS • NTAIS NIKOLAOS • NTINTIKOS DIMITRIOS • XENOS GEORGIOS • XIROS STAVROS • XYGKAKIS CHRISTOS • XYDIAS

CHARALAMPOS • ONOPAS DIMITRIS • ORFANIDIS PERIKLIS • PAGKRAKIOTIS ALEXANDROS • PANTELEIMONITIS NIKOLAOS • PANTELEIMONITIS

IANOS • MASVOULAS DIMITRIOS

GIORGOS • BARLAS NIKITAS •

S GIORGOS • BRAVOS GIORGOS

• XIROS STAVROS • XYGKAKIS

PANTELEIMONITIS NIKOLAOS •

POUPAS GIORGOS • PASPALIARIS

A THOMI • PERLEPES DIMITRIOS

PIALOGLOU LAZAROS • PIPPOS

INTZOU ARTEMISIA • RANTSIOU

CHRYSA • SERIATOS DIMITRIS •

• TORPOUZIDIS ANASTASIOS •

TSONOS NEKTARIOS • FLORIDIS

NIKOLAOS • CHATZIOAKEIMIDOU

ILLOS ATHANASIOS • CHTAPODAS

TANTINOS • ATHANASOPOULOS

TONIS • ANDREADIS NIKOLAOS

ROPOULOU IOANNA • ARGYROS

VRYONI MAGDALINI • GAVRIIL

DS GEORGIOS • GIANNOPOULOS

Our core purpose is:

To survive and grow
in harmony
with our values
by creating superior
and sustainable
Economic Value
for the prosperity
of our people
and of society

DS GEORGIOS • GIANNOPOULOS

KONSTANTINOS • DALKITZIS ELEFThERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS •

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RESULTS

Overall, the market which our Group's products serve recorded an increase of about 10% in 2018. Group sales closed at €94m, up 28,5% from 2017 due to an increased market share in all sectors. We anticipate further improvement in market figures for 2019, along with significant growth in our market share.

Group EBITDA increased by 8.7% to €6.2m compared to €5.7m in 2017.

Earnings before income tax increased by 33% to €4.2m (€3.2m in 2017) and earnings after income tax and minority interests also increased by 9% to €2.5m (€2.3m 2017).

Total bank borrowing decreased to €16.5m, (€23.1 in 2017) while net debt was €8.8m (€9.6m in 2017). Cash and cash equivalents decreased to €7.7m (€13.5m as of 31.12.2017).

Equity amounted to €32m (€30m in 2017).

Free Cash Flow reached €1.2m (€-172k in 2017).

The capital adequacy ratio (Equity as a percentage of Total Assets without Cash and Cash Equivalents) also improved to 59.3% (58.4% in 2017).

NEW BUSINESS ACTIVITIES

The Kubota equipment distributorship launched in early 2018. Kubota is one of the world's largest manufacturers of agricultural tractors and related equipment, industrial engines, construction machinery, and irrigation and water treatment systems. With 38 years' presence in Greece, Kubota holds a significant share of the market.

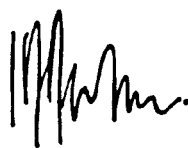
INVESTMENTS

Investments in fixed assets amounted to approximately €730,000, and mainly pertained to Company facilities renovations which will house the Jaguar Land Rover Business Unit. Investments of €850,000 have been budgeted for 2019, mainly for vehicles, IT and further upgrades to Company buildings for improved functionality.

Once again, the Group's employees and associates, including local dealers, suppliers and subcontractors, deserve the Board of Directors' gratitude and congratulations for their loyal support and superior professionalism.



M. K. Michaloutsos
Chairman

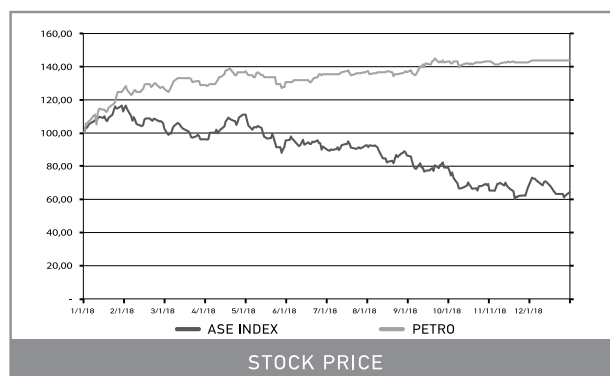
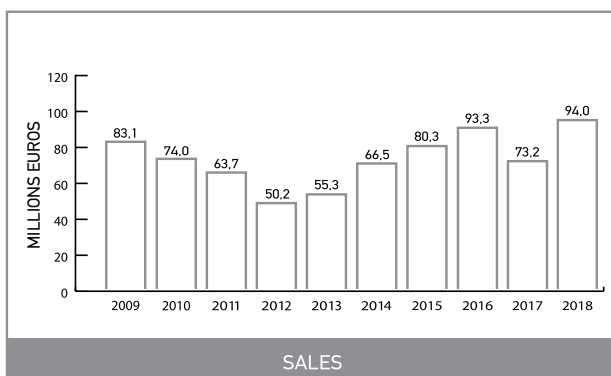
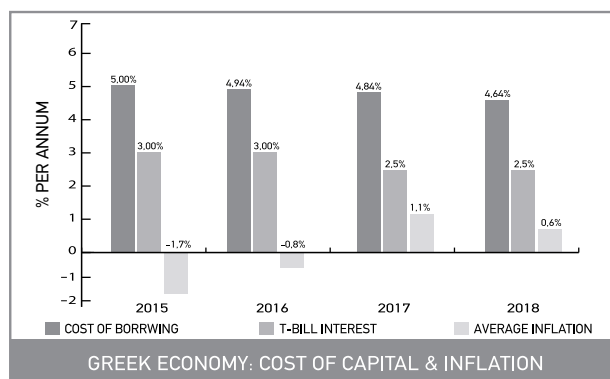
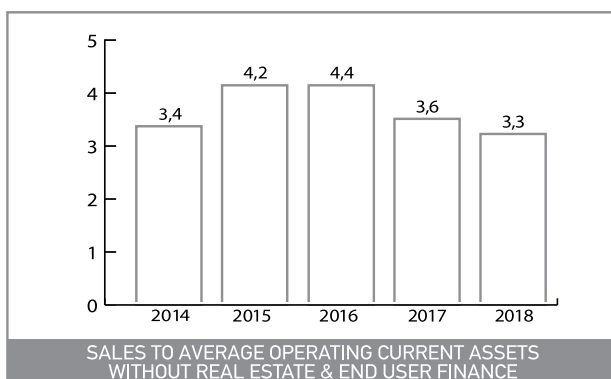


J.P. Petropoulos
Vice Chairman & Managing Director

Board of Directors

MICHALIS K. MICHALOUTSOS	Chairman Non Executive Member
JOHN P. PETROPOULOS	Vice Chairman & Managing Director Executive Member
GEORGE P. DRAKOS	Independent non Executive Member
NIKOLAOS M. EBEOGLOU	Chairman of the Nominations Committee Independent non Executive Member
MICHAEL E. ECONOMAKIS	Independent non Executive Member
JOHN N. FILIOTIS	Chairman of the Executive Evaluation and Compensation Committee Independent non Executive Member
JOHN M. KATSOURIDIS	Independent non Executive Member
STEFANOS A. MANOS	Independent non Executive Member
EFSTATHIOS E. PAPAGEORGIU	Chairman of the Audit Committee Independent non Executive Member

The Board of Directors was elected by the Annual General Meeting of Shareholders on April 19, 2018 for a five year term. The Board holds four major meetings per year. The December meeting is devoted to approving the Business Plan and the Company's strategy for the next year. The April, July, and October meetings deal with the progress of the Business Plan and long-term issues.



PETROS PETROPOULOS GROUP

Financial History IN THOUSAND €

	2018	2017	2016	2015	2014
Total Sales	94,757	73,619	93,282	80,292	66,558
Invoiced Sales	94,079	73,202	93,236	80,198	66,427
Gross Profit	17,763	14,716	15,628	14,705	12,659
(Percent of Invoiced Sales)	(18.9%)	(20.1%)	(16.8%)	(18.3%)	(19.1%)
Other Income	1,611	1,850	772	1,011	1,287
Marketing and Administrative Expenses	(13,964)	(11,750)	(11,799)	(11,355)	(10,826)
(Percent of Invoiced Sales)	14.8%	16%	(12.7%)	(14.2%)	(16.3%)
Depreciation Included	773	911	1,023	952	896
Operating Profit	5,410	4,816	4,601	4,361	3,120
(Percent of Invoiced Sales)	5.7%	6.5%	(4.9%)	(5.4%)	(4.7%)
Losses from Revaluation of Property Investments	(70)	(200)	(640)	(664)	-
Other Taxes	-	-	-	(1,156)	-
Net Financial Expense	(1,091)	(1,416)	(1,506)	(1,308)	(1,231)
Foreign Exchange Gain (Loss)	(12)	(19)	(19)	(15)	1
Net Profit / (Losses) Before Tax	4,237	3,181	2,436	1,218	1,890
(Percent of Invoiced Sales)	4.5%	4.3%	(2.6%)	(1.5%)	(2.8%)
Income Tax	(1,682)	(839)	(1,097)	(627)	(465)
Net Profit / (Losses) After Tax	2,555	2,342	1,339	591	1,425

BALANCE SHEET ITEMS (As at 31 December)

Fixed & Long Term Assets	20,418	23,000	26,143	29,604	33,075
Current Assets	33,633	28,570	25,316	21,292	24,965
Cash & Securities	7,750	13,512	12,746	18,597	13,312
Total Assets	61,801	65,082	64,205	69,493	71,352
Short Term Liabilities	20,394	22,973	24,861	29,686	27,287
Μακροπρόθεσμες Υποχρεώσεις	9,350	11,967	10,265	9,014	11,915
Καθαρή Θέση	32,057	30,142	29,079	30,793	32,150

EMPLOYMENT ITEMS

Average Number of Employees	138	111	111	113	116
Total Cost	6,595	5,181	5,208	5,634	5,299
Redundancy Compensation	653	77	99	331	147
Net Total Cost	5,942	5,104	5,109	5,303	5,152
Company Social Security Payments	1,134	960	938	957	1,004

KEY RATIOS

Solvency 31/12 *	59.3%	58.4%	56.5%	60.5%	55.4%
Current Ratio	1.6	1.2	1.0	0.7	0.9
Total Employment Cost Per Person	43.1	46.0	46.0	46.9	44.4
Sales Per Employee	682	663	840	710	574
Weighted Average Number of Shares	7,006,507	7,070,400	6,999,918	6,992,898	6,924,574
Earnings / (Losses) per Share after Tax €	0.36	0.33	0.19	0.08	0.21
Capital Return per Share €	-	-	0.10	0.10	-
Dividend per share €	-	-	0.10	-	-

* Equity as % of Total Assets without Cash and Securities

BUSINESS UNIT

Truck and Bus

In 2018, the overall new truck market remained at last year's low levels. A total of 170 trucks over 16 tonnes were registered in the Greek market, down 13% from 2017.

Despite the relatively small Greek market, the Business Unit recorded a positive Economic Profit that was triple its initial projections, with its market share at 15%.

Long-haul Scania trucks maintain their lead position in the Greek market, with a share exceeding 32%.

The overall tourist and intercity bus market also remained at low levels, though the Business Unit delivered 5 Scania Touring buses, ideal for intercity routes.

The market for midi-buses with up to 30 seats noted a further decrease. The Business Unit delivered 6 Isuzu buses to tourist agencies, and 9 Isuzu urban buses to Attica municipalities for municipal transport.

The promotion of the 8 metre Isuzu CITI LIFE bus, suitable for urban bus service, will continue in 2019 (mainly in municipalities).

Scania is a worldwide leader in diesel engine fuel economy and low carbon technologies. It sets high environmental standards for all its authorised service centres in Greece and around the globe.

ACTIVITIES

Sales, modification, super-structures and technical support for: Scania trucks and buses, Isuzu buses, Getman mining equipment, Allison automatic transmissions and Kögel trailers.

CUSTOMERS

International and national transport companies and drivers, the public sector, public utilities, local administration organisations, private individuals, civil engineering contractors, sub-contractors, mines and quarries.

BUSINESS UNIT

Isuzu

ISUZU PICK-UP TRUCKS

After 4 years of continued growth, the pick-up market remained at the same level as in 2017. The Business Unit experienced a decrease in sales, which negatively impacted its Economic Profit.

The D-MAX model introduced in 2017 faces strong competition both in Europe and in Greece resulting in a decrease in its market share to 7%.

The pick-up segment targets numerous categories of demanding professionals/users, attracting new customers and intensifying competition as buyer profiles change.

For 2019, the Isuzu D-MAX line will remain essentially the same, but the Business Unit is laying the groundwork for the arrival of a fully updated D-MAX next year through promotional activities.

In Bulgaria, the pick-up market remains at a low rate of overall sales, however it shows a steady rise that indicates further growth.

The successful overhaul of the authorised dealer and repair shop network has led to a steady increase in sales and a significantly greater brand recognition around the country.

TRUCKS

The 3.5 to 8 tonne light truck market is still quite small, with sales mostly limited to public sector organisations. The number of vehicles sold by this Business Unit is small, but the market share stands at satisfactory levels.

The Isuzu N-Series Euro 6 truck series is the most comprehensive option in this market due to its low tare and resulting large payload, particularly with the new 1.9l engine in trucks with a gross weight of 3.5 tonnes.

The Business Unit does not anticipate major changes in the market or its sales in 2019.

As a worldwide leader in diesel engine manufacturing, ISUZU's vast know-how guarantees fuel economy and low emissions.

ACTIVITIES

Sales and technical support for Isuzu pick-ups and light trucks in Greece and Bulgaria.

CUSTOMERS

Farmers, professionals, delivery companies, construction companies and the public sector.

NETWORK

The authorised dealer network consists of 47 points of sale and 49 repair shops throughout Greece.

ISUZU

BUSINESS UNIT

Jaguar Land Rover

In 2018 the luxury car market experienced a 4% decrease since 2017, with most competing brands marking a small drop in registrations.

The JLR Business Unit's principal goal in 2018 was to increase registrations in the Greek market, which it managed to do, leading the Business Unit to a high market share well above the European average and to a positive Economic Profit.

Sales of Jaguar Land Rover vehicles in the Greek market were up by 82% in 2018, thanks to targeted actions and entry of an additional dealer in the Athens area with extensive experience in luxury cars.

The Range Rover Evoque and Range Rover Sport were Land Rover's star performers once again, with the Range Rover Velar making a dynamic entry into its segments.

At Jaguar, the E-PACE contributed to the brand's growth, comprising 63% of registrations, while sales of the F-PACE remained steady compared to those of the previous year.

These models provided the necessary boost for an increase in sales of both brands during 2018. It is worth noting that Jaguar achieved an impressive increase of 229% over 2017, and was featured prominently in both industry and mainstream media. Land Rover increased 40% overall.

For 2019, the Business Unit anticipates an increase in registrations, as the brand-new Range Rover Evoque and Jaguar's first completely electric car, I-PACE, are introduced to the market. Moreover, the new hybrid PHEV Range Rover and Range Rover Sport models will make a significant contribution in that direction.

The ability of the Land Rover and Range Rover vehicles to traverse even the most inaccessible terrains will be of vital importance for conservation groups working to protect the natural environment throughout the globe. At the same time, Land Rover's commitment to the Fragile Earth programme is a global promise aimed at ensuring that our activities have the least possible impact on the environment.

ACTIVITIES

Sales and distribution of Jaguar, Land Rover & Range Rover cars and Jaguar, Land Rover, Range Rover & MG spare parts.

CUSTOMERS

Private consumers and car rental companies.

NETWORK

The official network consists of 2 points of sale and 3 authorised repair shops.

BUSINESS UNIT

Petrogen

The generating set market increased slightly in 2018, as a result of a programme to modernise Greek regional airports and investments in the hotel industry. The Business Unit achieved positive results and maintained its lead in market share.

Amongst other things, within 2018, the Business Unit delivered 14 custom-built gensets to 10 regional airports in Greece; 4 gensets with parallel operating capacity of 700 KVA each to the Hotel Ikos Aria; 3 custom gensets to the Air Force; 1 genset of 1100 KVA to the Alexander Hotel in Malia; 1 900 KVA genset to the Cretan Brewery; 1 genset of 900 KVA to the Hotel Porto Elounta; and 1 880 KVA genset to the Faliro Bay project.

The Business Unit has 50 years of accumulated experience in generating sets and customised solutions, a customer list of powerful players across all sectors and specialised personnel. It is also first in genset sales in Greece.

The Unit has an organised network of authorised dealers providing technical support for generating sets and uninterruptible power sources (UPS) all over Greece and ensures that personnel receive regular training through seminars offered year-round to help them provide excellent customer service.

The high quality construction, product reliability and excellent value for money, combined with outstanding support in Greece and abroad, constitute the Petrogen Business Unit's competitive advantage and guarantee its future profitability.

The Business Unit is also active in sales and support of Exide Technologies industrial batteries, UPS and voltage stabilisers.

The genset market is expected to remain at current levels in 2019. The main driver will be investments in the tourism sector (new hotels and renovations) and construction activity.

The electricity produced by photovoltaic panels maintained by the PETROGEN Business Units contributed to the reduction of CO₂ emissions by 58.890 Kg in 2018.

ACTIVITIES

Manufacturing, sales and technical support for Petrogen generating sets from 2 to 2500 KVA, Exide industrial batteries and UPS.

CUSTOMERS

Manufacturing and construction companies, retailers, banks, telecommunication companies, shipping, hotels, hospitals, data centres, the Armed Forces, private consumers and the public sector.

NETWORK

A network of 30 authorised technical dealers operates throughout Greece.

PETROGEN
F.G. WILSON
KOHLER
EXIDE

BUSINESS UNIT

Engines and Boats

OUTBOARD MOTORS

2018 marked a year of continued stabilisation for the marine leisure sector, as the outboard motor market grew from 4,000 motors sold in 2017 to 4,100 motors in 2018. The results for 2019 are expected to be similar to those of 2018, although it is uncertain what impact Brexit and neighbouring countries' competitiveness will have on Greek tourism.

The Business Unit retained its market share in the engine horsepower range and ended with a positive Economic Profit.

Tohatsu engines represent a full range of four-stroke engines from 2.5hp to 50hp, as well as state-of-the-art TLDI two-stroke direct injection engines from 30hp to 115hp.

The Business Unit also supplies the Greek market with Evinrude E-TEC outboard motors (25hp-115hp), whose main advantages include their low weight, great torque, reliability, low emissions and ease of use.

The new G2 motors (150hp-300hp), innovative in terms of both design and technology, have made a favourable impression thanks to their performance.

In 2019, the outboard motor market is expected to remain at the same level and the Business Unit to increase its market share.

BOATS

Sales of Zodiac, Bombard and Avon boats rose from 2017, both in units sold and in value. The total inflatable boat market is expected to remain the same in 2019.

PERSONAL WATERCRAFT (PWC)

Sales of personal watercraft in 2018 increased thanks to the new range of models by Sea-Doo for both personal and professional use, including the GTX LTD 300hp and RXT/RXP 300hp with newly designed hulls. We expect the 2019 market to remain at 2018 levels.

BOMBARDIER RECREATIONAL PRODUCTS-BRP (ATV-SSV-SPYDER)

Sales of BRPs (Outlander, Maverick and Spyder) saw a decrease in sales in 2018, as they did not comply with all regulations of the new Euro 4 Emission Standard. In 2019, an increase is expected in sales of new BRP models registered as agricultural vehicles, such as the new three-wheel Ryker 600cc and 900cc bikes at very competitive prices.

DIESEL AND GASOLINE ENGINES

Industrial and marine diesel engine sales remained unchanged in 2018, the same is anticipated for 2019.

ACTIVITIES

Sales, modification and technical support for: Evinrude and Tohatsu outboard motors, Sea-Doo personal watercraft, Can-Am ATVs, Spyder motorcycles, Zodiac, Avon and Bombard inflatable and rigid inflatable boats, marine and industrial engines, marine generating sets and internal combustion engines.

CUSTOMERS

Consumers, shipyards, importers of power boats, fishermen, fish farms, pleasure craft owners, equipment manufacturers and dealers, farmers and the public sector.

NETWORK

A network of 70 dealers operates throughout Greece.

BUSINESS UNIT

Agricultural Equipment

2018 presented challenges for the agricultural equipment market. Despite the noteworthy increase (40%), the market remained at a low level, with 1,180 tractors sold compared to 839 tractors in 2017. This was due to further delays in the release of improvement programmes.

The Agricultural Equipment Business Unit, featuring the Landini and McCormick brands, significantly increased its sales in 2018 its market share rose from 13.5% in 2016, to 17%, putting it in second place for tractor sales for the year.

Argo Tractors S.p.A., which manufactures Landini and McCormick tractors, replaced all of its models to meet the very strict safety and emissions specifications that went into effect at the start of 2018.

In late 2018, the new Landini REX 4 orchard and McCormick X4F tractors with anti-pollution EURO 4 technology were introduced throughout Greece in both cabin and platform versions of 70hp to 120hp, meeting the needs of modern-day farmers.

The larger 7 and 8 series have been available on the market since early 2018 with a variety of models and versions ranging from 150hp to 350hp.

The new Landini and McCormick tractors are poised to set the standard in the market due to their advanced technology and important improvements, large number of options available and their reliability.

For 2019, the Business Unit aims to improve its share of the Greek market and increase its profitability.

McCormick & Landini tractors fully comply with the international standards of emission reducing technologies. The tractors are equipped with environmentally friendly engines that follow the strict TIER4 emission directives, thus minimizing their environmental footprint.

ACTIVITIES

Sales and technical support for: McCormick and Landini agricultural tractors, Gallignani square and round balers, Celli soil preparation machines, Enorossi tillers and Sigma 4 agricultural loaders.

CUSTOMERS

Farmers, agricultural and livestock breeding enterprises, public utilities, municipalities and communities.

NETWORK

A network of 85 authorised dealers operates throughout Greece.

LANDINI
McCORMICK
GALLIGNANI
CELLI

BUSINESS UNIT

Industrial Equipment

In 2018, the Business Unit improved its sales and significantly increased its Economic Profit.

AIR COMPRESSORS

The industrial compressed air systems market remained steady in comparison to 2017, while the shipping sector showed improvement.

In 2019, the Business Unit will continue to focus on the Greek market in order to improve its market share, capitalising on the capabilities of Ingersoll-Rand's integrated compressed air system solutions.

COGENERATION SYSTEMS

Although investments in electrical cogeneration systems based on bio-gas were negatively affected by the economic environment, the Business Unit increased its sales and Economic Profit in this particular activity.

Provided there are no changes to this market's operating framework, the Unit's position in this sector will continue to improve in 2019.

Ingersoll-Rand Nirvana compressors are leaders in energy economy. 2G Energy AG is amongst the world's leading manufacturers of cogeneration systems (CHP) for decentralised energy production and supply by means of combined heat and power with an overall degree of efficiency between 85% and 92%.

ACTIVITIES

Sales, modification, design-assembly and technical support for: Ingersoll-Rand air compressors and air tools, Puregas compressed air dryer systems and 2G electrical cogeneration systems.

CUSTOMERS

Industry, commerce, shipping, shipyards and telecommunication companies.

BUSINESS UNIT

Lubricants

Lubricants market, after its continuous decline over the last several years (-33% between 2010 and 2016 based on the latest ICAP sector study), in 2017 and 2018 showed stabilizing and slightly upward trends. In 2018, Business Unit's Sales slightly declined, largely due to the different mix of products sold, while market share and Economic Profit remained stable.

On a global level, Shell retained its number one position as the leading global supplier of automotive and industrial lubricants for the 12th consecutive year with an estimated market share of 11%.

The Business Unit aims at the overall lubricants market.

- For the driver, both professional and consumer, Shell is offering state-of-the-art lubricants for all modern engines, which ensure optimum lubrication conditions, high engine protection, fuel economy and therefore lower total maintenance and operating costs.
- For all industry sectors and for any specialized equipment, Shell's lubricants and services are designed to add value to the operation of the industrial unit, by offering significant cost savings, helping to maximize equipment efficiency, prolonging its life and reducing unplanned maintenance interruptions.
- An extensive network of selected resellers ensures that any customer need for lubricant is met quickly and reliably anywhere in Greece.
- Shell lubricants have been offering state-of-the-art technology for marine customers for over a century by developing products, applications and technical support services that respond to ever-changing shipping needs.

The Business Unit, in close cooperation with Shell, provides premium technical support services such as used-oil analysis, lubrication guides and customized technical seminars according to partners' needs. In addition, it is also active in International Marine, supplying with lubricants Shell customers' vessels in all ports of Greece.

Business Unit's goal for 2019 is to further strengthen its Market Share as well as improve its Economic Profit.

ACTIVITIES

Sales and distribution of Shell lubricants in Greece and Cyprus.

CUSTOMERS

Workshops, OEM importers, fleets, retail stations, industry, power generation, construction, quarries, cement, public sector, marine, aviation.

NETWORK

Network of 30 selected resellers throughout Greece and Cyprus.

SHELL
LUBRICANTS

BUSINESS UNIT

Batteries and Tires

BATTERIES

The overall market for vehicle and boat batteries held steady in 2018. The Business Unit recorded somewhat decreased sales, with a small drop in Economic Profit.

The Business Unit collaborates with two of the largest battery manufacturers:

- Exide, a leading vehicle and marine battery manufacturer with a complete range of quality products that meet all electricity needs. Since 2015, Exide has been producing and distributing the new Start-Stop and Premium battery lines worldwide with the new Carbon Boost technology for faster charging, meeting the increasing demands of modern vehicles.
- Hankook, with the Korean Company's renown quality and best value of money.

Exports to Cyprus, North Macedonia and Albania decreased slightly, but the Business Unit maintained its market share at satisfactory levels.

TIRES

The Business Unit entered the tire market in the second half of 2017 with the Cooper, Avon, Starfire and Interstate brands. The overall vehicle tire market (passenger cars, 4x4 SUVs, light trucks, trucks and motorcycles) showed signs of stability in 2018 in terms of units sold. Sales ranged at the levels projected by the Business Unit, and acceptance by segment professionals was very positive, with an impressive partner growth network.

The Unit's goal for 2019 is to bolster the battery and tire market share in Greece and abroad, and also further improve its Economic Profit.

The Company is an active participant in an alternative battery management system. (COMBATT S.A.).

ACTIVITIES

Sales and distribution of Exide and Hankook batteries and Cooper, Avon, Starfire and Interstate tires.

CUSTOMERS

Industry, commerce, shipping, shipyards and telecommunication companies. Battery, lubricant, parts and tire resellers, tire repair centres, battery centres, electricians, car dealers and importers, authorised service centres, construction sector, shipping and private consumers.

NETWORK

Network of more than 300 dealers throughout Greece, North Macedonia, Albania and Cyprus.

BUSINESS UNIT

Kubota

The tractor market partly recovered from the marked drop it experienced in 2017, as the new subsidy programmes were announced.

The notice allows customers to proceed with purchasing equipment from their investment plan, which will be subsidised provided their applications are approved. Consecutive postponements of the application's deadline and their complex evaluation process will delay most purchases until the 4th quarter of 2019.

2018 was the first year of operation for the Kubota Business Unit at Petros Petropoulos AEBE. The Business Unit was established to represent Kubota in Greece after the Manufacturer entered into a partnership with the Company in January 2018.

Within the year, Kubota updated its range of products, presenting new agricultural tractors that are in line with the latest emissions standards for all product categories from 12hp to 175hp.

The Business Unit organised the assembly of tractors from Japan, it opened a branch in Thessaloniki and conducted more than 20 presentations of the new tractors throughout Greece.

For 2019, the Business Unit aims to increase its tractor and implements market share and expand its sales of engines, excavators and mowers.

ACTIVITIES

Sales and technical support for Kubota agricultural tractors, implements, mowers, excavators and engines, Agromelca collectors and other specialised farm equipment.

CUSTOMERS

Farmers, agricultural and livestock enterprises, public utilities, municipalities, communities, hotels, construction companies and equipment manufacturers.

NETWORK

A network of over 40 dealers throughout Greece.

**KUBOTA
AGROMELCA**

SUMMARY CONSOLIDATED

Balance Sheet IN THOUSAND €

	2018	2017
ASSETS		
CURRENT ASSETS		
Inventories	12,832	9,350
Accounts Receivable	16,826	15,631
Other Receivables	3,974	3,589
Cash & Securities	7,750	13,512
TOTAL	41,382	42,082
NON CURRENT ASSETS		
Intangible Assets	717	1,060
Tangible Assets	9,822	11,531
Investments in Real Estate	7,230	7,300
Accounts Receivable	335	397
Other Long Term Assets	2,314	2,712
TOTAL	20,418	23,000
TOTAL ASSETS	61,800	65,082
LIABILITIES		
CURRENT LIABILITIES		
Short Term Bank Debt	8,954	12,626
Suppliers & Other Liabilities	7,527	6,636
Current Income Tax Payable	249	0
Customer Advances	1,964	2,403
Other Taxes Payable	960	708
Sundry Creditors	559	358
Other Short Term Liabilities	180	242
TOTAL	20,393	22,973
LONG TERM LIABILITIES		
Long Term Bank Debt	7,625	10,525
Staff Retirement Benefits Provisions	1,181	902
Other Long Term Liabilities	544	540
Income Tax Provisions		0
TOTAL	9,350	11,967
Share Capital	6,575	6,575
Reserves	7,868	9,330
Profit Carried Forward	17,614	14,237
TOTAL NET WORTH ATTRIBUTED TO SHAREHOLDERS	32,057	30,142
Minority Rights	0	0
TOTAL NET WORTH	32,057	30,142
TOTAL LIABILITIES	61,800	65,082

CONSOLIDATED

Profit & Loss Statement IN THOUSAND €

	2018	2017
TOTAL SALES	94,757	73,619
INVOICED SALES	94,079	73,202
Less: Cost of Goods Sold	(76,316)	(58,486)
Gross Profit	17,763	14,716
Plus: Other Operating Income	2,014	2,337
TOTAL GROSS PROFIT AND OTHER OPERATING INCOME	19,777	17,053
Less: General and Administrative Expenses	(3,514)	(2,840)
Sales Expenses	(10,540)	(8,909)
Other Expenses	(415)	(506)
TOTAL OPERATING EXPENSE	(14,379)	(12,255)
Losses from Revaluation of Property Investments	(70)	(200)
Other Taxes		
OPERATING PROFIT	5,328	4,598
Plus: Financial Income	46	45
Less: Financial Charges	(1,137)	(1,462)
NET FINANCIAL CHARGES	(1,091)	(1,417)
NET PROFIT BEFORE TAX	4,237	3,181
Less: Income Tax	(1,682)	(839)
NET PROFIT AFTER TAX	2,555	2,342
Depreciation Included in Expenses	773	911
Profit Attributable to:		
Company's Shareholders	2,555	2,342
Minority Shareholders		
Earnings / (Losses) Per Share After Tax	0.36	0.33

NOTES

1. The consolidated financial statements of the Group of Companies led by Petros Petropoulos AEBE include the following companies: LYPA INTERNATIONAL AEBE, AEGEM AEBE, all based in Athens, equity participation 100% in all cases and PETROMOTOR BULGARIA EOOD, based in Sofia, equity participation 100%.

2. The number of employees at the end of fiscal year 2018 was 146.

AUDITORS' REPORT

Type of Auditor's Report: Unqualified opinion.

AVRAMIDIS PANAGIOTIS • ADAMOPOULOS IOANNIS • ADELFDIS ANTONIOS • APOSTOLOU KONSTANTINOS • ATHANASOPOULOS STAVROS • ALEXIADIS DIMITRIS • ANAGNOSTOPOULOS THODOROS • ANASTASIOU ELINA • ANDRIKOPOULOS ANTONIS • ANDREADIS NIKOLAOS • ANTONETSIS CHARALAMPOS • ANTONOPOULOS IOANNIS • ARGYRATOU EFTHYMIA • ARGYRIS ALEKOS • ARGYROPOULOU IOANNA • ARGYROS VASILEIOS • ASIMAKOPOULOS DIMITRIS • VAITSIS STEFANOS • VELOUDOS SPYRIDON • VITTIS DIMITRIOS • VRYONI MAGDALINI • GAVRIIL IOANNIS • GARGANOURAKIS NIKOLAOS • GEDEON MELPOMENI-MARIA • GEORGIADIS VASILIOS • GIANNOPOULOS GEORGIOS • GIANNOPOULOS KONSTANTINOS • DALKITZIS ELEFTHERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMP ELIS IOANNIS • ZEPP OS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS • MANIATIS DIMITRIOS • MANOLIS

• MIZYTHRAS KONSTANTINOS • BAROUTIS VASILEIOS • BELLOS • MYLONIDOU ELENI • NIKOLA CHRISTOS • XYDIAS CHARALAM PANTELEIMONITIS SPIROS • PAF KOSTANTINOS • PASCHALIS VAL • PETROPOULOS DIONYSIOS • F VASILEIOS • PLAKAKIS PETROS PANAGIOTA • RAPTOU MARIA • SKIADA MARIA • STAVRIANOU TSOLIAKOS GEORGIOS • TZIALA GEORGIOS • FOLIA AIMILIA • C EIRINI • CHATZITHEODOSIOU DIM ELEFTHERIOS • AVRAMIDIS PAI STAVROS • ALEXIADIS DIMITRIS • ANTONETSIS CHARALAMPOS VASILEIOS • ASIMAKOPOULOS IOANNIS • GARGANOURAKIS NI

KONSTANTINOS • DALKITZIS ELEFTHERIOS • DARDAMANI MARIA • DARDANOS GKIKAS • DIMAKI IOANNA • DIMOMELETIS ANASTASIOS • DIMOU GIORGOS • DIMOU DIMITRIOS • DIMOU DIMITRIOS • DIALYNAS MANOLIS • DOUKAKIS GEORGIOS • DRANDAKI ELEFThERIA • ZAGORAKIS NIKOLAOS • ZAMP ELIS IOANNIS • ZEPP OS CHRONIS • ZOGLOPITIS PANAGIOTIS • THEODORIDIS ILIAS • THEODOROPOULOU VASILIKI • KAITTANI PARASKEVI • KALAMARAS ANASTASIOS • KALAVROS STAVROS • KARAMOUTZAS KOSTAS • KARASARIDOY ATHINA • KANDANOLEON EMMANOUIL • KANELLAKIS IOANNIS • KAPATSOS DIMITRIS • KAPOUKINIS PANAGIOTIS • KARACHALIOU PANAGIOTA • KARVELA ANASTASIA • KARRAS SPYRIDON • KIOUKIS IOANNIS • KIOULAFAS STERGIOS • KOVATSOS PANAGIOTIS • KOKKORI MARIA • KOKKORI CHRISTINA • KONTOGIANNI EVANTHIA • KONTOLAIMOS PANAGIOTIS • KOUNDOURAKIS GEORGIOS • KOUROUGIAOURIS KONSTANTINOS • KOUTSIOUMPA GEORGIA • KYPRAIOU CHRISTINA • LAZARIDIS ATHANASIOS • LAZOS ASIMAKIS • LENTA GEORGIA • LEONTARIDIS NIKOLAOS • LIAKOS LOUKAS • LOUKAS THEOFANIS • MANIATIS DIMITRIOS • MANOLIS ANASTASIOS • MANOLIS ANASTASIOS • MARGARONI IOANNA • MARKAKIS STYLIANOS • MASVOULAS DIMITRIOS • MIZYTHRAS KONSTANTINOS • MITRAKI GIOTA • MITRAKI SOFIA • MIXALOUTSOS MICHALIS • BAIRAKTARIS GIORGOS • BARLAS NIKITAS • BAROUTIS VASILEIOS • BELLOS NIKOLAOS • BITSANI AGGELIKI • BONATSOS IOANNIS • BONH ELENI • BOULIS GIORGOS • BRAVOS GIORGOS • MYLONIDOU ELENI • NIKOLAOU NIKOLAOS • NTAIS NIKOLAOS • NTINTIKOS DIMITRIOS • XENOS GEORGIOS • XIROS STAVROS • XYGKAKIS CHRISTOS • XYDIAS CHARALAMPOS • ONOPAS DIMITRIS • ORFANIDIS PERIKLIS • PAGKRAKIOTIS ALEXANDROS • PANTELEIMONITIS NIKOLAOS • PANTELEIMONITIS

IANOS • MASVOULAS DIMITRIOS GIORGOS • BARLAS NIKITAS • S GIORGOS • BRAVOS GIORGOS • XIROS STAVROS • XYGKAKIS PANTELEIMONITIS NIKOLAOS • IOUPAS GIORGOS • PASPALIARIS A THOMI • PERLEPES DIMITRIOS PIALOGLOU LAZAROS • PIPPOS INTZOU ARTEMISIA • RANTSIOU CHRYSA • SERIATOS DIMITRIS • • TORPOUZIDIS ANASTASIOS • TSONOS NEKTARIOS • FLORIDIS IKOLAOS • CHATZIOAKEIMIDOU ILOS ATHANASIOS • CHTAPODAS TANTINOS • ATHANASOPOULOS ONIS • ANDREADIS NIKOLAOS ROPOULOU IOANNA • ARGYROS VRYONI MAGDALINI • GAVRIIL DS GEORGIOS • GIANNOPOULOS



Our values:

Respect for and trust
in the individual

Keep the promise

Fair championship

Zero waste

Prudence



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