ΜΟΤΟΔΥΝΑΜΙΚΗ Α.Ε.Ε.

YAMAHA

FROM : MOTODYNAMICS S.A.

TO : Athens Stock Exchange, Athens Avenue, 104 42 Athens

RE : Annual General Meeting decisions

DATE : 19/03/2010

ANNOUNCEMENT

2009 Yearly Financial Results

The consolidated turnover of the MOTODYNAMICS Group reached 62 million Euros compared to 80.7 million Euros in the corresponding period of the previous year. Sales reached 59.6 million Euros, while sales abroad (Rumania-Bulgaria) decreased substantially to 2.4 million Euros.

The intense financial recession in Romania and Bulgaria, along with the particular conditions that prevailed in Greece, limited the operational profit to 138 thousand Euros from 2,9 million Euros of the previous year. Subsequently, at Group level net profit after taxes and minority interests presented a loss of 540 thousand Euros in total.

Analysing the Group activities, in the motorcycle sector sales reached 34.4 million Euros, compared to 46.7 of the previous year, reflecting the 55.5% of the total turnover. The intensified effort to increase the gross profit margin bear fruits and evolved to 17,4% compared to 14,8% of the previous period.

The Group sales in the marine sector totalled to 13.8 million Euros, compared to 18.6 million Euros, reflecting 22.3% of total sales. The gross profit margin reached 23.3% compared to 22.7% of last year.

In the Supplementary products which includes tyres, accessories, spare parts, lubricants and services, the Group sales amounted to 13.8 million Euros versus 15.4 million Euros of the last corresponding period, reflecting a 22.2% of the total turnover. The gross profit margin increased to 29.3%.

The Managing Director, Mr. Sotiris Hatzikos, stated:
“The year 2009 was a particularly difficult period for the Group. The main markets in which we are active in Greece suffered a decrease of app. 30%, while the decrease in Romania and Bulgaria was over 50%. In this frame, the substantial sales decline was unavoidable. Nevertheless, we managed to maintain our leading role, and in some cases with improved market share. Simultaneously, our targeted commercial plans allowed us to increase gross profit margins in all sectors.
In 2009 we proceeded in restricting general expenses both in Greece and abroad, although the relevant savings did not reflect in the Company’s end results. The savings were counter-balanced by irregular expenses referring to the relocation of the company in the new premises, as well as by increased provisions. The efficiency of these actions will prove later within 2010.
We further focused on limiting working capital, that decreased by 27% creating positive cash-flow. The completion of our new building and warehouses at Aspropyrgos absorbed investments at a range of 4 million Euros, and as a result net debts remained at the same level of 2008, despite the positive cash-flow.
For 2010, and as long as financial uncertainty continues to create negative consumer psychology, the potential for improvement in the markets is limited. The main priority remains the optimization of our supply-chain based on our new premises, as well as further re-adjustment of general expenses in the current level of activities.”