EUROCHARTIKI SA PAPER & DETERGENTS INDUSTRY

ANNUAL FINANCIAL REPORT

for financial year 2014

(1 January to 31 December 2014)

In accordance with Law 3556/2007

EUROCHARTIKI SA PAPER & DETERGENTS INDUSTRY

distinctive title “EUROCHARTIKI SA”

Annual Financial Statements
for the year from 1 January 2014 to 31 December 2014
in accordance with the International Financial Reporting Standards

It is stated that the attached Financial Statements are those approved by the Board of Directors of "*EUROCHARTIKI SA*" on 30/04/2015, have been made public through the press and are available online at www.eurochartiki.gr. It is noted that the published financial statements aim to provide the reader with general information but do not provide a complete picture of the financial position and results of the Company in accordance with International Financial Reporting Standards. It is also noted that, for simplicity in the published summary financial statements have been rearranged.

Georgios Trakakis
CEO
EUROCHARTIKI SA

FINANCIAL STATEMENTS INDEX

Board of Directors' Report on the Financial Statements of "EUROCHARTIKI SA" for the year ended 31 December 2014

Dear Shareholders,
We submit the Directors' Report for the financial year 01/01/2014-31/12/2014 and the annual financial statements, which were prepared under the applicable law and generally accepted accounting principles as prescribed by the International Financial Reporting Standards.

Dear Shareholders,
2014 has been a year of continued steep decline for all production units, but also for business units which recorded negative growth on all levels. These negative indicators affected all aspects of business operations, making even more difficult the survival of large units which, in addition to reduced consumption, had already been burdened with prior doubtful debts.

Our company's Management stayed on course of a conservative policy in relation to sales in order to avoid doubtful debts -historically an advantage for the company-, and managed to not only retain its position in the industry but also to significantly increase total outflows by 5%.
This proves the loyalty of our customers who, despite our strict credit policy, continue to support the "Endless" brand.
Further, our growth policy enhanced our customer base with new cooperations which had only marginal results in 2014, which are however expected to soar in 2015.

More specifically, for the past year we could mention the following:
Gross margin fell from 23.15% to 22.39%, although in absolute numbers it recorded a 1.42% increase. This is illustrative of the commercial policy followed by the company that supported it key partners with central promotional activities across the country and continued offers, thus achieving an increase of consumption at final points of sale.
These inflows boosted the potential of partners and led to an increase in the total value of consumers' shopping basket, but mainly in the number of products, thus resulting in a spectacular increase of boxes.

Operating expenses were slightly increased to support promotional activity, which resulted in a marginal increase of turnover.

Financial cost decreased from €1,262 thousand to €1,073 thousand, down by 15%. This is due to the improvement in our company's collection methods and the selection of clients, while the continued improvement of the terms of financing was also an important factor. Monitoring of cash flows, combined with the company's potential to adapt to continuously changing conditions through successful planning by Finance.
The above, together with the rational formation of provisions, resulted in the formation of pre-tax profit to the amount of €1,113 thousand against €670 thousand in 2013, recording a growth of 66.12%.

The fundamental financial data of the company are configured as follows:
Sales: Sales amounted to € 40.84 million compared to € 38.95 million in corresponding period of 2013, recording an increase of 4.86%.

EBITDA: Operating profit (EBITDA) amounted to 3.61 million from 3.36 million in 2013.

Selling - Administrative Expenses: The Selling and Administrative Expenses totaled € 7.02 million compared to € 6.59 million in the corresponding period of 2013.

Profit before tax: Profit before tax amounted to € 1,113.00 thousand compared to profit of € 670.00 thousand in 2013.

Profit after tax: Profit after tax stood at € 124.98 thousand in 2014 compared to profit of € 332.41 thousand in the same period of 2013.

Total Liabilities: The company's total liabilities amounted to € 31.37 million compared to € 27.59 million in the same period of 2013.

The total debt of the company amounted to € 17.71 million compared to € 14.94 million in the same period of 2013, recording a decrease of 18.54%.
The investment properties amounted to € 234.00 thousand compared to € 263.00 thousand in the same period of 2013. Investments in fixed assets remained at the levels of the same period of 2013.

SUMMARY OF FINANCIAL RESULTS
The summary of results and balance sheet data for the years 2014 and 2013 are presented in the following tables

PROFIT / LOSS DATA

Company			
(in thousands €)	2014	2013	df % 2014 vs 2013
Revenues	40.837	38,945	4,86%
Gross Profit	9.145	9,017	1,42%
EBITDA	3.611	3,363	7,37%
Profit before income taxes	1,113	670	66,12%
Total Borrowing	17.712	14,943	18,53%
Gross Profit Margin	22,39%	23.15%	-

BALANCE SHEET DATA

Company		
(in thousands €)	2014	2013

(amounts are expressed in euro unless otherwise stated)

Fixed assets	31.324	32,176
Current Assets	25.227	20,470
Total Assets	56.551	52,646
Total Equity	25.185	25,060
Minority Rights	-	-
Total liabilities	31.366	27,586

Important events:

The company has been audited for tax purposes up to year 2008. The years 2009 and 2010 are unaudited. For the years 2011-2012-2013-2014 we have been granted a certificate of tax compliance.

1.1 *Objectives and prospects for 2015*

Going into 2015, market activity was particularly subdued, recording negative rates for the first quarter. The company has implemented an investment in the detergents segment, with the first signs of increased capacity and reduced costs already showing in our results but also in the new, private-label agreements we have made. The above action should result in a net increase of gross results which will be directly transferred to the bottom line, as no additional costs are incurred, but will actually cause a marginal cost reduction.

Further, the purchase of a new machine for the processing of new type of toilet paper has been scheduled; this should significantly boost the company's turnover in the second half of 2015. The company is already well positioned in relation to competition, with significant tools for further investments aiming to achieve continued growth.

More specifically, the company will use its integrated logistics system to increase the number of codes, thus offering new potential to existing partners and incorporating new ones.

This will be supported by the investment made in the new, state-of-the-art warehouse management system (WMS) that was implemented in early 2015.

The increase of outflows, which will reach 10% according to conservative estimates in the business plan, is aimed at combining the company's potential with market opportunities. The increase - the first signs of which are already visible- is the result of the new strategy to assign all codes to the network and improve its structure so that it can properly manage the increased customer base.

In view of achievement of the EBDITDA and profit targets for 2014, an increase of 10% in profit is projected for 2015, considering the costs to support our new business plan.

Financial instruments

Fair value: The amounts reflected in the accompanying statements of financial position for cash, customers and other receivables prepayments, suppliers and other current liabilities approximate their respective fair values. The fair value of floating rate loans approximate the amounts shown in the balance sheet.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

(amounts are expressed in euro unless otherwise stated)

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities,

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly,

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the period there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 fair value measurement.

On 31 December 2014 and 2013, the Company held the following financial instruments measured at fair value:

	Fair Value –31.12.2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Long-term loans (including short term portion) (Note 22)	-	12.776.413	-	**12.776.413**
Derivative financial instruments (Note 27)	-	-	-	**-**

	Fair Value –31.12.2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Long-term loans (including short term portion) (Note 22)	-	9,156,970	-	**9.156.970**
Derivative financial instruments (Note 27)	-	-	-	**-**

Interest Rate Risk: As the long-term & short-term borrowings, Management monitors on a continuous basis, fluctuations in interest rates and evaluates the need for relevant positions to hedge risks arising from them.

The following table shows the changes in comprehensive income (through the impact of the remaining floating-rate borrowings at year end) possible changes in interest rates, holding other variables constant.

Sensitivity analysis of the Company's loans to interest rate changes:

31 December 2014		31 December 2013	
Volatility of	**Impact on**	**Volatility of**	**Impact on**

	Interest Rates	Comprehensive Income	Interest Rates	Comprehensive Income
EUR	1.0%	(171.661)	1.0%	(104,478)
	-1.0%	171.661	-1.0%	104,478

Note: The above table does not include the positive effect of interest income from deposits.

Price risk: The Company faces significant risk from changes in the prices of a & b raw materials and packaging materials production company products. The key risk to price changes is to supply a paper material which constitutes the most basic supplies throughout the company. In the global paper market prices are usually formed at quarter level. Due to the global financial crisis and the changes that it caused at both the demand and cost of outputs, the global paper market adjusted to current needs and prices now formed at a monthly basis, which follows our company. Management addresses the above risk at both supply paper and throughout the company, entering into partnerships with several suppliers of the same species, maintaining solid partnerships, continuously reviewing the global market and finally passing on increases to consumers.

Credit Risk: The Company's maximum exposure to credit risk because of non-performance of obligations by contractors during the current year, is the carrying amount of those assets as indicated in the accompanying statements of financial position. The Company has no significant concentrations of credit risk with any single counterparty.

Liquidity Risk: The Company manages the risks that may arise due to insufficient liquidity by managing to have always available secured bank credit to use. Prudent liquidity management of the Company is achieved by appropriate combination of cash and bank credits.

The following table summarizes the maturity profile of undiscounted financial liabilities deriving from relevant contracts, as at 31 December 2014 and 2013.

Amounts 31.12.2014	On demand	Less than 6 months	6-12 months	1 to 5 years	>5 years	Total
Borrowing	238.749	5.462.995	1.091.000	10.919.664	-	17.712.408
Trade and other payables	4.038.244	3.371.637	-	-	-	7.409.881
Total	**4.276.993**	**8.834.632**	**1.091.000**	**10.919.664**	**-**	**25.122.289**

Amounts 31.12.2013	On demand	Less than 6 months	6-12 months	1 to 5 years	>5 years	Total

(amounts are expressed in euro unless otherwise stated)

Borrowing	96,306	6,440,837	926,000	7,304,664	175,000	14,942,807
Trade and other payables	4,074,027	2,980,165	-	-	-	7,054,192
Total	**4.170.333**	**9.421.002**	**926.000**	**7.304.664**	**175.000**	**21.996.999**

Capital Management: The primary objective of capital management is to ensure the maintenance of high credit rating and healthy capital ratios to support and expand the activities of the Company and maximize shareholder value.

INDEPENDENT AUDITORS' REPORT

To the shareholders of "EUROCHARTIKI S.A."

Report on the Financial Statements

We have audited the accompanying separate and consolidated financial statements of "EUROCHARTIKI S.A." which comprise of the statement of financial position as at 31 December 2014, and the statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of EUROCHARTIKI S.A. as of 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements and complete in the context of the requirements of articles 43a and 37 of Codified Law 2190/1920.

Athens, 2 June 2015
The Certified Auditor Accountant

GRIGORIS IL. KOUTRAS
R.N. ICA (GR) 13601

International Register Of Certificated Auditors (IRCA) S.A.
R.N. ICA (GR) 111

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	01.01-31.12.2014	01.01-31.12.2013
Income	5	40.836.892	38,945,019
Cost of sales	7	(31.692.187)	(29,928,093)
		9.144.704	**9.016.927**
Administrative expenses	7	(1.871.515)	(1,631,017)
Selling and distribution expenses	7	(5.146.871)	(4,956,174)
Other operating expenses	8	(371.033)	(597,798)
Other operating income	6	431.647	101,094
Earnings before interest and taxes (EBIT)		**2.186.933**	**1.933.032**
Financial income	9	2.909	7,286
Financial expenses	9	(1.076.527)	(1,270,126)
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**3.610.868**	**3.362.713**
Profit before tax		**1.113.315**	**670.191**
Income tax	10	(988.332)	(337,777)
Net profit (A)		**124.983**	**332.414**
Other comprehensive income after taxes (B)		-	-
Total comprehensive profit after taxes (A) + (B)		**124.983**	**332.414**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

`	Note	31.12.2014	31.12.2013
ASSETS			
Non Current Assets			
Property, plant and equipment	12	31.018.614	31,868,917
Investment property	14	233.903	263,004
Intangible assets	13	25.194	12,302
Other long-term receivables		46.434	31,549
Total non-current assets		**31.324.146**	**32.175.772**
Current assets			
Inventories	15	7.308.039	7,122,356
Trade and other receivables	16	11.887.218	11,693,617
Prepayments and other receivables	17	871.190	1,356,025
Cash and cash equivalents	18	5.160.306	297,842
Total Current Assets		**25.226.753**	**20.469.839**
TOTAL ASSETS		**56.550.899**	**52.645.611**
EQUITY AND LIABILITIES			
Equity			
Share capital	19	5,642,976	5,642,976
Other reserves	20	3.700.756	3,694,507
Retained earnings		15.840.844	15,722,110
Total Equity		**25.184.576**	**25.059.593**
Long-term Liabilities			
Long-term borrowing	22	10.920.413	7,479,970
Grants	24	585.109	666,133
Provisions for staff retirement indemnities	23	263.956	203,856
Deferred tax liability	10	5.315.113	4,393,440
Total Long-term Liabilities		**17.084.590**	**12.743.400**
Current Liabilities			
Suppliers	26	6.253.808	5,341,343
Short-term borrowing	22	4.935.995	5.785.837
Short-term portion of long-term borrowings	22	1.856.000	1.677.000
Current finance lease liabilities	25	13.197	12,584
Income taxes payable		66.660	313,005
Accrued and other current liabilities	27	1.156.073	1,712,849
Total Current Liabilities		**14.281.733**	**14.842.619**
TOTAL EQUITY AND LIABILITIES		**56.550.899**	**52.645.611**

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital	Statutory reserves	Other Reserves	Retained earnings	Total
Total equity at year start 1 January 2013	**4.436.664**	**565.547**	**5.438.538**	**15.405.239**	**25.845.988**
Total comprehensive income after taxes	-	-	-	332,414	332,414
Share capital increase	1,206,312	-	-	-	1,206,312
Distribution of reserves	-	-	(2,325,121)	-	(2,325,121)
Transfer to reserves	-	15,543	-	(15.543	-
Total equity at year end 31 December 2013	**5.642.976**	**581.090**	**3.113.417**	**15.722.110**	**25.059.593**
Total equity at year start 1 January 2014	**5.642.976**	**581.090**	**3.113.417**	**15.722.110**	**25.059.593**
Total comprehensive income after taxes	-	-		124.983	124.983
Share capital increase	-				-
Distribution of reserves			-		-
Collection of grant under Law 3299/04	-	-			-
Transfer to reserves	-	6.249		(6.249)	0
Total equity at year end 31 December 2013	**5.642.976**	**587.339**	**3.113.417**	**15.840.844**	**25.184.576**

STATEMENT OF CASH FLOWS (INDIRECT METHOD) FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	01.01-31.12.2014	01.01-31.12.2013
Cash flows from operating activities			
Profit before income taxes		1.113.315	670,191
Adjustments for:			
Depreciation and amortisation		1.423.935	1,510,041
Amortisation of grants		(81.024)	(80,359)
Income from sale of PPE		-	-
Financial (income)/expenses		1.079.436	1,262,840
Provisions for staff retirement indemnities		(72.059)	(127.312
Other provisions			400,000
Operating profit before changes in working capital		**3.607.721**	**3.235.402**
(Increase)/Decrease:			
Inventories		(185.683)	(713,043)
Trade receivables		(193.601)	1,979,760
Prepayments and other receivables		397.607	821,294
Other long-term receivables		(14.885)	(10,186)
Increase/(Decrease):			
Suppliers		912.463	1,115,759
Accrued and other current liabilities		(556.776)	(676,868)
Interest paid		(1.076.527)	(1,270,126)
Payments for staff retirement indemnities		(11.959)	(111,849)
Taxes paid		(309.112)	(123,736)
Total inflows from operating activities		**2.569.247**	**4.246.407**
Cash flows from investing activities			
Grants received		-	-
Income from sales of PPE		78.595	-
Acquisition of tangible and intangible assets		(558.500)	(609,503)
Interest and related income received		2.909	7,286
Cash outflows for investing activities		**(476.996)**	**(602.218)**

(amounts are expressed in euro unless otherwise stated)

Cash flows from financial activities		
Proceeds from share capital increase	-	-
Net change in long-term borrowing	3.440.443	905,654
Net change in short-term borrowing	(670.842)	(4,732,708)
Net change in finance leases	613	(8,157)
Cash outflows from financial activities	**2.770.213**	**(3.835.210)**
Net increase in cash and cash equivalents	**4.862.464**	**(191.020)**
Cash and cash equivalents at year start	**297.842**	**488.862**
Cash and cash equivalents at year end	**5.160.306**	**297.842**

The accompanying notes are an integral part of the Financial Statements

1. Corporate information

The "Limited Commercial and Industrial Storage Company logistics distribution EUROCHARTIKI", trade title "EUROCHARTIKI S.A.", founded in Greece on 05/02/1993 (Government Gazette 485/12/03/1993 & Companies Register: (SA. Reg. No 28384/03/B/93/13).

Its registered office is located the Municipality of Aspropyrgos (area Faka), Attica.

The Company's initial term was ten years from registration in the Companies Register (05/02/1993), and by amendment to Article 4 of the Statute, following a decision of the General Meeting of Shareholders on 11/10/2001, it was extended until 02/05/2013.Subsequently, the General Meeting of Shareholders of 10/01/2013 decided to extend the company's term by 10 years (ends 05/02/2023).

Scope of Works - Products

The Company's principal activities are the following:

- The paper processing for the manufacture of finished paper products (napkins luxury, toilet paper, tablecloths, paper equipment, paper towels appliances, zigzags and medical rolls)
- The production of liquid detergent (dish detergents, fabric softeners, liquid chlorine liquid detergents and glass surfaces, dishwasher detergents, liquid detergents, floor)
- The trade in all our manufacturing stationery and sanitary napkins, incontinence, baking sheets, underpads
- Trade of detergents (all detergents produced by our company, and power detergents)
- The production of private label (paper - detergents) for large chains of super markets.
- Production of cosmetics (cream soap).

The above mentioned activities take place at the Company's registered office, within privately-owned premises (production areas - a & b material and finished goods storage areas) of 21,087 sq.m. on a plot of 47,612.48 sq.m.

The Company owns a storage area in Aspropyrgos (Location Rykia) in privately-owned facilities of 8,250 sq.m. on a plot of 22.739 m².

The Company also maintains a well-developed branch in Nea Magnisia, Municipality of Echedoros, Thessaloniki, in a privately-owned storage area of

4,000 sq.m. on a 10,187 sq.m.plot.

The main supplies of raw material – paper are imported from the domestic market (33%) and from other countries (9%).

The promotion of the Company's products is undertaken by:
- Sales network in Attica and Greek Province
- Proprietary vehicles covering the whole of Greece
- Branch in Thessaloniki
- Excellent partnerships with retailers
- Partnerships with companies placing products produced.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 General

The accompanying financial statements for the year 1/1-31/12/2014 are consistent with the accounting principles used to prepare the annual financial statements for year 2014 and have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, and the Interpretations issued by the Interpretations Committee, as in force on 31 December 2014.

These accompanying financial statements have been prepared on a historical cost basis except for the Company's fields and buildings which are shown in the financial statements at deemed cost, as calculated based on fair values on the transition date.

The preparation of financial statements in accordance with IFRS requires management of the Company to make estimates and assumptions that affect the balances in accounts the assets, liabilities and income statement, and the disclosure of contingent assets and liabilities at the date of the financial statements. The estimates and assumptions are based on existing experience and on other factors and data considered reasonable and reviewed at regular intervals. The effect of the revisions adopted estimates and assumptions recognized in the year in which they occur or even in the next if the revision affects not only the present but also future years.

2.2 Statutory Financial Statements

The Company maintains its accounting records in accordance with the Greek Commercial Law (Law 2190/1920) and the applicable tax legislation. Accordingly, these financial statements have been prepared in accordance with applicable tax laws, on which they have conducted all appropriate out-records in order to comply with IFRS.

2.3 Approval of the Annual Financial Statements

The annual financial statements for the year ended 31 December 2014 were approved for publication by the Board of Directors on 30 April 2015. The abovementioned financial statements are subject to final approval by the Annual General Meeting of Shareholders.

3. ACCOUNTING PRINCIPLES:

The key accounting principles adopted in the preparation of the accompanying financial statements are as follows:

3.1 Functional Currency and Foreign Currency Translation

The company's functional currency is euro. Transactions involving other currencies are converted into Euro using the exchange rates, which were in effect at the time of the transactions. At the financial position date, monetary assets and liabilities which are denominated in other currencies are adjusted to reflect the current exchange rates.

Gains or losses resulting from transactions and the year-end valuation of monetary assets in foreign currency are recognised in the income statement.

3.2 Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. These values are reduced by accumulated depreciation and any impairment losses.

The initial acquisition cost comprises the purchase price, including all direct expenses to make PPE functional and ready for the intended use.

The acquisition cost of PPE on the transition date (1/1/2006) was calculated at fair value, as determined by independent valuers.

Subsequent costs are included in relation to investment properties are capitalized only when it increases the future economic benefits expected to be derived from their exploitation. Repairs and maintenance costs are expensed as incurred.

The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss is included in the statement of comprehensive income.

Depreciation is charged to the income statement, using the straight-line method over the term of the estimated useful lives of fixed assets. Land is not depreciated. The estimated useful life per category of fixed asset is:

Buildings & facilities on third-party property	1-50 years
Machinery & Facilities	1-29 years
Vehicles	1-26 years
Furniture and other equipment	1-5 years

The residual values and useful lives of PPE are revised and adjusted at each balance sheet date. When the carrying values of PPE exceed their recoverable value, the difference (impairment) is posted in the income statement as expense.

3.3 Intangible Assets

Software

Software programs correspond to the cost of purchase. The expenses incurred to increase or expand the performance of software beyond its initial specifications are recognized as capital expenses added to the initial software cost.

Amortisation of software is charged to profit or loss using the straight line method over the useful life of such software. The estimated useful life is as follows:

Software	1-5 years

3.4 Impairment of Assets

The tangible and intangible assets and other non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement. The recoverable amount of an asset is the greater of its net selling price and value in use. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction in which the parties are fully knowledgeable, after deducting the costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its estimated useful life. If it is not possible to estimate the recoverable amount of an asset for which there are indications of impairment, then the recoverable amount of the unit generating cash flows to which the asset belongs.

Reversal of impairment of assets recognized in prior years is only when there are sufficient indications that the impairment no longer exists or has decreased. In these cases, the reversal is recognized as income.

3.5 Investment Property

The values of investment properties are determined using the cost method. These values are reduced by accumulated depreciation.

Subsequent costs are included in relation to investment properties are capitalized only when it increases the future economic benefits expected to be derived from their exploitation. Repairs and maintenance costs are expensed as incurred.

Depreciation is charged to the income statement, using the straight-line method over the term of their estimated useful lives of investment properties. The estimated useful life has been determined to 12 years.
Lease income from operating leases is recognized in income on a straight-line basis over the lease term.

3.6 Inventories

Inventories are stated at the lower of acquisition cost or production cost and net realizable value. The cost of inventories is determined using the method of weighted average basis and includes all necessary expenses incurred in bringing inventories to their current point of tipping. The net realizable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Provision for slow moving or obsolete inventories is made when necessary.

3.7 Trade and Other Receivables

Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Impairment losses (losses from bad debts) are recognized when there is objective evidence that the company is unable to collect all amounts due according to the contractual terms. The amount of the impairment loss is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognized in the income statement.

3.8 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash with banks, e.g. sight deposits.

3.9 Share Capital

Common shares are classified as equity. Costs directly attributable to the issuance of shares, net of tax, reduce the proceeds from the issue.

3.10 Borrowings

Borrowings are recognized initially at fair value, net of any direct costs of the transaction. Borrowings are subsequently measured at amortized cost using the discount rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings.

3.11 Borrowing costs

Borrowings are recognized initially at fair value, net of any direct costs of the transaction. Subsequently they are measured at unamortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective rate method.

Borrowings are classified as current liabilities unless the Company has the right to repay them in more than 12 months after the balance sheet date.

3.12 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate of the amount of the obligation can be made. When the Company expects all or part of the provisions to be recovered, for example under an insurance policy, recovery is recognised as a special asset and the provision is recognised in the income statement net of the asset only when collection is certain. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. When the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability. Where discounting is used, the increase in the provision by reason of the passage of time is recognised as borrowing cost. Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed when an inflow of economic benefits is probable.

3. 13 Leases

3.13.1. Leasing

Leases of fixed assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding.

The corresponding rental obligations, net of financial expenses, are included in liabilities. The part of financial expenses relating to finance leases is recognized in the income statement over the lease period. Fixed assets acquired under finance leases are depreciated over a longer period of the useful life of the asset or the lease term, except where there is reasonable certainty that the Company will obtain ownership of the asset at the end of the lease.

3.13.2 Operating Leases

Leases where substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in the income statement proportionally over the period of lease.

3.14 Income Taxes (Current and Deferred)

Current and deferred income taxes are computed based on the amounts reflected in the financial statements, in accordance with the applicable taxation laws in Greece. Current income tax corresponds to tax on the Company’s taxable profits as restated in accordance with the requirements of taxation law and calculated at the applicable tax rates.

Deferred income taxes are provided using the liability method for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes.

The expected tax effect of temporary tax differences is determined and recognised as future (deferred) liabilities or deferred assets.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax losses can be utilized.

Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the comprehensive income statement date.

3.15 Provisions for employee benefits

The Company's obligation to its employees in relation to future benefits, depending on the each such person's service, is accounted for and reflected based on the expected vested right of each employee, at the balance sheet date, discounted at its present value, in relation to the anticipated time of payment.

The liability is calculated on the basis of financial and actuarial assumptions detailed in Note 23 and are determined using the actuarial method funded scheme (Funded System). In this system, the cost of benefits is calculated the beginning of insurance, usually as a percentage of salaries, and thus a reserve is formed which, when compounded, will be sufficient to pay future compensation expenses. The cost is determined based on an actuarial study and updated at regular intervals by a subsequent study, if the population or assumptions have changed. On commencement of the program, the experience of each employee is calculated as one accumulated liability, and the total forms the Unfunded Liability which must be amortized over a period of 10 to 40 years. This reserve represents the present value of benefits corresponding to experience before the start of the endowment.

3.16 Government insurance programs

The staff of the company is mainly insured with by the largest Social Security Organization in Greece (IKA), which provides pension and medical benefits. Each employee is required to contribute a portion of his / her monthly salary to the Social Security Organization, while part of total contribution is covered by the Company. Upon retirement, the pension fund is responsible to provide employees with retirement benefits. Consequently, the Company has no obligation to pay future benefits under this program.

3.17 Government Grants

Government grants are recognized initially at their nominal value when there is reasonable assurance that the grant will be received and that the Company will comply with all attached conditions. Government grants relating to costs are recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of tangible assets (fixed assets) included in current liabilities as deferred income are recognized as income and are transferred to the income statement during the useful life of the related assets.

3.18 Financial Instruments

The main financial instruments of the Company are cash, bank deposits, trade and other receivables and payables and bank loans. The Company's management believes that the fair value coincides with the value presented in the books of the Company. Additionally, the Company's management believes that the interest paid in respect of loans are equal to the current fair market rates and therefore no reason for any adjustment to the value at which these liabilities.

3.19 Revenue Recognition

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership are transferred to the buyer.

Interest income is recognized on a time proportion basis taking into account the balance of the original amount and the applicable rate for the period to maturity, when it is determined that such income will be payable to the Company.

3.20 Dividends

Dividends are reported as a liability at the time of their approval by the General Meeting of Shareholders.

3.21 Earnings per share

Basic earnings per share are calculated by dividing net profit for the period by the weighted average number of outstanding ordinary shares during the period.

3.22 Derivative Financial Instruments and Hedging

The company uses derivative financial instruments such as interest rate swaps, currency swaps and other derivatives to hedge its risks associated with interest rate and foreign currency fluctuations.

Derivative financial instruments are measured at fair value at the balance sheet date.

Changes in fair value of cash flow hedges are recognized directly in equity, whereas changes in fair value hedges are recognized in equity. In the case of fair value hedges, these are recognised through profit and loss.

Where the required future transactions or commitment to be hedged result in the recognition of an asset or a liability, the gains and losses previously recognized in equity (cash flow hedges) are included in the initial measurement of the cost of the asset or liability.

Derivatives that do not meet the criteria for hedge accounting in accordance with the provisions of IAS 39 are recognized directly in the income statement.

Changes in accounting principles

The Company has adopted the following new and amended IFRS and IFRIC interpretations as of January 1, 2014. Their adoption has had no significant effect on the financial statements of the Company:

- **IFRS 7 Financial Instruments:** Disclosures (Amended) - Enhanced Derecognition Disclosure Requirements
- **IAS 1 Financial Statement Presentation (Amended)** – Presentation of Items of Other Comprehensive Income
- **IAS 12 Income Taxes (Amended)** – Deferred tax: Recovery of Underlying Assets

Standards issued but not yet effective and not early adopted

IAS 32 (Amendment) "Financial Instruments: Presentation"

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities in the statement of financial position.

Group of standards on consolidation and joint arrangements

The International Accounting Standards Board ("IASB") has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities"

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many investment funds and similar entities that meet the definition of investment entities are exempted from the requirement on consolidation of most subsidiaries, which are accounted for as investments at fair value through profit or loss, although control is exercised. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make.

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets"

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9, IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 Hedge Accounting has established a more principle-based approach to hedge accounting and addressed inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2017)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

IAS 19R (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 July 2014)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) "Joint Arrangements" (effective for annual periods beginning on or after 1 January 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'. This amendment has not yet been endorsed by the EU.

IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective for annual periods beginning on or after 1 January 2016)

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.

IAS 16 and IAS 41 (Amendments) "Agriculture: Bearer plants" (effective for annual periods beginning on or after 1 January 2016)

These amendments change the financial reporting for bearer plants, such as grape vines and fruit trees. The bearer plants should be accounted for in the same way as self-constructed items of property, plant and equipment. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendments have not yet been endorsed by the EU.

IAS 27 (Amendment) "Separate Financial Statements" (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.

IFRS 10 and IAS 28 (Amendments) "Sale or contribution of assets between an Investor and its Associate or Joint Venture" (effective for annual periods beginning on or after 1 January 2016)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.

IAS 1 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment entities: Applying the consolidation exception" (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015)

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

IFRS 3 "Business combinations"

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 January 2015)

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project.

IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 "Fair value measurement"

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

The amendments set out below describe the key changes to four IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 5 " Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 "Financial Instruments: Disclosures"

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7 "Disclosure – Offsetting financial assets and financial liabilities" is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 "Employee benefits"

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 "Interim Financial Reporting"

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES:

The Company makes accounting estimates, assumptions and judgments concerning the future events and transactions, in order to implement the most appropriate accounting principles. These estimates, assumptions and judgments are regularly reviewed so that they are in line with the current circumstances and reflect the current risks, and are based on the Management's previous experience in relation to the extent/volume of relevant transactions or events. The key estimates and judgments related to events the development of which could affect the financial statements over the next 12 months are as follows:

(a) Provisions for doubtful receivables: The Company's Management periodically reassesses the adequacy of provisions for doubtful receivables in conjunction with its credit policy and taking into consideration reports from its legal department, which are prepared following the processing of historical data and recent developments of the cases they are handling.

(b) Provision for income taxes: According to IAS 12, income tax provisions are based on estimations as to the taxes that will be paid to the tax authorities and include the current income tax for each fiscal year, the provision for additional taxes which may arise from future tax audits and the recognition of future tax benefits. The final clearance of income taxes may be different from the relevant amounts which are included in the financial statements.

(c) Depreciation rates: The Company's assets are depreciated over their estimated remaining useful lives. These useful lives are periodically reassessed to determine whether the original period continues to be appropriate. The actual useful lives of these assets can vary depending on a variety of factors such as technological innovation and maintenance programs.

(d) Impairment of property, plant and equipment: Property, plant and equipment are tested for impairment when there are indications that the carrying amounts may not be recoverable. To calculate the value in use, the Management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

(amounts are expressed in euro unless otherwise stated)

(e) **Finance/ Operating Leases:** Lease agreements are initially classified as finance or operating leases. Initial classification of leases may not be changed subsequently. Classification depends to a significant extent on the assessment of contractual terms. The methodology followed in assessment is that of the substance of the transaction. The value of leased PPE recognised in the statement of financial position is based on the present value of contractual payments of the lease. Contractual payments are fixed and, therefore, the value of leases can be valued with relevant certainty.

5. Income

	1/1-31/12/2014	01/01-31/12/2013
Goods - Products	40.558.338	38,724,325
Sales of other stocks and waste material	249.763	184,225
Services	28.791	36,469
Total	**40.836.892**	**38.945.019**

6. Other operating income

	1/1-31/12/2014	1/1-31/12/2013
Revenue from grants and subsidies	-	-
Rental income	339.877	12,000
Extraordinary gains	6.952	-
Prior period income	-	34
Extraordinary and non-operating income	84.818	89,060
Income from unused provisions	-	-
Income from derivatives	-	-
Other	-	-
Total	**431.647**	**101.094**

(amounts are expressed in euro unless otherwise stated)

7. Operating expenses

Expenses per Company operation are as follows:

	1/1-31/12/2014			
	Cost of sales	**Administrative expenses**	**Distribution expenses**	**Total**
Cost of inventories recognized as expense	28.043.079	-	-	**28.043.079**
Fees & Expenses	2.072.332	999.630	1.587.783	**4.659.745**
Third party expenses	67.203	84.026	173.402	**324.631**
Service fees	547.188	461.134	351.806	**1.360.127**
Taxes-Duties	101.918	73.190	166.126	**341.233**
Miscellaneous expenses	90.640	118.668	2.505.282	**2.714.589**
Depreciation and amortisation	966.688	119.329	337.917	**1.423.935**
Fees & Expenses (provision)	31.965	15.539	24.556	**72.059**
Self-constructed	(228.826)	**-**	**-**	**(228.825**
Total	**31.692.187**	**1.871.515**	**5.146.871**	**38.710.573**

	1/1-31/12/2013			
	Cost of sales	**Administrative expenses**	**Distribution expenses**	**Total**
Cost of inventories recognized as expense	26,347,776	-	-	**26.347.776**
Fees & Expenses	1,963,585	798,427	1,578,663	**4.340.675**
Third party expenses	58,236	397,238	151,938	**607.412**
Service fees	680,581	132,127	298,373	**1.111.081**
Taxes-Duties	101,939	45,297	164,393	**311.629**
Miscellaneous expenses	58,478	129,984	2,249,605	**2.438.067**
Depreciation and amortisation	956,695	127,944	327,061	**1.411.700**
Self-constructed	-	-	186,141	**186.141**
Provisions	(239,197)	**-**	**-**	**(239.197)**
Total	**29.928.093**	**1.631.017**	**4.956.174**	**36.515.284**

8. Other operating expenses

Other operating expenses are analysed as follows:

	1/1-31/12/2014	**1/1-31/12/2013**
Prior period expenses	64.241	421
Other extraordinary and non-operating expenses	6.621	133,161
Other extraordinary losses	132.057	173,566
Provisions for contingencies	168.114	290,650
Total	**371.033**	**597.798**

(amounts are expressed in euro unless otherwise stated)

9. Financial income / expenses

Financial income / (expenses) in the accompanying financial statements are as follows:

	1 January - 31 December	
	2014	**2013**
Interest on long-term borrowings (Note 22)	549.285	524,713
Interest on short-term borrowings (Note 22)	299.294	492,117
Interest on finance leases	1.168	377
Valuation of derivative financial instruments	-	-
Interest on assignment of receivables (factoring)	160.766	188,110
Other financial expenses	66.014	64,809
Total financial expenses	**1.076.527**	**1.270.126**
Interest income (Note 18)	2.264	4,346
Other financial income	646	2,940
Total financial income	**2.909**	**7.286**
Net financial expenses	**1.073.618**	**1.262.840**

10. Income Taxes

In accordance with the new Greek tax law 4172/2013, the tax rate imposed on legal entities domiciled in Greece is 26%.

The provision for income taxes reflected in the financial statements is analysed as follows:

	1 January - 31 December	
	2014	**2013**
Current income tax	66.660	310,347
Prior year income tax	-	-
Deferred income tax	921.672	27,430
Total (credit)/debit for income taxes reflected in the statement of comprehensive income	**988.332**	**337.777**

The reconciliation of income tax shown in the statement of comprehensive income and the amount of income taxes determined by the application of the Greek tax rate to pre-tax losses is summarized as follows:

1 January - 31 December	
2014	**2013**

Earnings before income taxes	**1.113.315**	**670.191**
Income taxes calculated at the applicable tax rate of 26%	66.660	134,038
Tax effect of non-taxable income and expenses not deductible for tax purposes	921.672	203,739
Special contribution	-	-
Prior year income tax	-	-
Tax effect of change in tax rates	-	-
Income taxes as shown in the statement of comprehensive income	**124.983**	**337.777**

Greek tax laws and regulations are subject to interpretations by the tax authorities. Income tax statements are submitted on a yearly basis, but earnings or losses declared for tax purposes are of interim nature, until tax authorities have audited the subject's tax statements and books, following which audit the relevant tax obligations are settled. Tax losses, to the extent accepted by the tax authorities, can be used to offset profits of the five financial years following the year to which they relate.

Tax Compliance Report:

Since FY 2011, Greek Societes Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited by statutory auditors or audit firms pursuant to the provisions of Law 2190/1920 and Law 3190/1955 are required to obtain the "Annual Certificate" referred to in Law 4174/2013, which is issued following a tax audit performed by the same statutory auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to a "Tax Compliance Report" to the company and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically within ten days from the deadline set for approval of the company's financial statements by the General Meeting of Shareholders. The Ministry of Finance will select a sample of at least 9% for audit by the competent audit authorities of the Ministry. This audit should be completed within a period of eighteen months from the date of submission of the "Tax Compliance Report" to the Ministry of Finance.

The Company has not been audited by the tax authorities for the fiscal years 2009 and 2010.

A future tax audit on the unaudited fiscal years is expected to impose additional taxes and penalties on "Eurochartiki SA" The Company believes that it has made adequate provisions (€ 120 thousand) in respect of additional taxes that may arise on the basis of relevant experience from previous tax audits and earlier interpretations of tax laws.

(amounts are expressed in euro unless otherwise stated)

The Company's tax audit for year 2014 is being performed by the statutory auditor. Upon completion of the tax audit, the Company's management did not expect any significant tax liabilities other than those recognized and reported in the financial statements.

The movement in deferred tax assets (liabilities) is as follows:

	31 December	
	2014	2013
Opening balance	**(4.393.440)**	**(4.366.011**
Tax loss [credit / (debit)]	(921.673)	(27,429)
Closing balance	**(5.315.113)**	**(4.393.440)**

In some cases, in order to determine taxable income, income and expenses are accounted for at a different time from the time at which they are taxed or rebated, which requires accounting recognition of deferred assets and liabilities.

The change in deferred tax assets and liabilities during 2014 and 2013 is as follows:

	On 31/12/2013	Debit (Credit) through p/l	On 31/12/2014
Deferred tax liabilities			
Tax-free reserves	(3,838)	-	(3,838)
Adjustment of property, plant and equipment	(4,478,108)	(1.051.820)	(5.529.928)
	(4.481.946)	**(1.051.820)**	**(5.533.766)**
Deferred tax assets			
Provision for staff retirement indemnities	40,771	23.898	64.669
Provision for doubtful receivables	-	-	-
Leasing	2,517	716	3.233
Inventory adjustment	(2,214)	(8.109)	(10.323)
Grants for investments in fixed assets	105.171	22.007	127.178
Derivatives	-	-	-
Other changes	(57,738)	91.635	33.896
	88.507	**130.147**	**218.653**
Net deferred tax liabilities	**(4.393.440)**	**(921.673)**	**(5.315.113)**

(amounts are expressed in euro unless otherwise stated)

	On 31/12/2012	Debit (Credit) through p/l	On 31/12/2013
Deferred tax liabilities			
Tax-free reserves	(3,838)	-	(3,838)
Adjustment of property, plant and equipment	(4,532,722)	54,614	(4,478,108)
	(4.536.560)	**54.614**	**(4.481.946)**
Deferred tax assets			
Provision for staff retirement indemnities	37,679	3,092	40,771
Provision for doubtful receivables	54,000	(54,000)	-
Leasing	4,148	(1,631)	2,517
Inventory adjustment	3,230	(5,444)	(2,214)
Grants for investments in fixed assets	105,156	15	105.171
Derivatives	24,075	(24,075)	-
Other changes	(57,738)	-	(57,738)
	170.550	**(82.043)**	**88.507**
Net deferred tax liabilities	**(4.366.011)**	**(27.429)**	**(4.393.440)**

11. Earnings per share

The calculation of basic earnings per share is as follows:

	On 31/12/2014	On 31/12/2013
Net profit attributable to common shareholders	124.983	332,414
Weighted average number of shares outstanding	18,809,920	18,809,920
Basic earnings per share (in €)	**0,007**	**0,0177**

12. Tangible Assets

Tangible fixed assets are analyzed as follows:

	Land & plots	Buildings & facilities	Machinery	Transportation equipment	Furniture & fixtures	Assets under construction or installation	Total
Acquisition or valuation cost							
On 1/1/2014	**10.801.508**	**15.701.544**	**14.214.271**	**1.864.196**	**2.533.609**	**275.674**	**45.390.802**
Additions in year 2014	-	28.078	147.712	53.153	63.686	238.991	531.621
Disposals in year 2014	-	(543)	(76.969)	(1.083)	-	-	(78.595)
Transfers in year 2014	-	10.734	473.470	-	-	(484.204)	-

(amounts are expressed in euro unless otherwise stated)

Total on 31/12/2014	**10.801.508**	**15.740.356**	**14.834.910**	**1.840.380**	**2.596.212**	**30.461**	**45.843.827**
Accumulated depreciation							
On 1/1/2014	**-**	**2.570.594**	**7.342.847**	**1.196.354**	**2.412.091**	**-**	**13.521.886**
Additions in year 2014	-	345.975	842.557	146.936	45.379	-	1.380.847
Other movements in 2014	-	(763)					(763)
Disposals in year 2014	-			-	-	-	-
Total on 31/12/2014	**-**	**2.915.807**	**8.185.124**	**1.267.896**	**2.456.386**	**-**	**14.825.213**
Net book value							
On 31/12/2013	**10.801.508**	**13.434.331**	**7.554.530**	**686.833**	**113.035**	**27.606**	**32.617.843**
On 31/12/2014	**10.801.508**	**12.824.549**	**6.649.786**	**572.483**	**139.826**	**30.461**	**31.018.614**

	Land & plots	Buildings & facilities	Machinery	Transportation equipment	Furniture & fixtures	Assets under construction or installation	Total
Acquisition or valuation cost							
On 1/1/2013	**10.801.508**	**15.653.941**	**14.061.804**	**1.744.936**	**2.481.803**	**27.606**	**44.771.597**
Additions in year 2013	-	37,310	78,625	119,260	51,806	339,432	626,386
Disposals in year 2013	-	-	-	-	-	-	-
Transfers in year 2013	-	10,293	73,842	-	-	(91,364)	-
Total on 31/12/2013	**10.801.508**	**15.701.544**	**14.214.271**	**1.864.196**	**2.533.609**	**275.674**	**45.390.802**
Accumulated depreciation							
On 1/1/2013	**-**	**2.219.610**	**6.507.274**	**1.058.103**	**2.368.768**	**-**	**12.153.754**
Additions in year 2013	-	350,593	836,264	137,051	44,335	-	1,368,243
Other movements in 2013	-	391	(691)	1,200	(1,012)	-	(112)
Disposals in year 2013	-			-	-	-	-
Total on 31/12/2013	**-**	**2.570.594**	**7.342.847**	**1.196.354**	**2.412.091**	**-**	**13.521.885**
Net book value							
On 31/12/2012	**10.801.508**	**13.434.331**	**7.554.530**	**686.833**	**113.035**	**27.606**	**32.617.843**
On 31/12/2013	**10.801.508**	**13.130.950**	**6.871.424**	**667.842**	**121.518**	**275.674**	**31.868.917**

On 05/10/2012 a liens amounting to € 1.620.000 was recorded, in favor of a) Alpha Bank and b) Alpha Bank London Ltd, on a plot with a surface of 10.187 sq.m. in the Municipal Community of Nea Magnisia, Regional Unit of Thessaloniki, in Central Macedonia Region.
On 01/02/2013, a mortgage prenotation of € 7,500,000 was registered in favour of "Eurobank Ergasias SA" in relation to a single parcel, together with all components, fixtures and appendage in general and all structures built thereon, at location RYKIA, Municipality of Aspropyrgos, Attica, covering a total area of 22,739 sq.m.

The ownership of fixed assets purchased under lease agreements remains with the lessors until repayment of the agreements. The net book value of capitalized leased assets as at 31

(amounts are expressed in euro unless otherwise stated)

December 2014 and 2013 amounted to € 1,421,340 and € 1,602,098 respectively. The net book value of capitalized leased property, plant and equipment per category is analysed as follows:

	31 December	
	2014	**2013**
Machinery and mechanical installations	1.299.514	1,448,116
Vehicles	121.826	153.982
Total	**1.421.340**	**1.602.098**

13. Intangible assets

The intangible assets of the Company are as follows:

Acquisition value		**Acquisition value**	
On 01/01/2014	936,485	**On 01/01/2013**	934,791
Additions in year 2014	26.879	Additions in year 2013	1,694
Total on 31/12/2014	**963.364**	**Total on 31/12/2013**	**936.485**
Accumulated depreciation		**Accumulated depreciation**	
On 01/01/2013	924,183	**On 01/01/2012**	913,428
Additions in year 2013	13.987	Additions in year 2012	10,755
Total on 31/12/2014	**938.170**	**Total on 31/12/2013**	**924.183**
Net book value		**Net book value**	
On 31/12/2014	**25.194**	**On 31/12/2013**	**12.302**

(amounts are expressed in euro unless otherwise stated)

14. Investment property

Investment property comprises freehold property company in Aigio (range Stafydalona) Achaia during 2009, which in the year 2010 were leased. These properties have been valued at their acquisition cost minus total depreciation. The net book acquisition cost of the above properties stands at € 233,902 compared to €263,004 in 2013.

During the year ended 31 December 2014 the Company received revenue from the lease of the above properties totalling € 12,000 (31.12.2013: € 12,000).

15. Inventories

The Company's inventories are analyzed as follows:

	31 December	
	2014	**2013**
Goods	678.757	589,102
Finished and semi-finished byproducts	3.391.189	3,110,133
Raw and auxiliary materials - Consumables - Spare parts and packaging	3.238.093	3,423,121
Balance of trade receivables	**7.308.039**	**7.122.356**

16. Trade receivables

Trade receivables in the accompanying financial statements are as follows:

	31 December	
	2014	**2013**
Trade	10.028.405	10,934,316
Cheques and notes	3.361.197	2,693,187
Total	**13.389.602**	**13.627.503**
Less: Provision for doubtful receivables	(1.502.384)	(1,933,886)
Balance of trade receivables	**11.887.218**	**11.693.617**

Provisions for doubtful receivables are analyzed as follows:

	31 December	
	2014	**2013**

Opening balance	**2.102.000**	**1.963.886**
Closing of provisions for doubtful receivables	(599.616)	(30,000)
Closing balance	**1.502.384**	**1.933.886**

The aging analysis of trade receivables is as follows:

	31 December	
	2014	2013
Analysis of trade receivables:		
Balances less than or equal to one month	3.331.423	3,035,604
Balances up to two months	1.292.532	1,882,892
Balances up to three months	1.390.768	1,695,017
Balances up to four months	1.084.889	1,208,409
Balances up to 6 months	1.793.916	1,108,396
Balances over 6 months	2.993.690	2,763,299
Total	**11.887.218**	**11.693.617**

Trade receivables as at the date of the Financial Statements approximate their fair value and thus no discounting is required. The policy of trade receivables' collection ranges from 2-6 months. The above does not apply to Company receivables from the Greek public sector. Collections of the Company's trade receivables from the Greek public sector range from 6 months to 1.5 years.

17. Prepayments and other receivables

Prepayments and other receivables in the accompanying financial statements are as follows:

	31 December	
	2014	2013
Receivables from Public Sector	6.523	8,133
Prepaid expenses	41.869	52,837
Purchases in transit	510.641	586,901
Advances to suppliers	236.143	95,092
Grants -Grants receivable	0	445,986
Other debtors	76.014	167,076
Total	**871.190**	**1.356.025**

18. Cash and cash equivalents

Cash and cash equivalents in the accompanying financial statements are as follows:

	31 December	
	2014	2013
Cash in hand	30.856	31,281

(amounts are expressed in euro unless otherwise stated)

Sight and time deposits	5.129.450	266,561
Total	**5.160.306**	**297.842**

19. Share Capital

By decision of the Ordinary General Meeting of the Company's Shareholders as of 30/06/2006, the share capital was increased by € 625,803, standing at € 3,517,503 divided into 11,725,010 shares with the face value of € 0.30 each. By decision of the extraordinary general meeting of the Company's shareholders as of 30/11/2007, the share capital was increased by €500,000.40 by cash payment and the issue of 1,666,668 new shares with the face value of €0.30 each. Following the above, the Company's paid in share capital as of 31/12/2009 amounted to € 4,017,503.40, divided into 13,391,678 shares with the face value €0.30 each. By decision of the ordinary general meeting of shareholders as of 30/06/2010, the Company's share capital was increased by€419,160.60, by issuing 1,397,202 new ordinary shares with the face value of €0.30 each.

Following the above, the Company's share capital as at 31 December 2012 and 2011 amounted to € 4,436,664, divided into 14,788,880 shares with the face value of € 0.30 each.
By decision of the General Meeting of shareholders as of 10/12/2013 it was decided to reduce the Share Capital by EUR 1,107,000. As a result, the Share Capital stands at EUR 3,329,664 divided into 11,098,880 registered shares with the face value of EUR 0.30 each.
By the same decision it was decided to increase the company's share capital by EUR 2,313,312.00 by capitalising: 1) tax-free reserves of EUR 1,452,328.06 in accordance with Law 1828/89, 2) tax-free reserves of EUR 794,062.01 in accordance with Law 3220/2004, 3) tax-free reserves after taxes, of EUR 66,921.49 arising from deposit interest income, and 4) by cash payment of EUR 0.44 and issuing 7,711,040 new registered shares with the face value of EUR 0.30 each. As a result, the share capital stands at EUR 5,642,976 divided into 18,809,920 registered shares with the face value of EUR 0.30 each.

According to the Register of the Company's Shareholders as at 31/12/2014, the shareholders of the company are as follows:

SHAREHOLDER	NUMBER OF SHARES HELD	HOLDING AS OF 31/12/2014

NIKOLAOS CHRISTOPOULOS	9,404,960	50%
IOANNIS TRAKAKIS	9,404,960	50%
TOTAL	**18.809.920**	**100%**

20. Other reserves

Other reserves are analysed as follows:

	31 December	
	2014	**2013**
Statutory reserves	587.339	581,090
Contingency reserves	1,990,110	1,990,110
Specially taxed reserves	(19.191)	(19.191)
Tax-free reserves under special laws	1,142,498	1,142,498
Total Reserves	**3.700.756**	**3.694.507**

Statutory reserves: According to Greek corporate law, companies are required to transfer at least 5% of annual net profit, as depicted in their books, to a statutory reserve until such reserve reaches one-third of the paid in share capital. This reserve may not be distributed during the operation of the Company.

Tax-free Reserves: Tax-free reserves represent revenue from State grants for the company's investment plan that has been subject to the beneficial provisions of Law 3299/2004. According to Greek taxation law, this reserve is exempt from income tax, provided that it is not distributed to shareholders. The Company does not intend to distribute this reserve and thus has not calculated the deferred income tax would be required in the case of distribution.

Contingency Reserves: According to Greek corporate law, companies can maintain emergency reserves, following a decision of the shareholders at the Annual General Meeting or if required by the Statute. Contingency reserves have been formed from undistributed profits after tax of previous years.

21. Dividends

According to Greek corporate law, companies are required to distribute cash to shareholders annually, equal to at least 35% of their net profits after the deduction of statutory reserves and certain gains from the sale of shares, as described in Article 3(1) of the Law 148/1967. The above provisions do not apply if the General Meeting so decides by a majority of at least 65%. In this case, undistributed dividends are transferred to a special reserve account of the company for capitalisation. This reserve must be capitalised by the company within four years from its formation by issuing new bonus shares to the beneficiaries (Article 3(2) of Law 148/1967). The above provisions of paragraphs 1 and 2 shall not apply if the General Meeting so decides by a majority of at least 70%. Greek corporate law also requires that certain conditions must be met for the dividends to be distributed, which are as follows:

(a) No distribution of dividends may be made to shareholders if the Company's equity as shown in the statement of financial position after the distribution is less than equity plus non-distributable reserves.

(b) No distribution of dividends may be made to shareholders if the unamortized balance of formation expenses is greater than the reserves plus retained earnings.

There were no dividends paid or proposed by the Company for the years ended 31 December 2013, 31 December 2012 and 31 December 2011.

For the year ended 31 December 2014, it was proposed to distribute total dividends of €250,000 to shareholders. This proposal will be subject to the approval of the Ordinary Annual General Meeting of Shareholders to be held on 30 June 2015.

22. Borrowings

(a) Long-term Borrowings:

The Company's long-term borrowings as at 31 December 2014 and 31 December 2013 are as follows:

	31 December	
	2014	**2013**
Bond loan	5.435.000	6,440,000
Other long-term borrowings	7.341.413	2,716,970
Total	**12.776.413**	**9.156.970**
Less short-term portion:		
-Bond loan	(1.180.000)	(1,005,000)
-Other	(676.000)	(672,000)
Total	**(1.856.000)**	**(1.677.000)**
Long-term portion	**10.920.413**	**7.479.970**

The Company's loans have been granted by domestic banks and are denominated in euros. Amounts payable within one year from the balance sheet date are classified as short term, while the amounts that are payable at a later time as long-term. The Company forms provisions for accrued bank interest and charges the income statement for each year.

The Company's loans are analysed and described as follows:

Bond Loans

- "Alpha Bank's" Bond issued on 02/10/2012, totaling € 2.800.000 divided into 2,800,000 bonds with the nominal value € 1,00 payable monthly in fifty-nine (59) instalments of € 40.000 and sixtieth instalment of € 440.000.
- "EuroBank-Ergasias" Bond issued on 01.10.2013 amounting to € 4.200.000,00 divided into nine hundred sixty (960) bonds with the nominal value € 4.375,00 each, payable quarterly starting from 15/4/2014 to twenty-four (24) instalments of € 175.000,00.

Long-term borrowing

- On 23/12/2013, a facility of € 1,116,664.00 was signed with Piraeus Bank, pertaining to a loan to be employed for the refinancing of short-term borrowing. The loan will be repaid in forty-eight (48) consecutive monthly instalments, of which the first forty seven (47) will amount to € 23,000.00 each, and the forty-eighth (48th) and last instalment will amount to € 35,664.00, starting from 27/01/2014.

- On 02/12/2014, a loan agreement was signed with "Ethniki Bank", under which the Bank will disburse a loan of € 4,000,000.00. The loan will be repaid over a period of 60 from disbursement, in sixteen (16) instalments of € 250,000.00 each.

- On 08/12/2014, a loan agreement was signed with "EuroBank-Ergasias", under which the Bank will disburse a loan of € 2,500,000.00. The loan will be repaid over a period of 48 months from disbursement, in twelve (12) instalments of € 100,000.00 each, three (3) instalments of € 150,000.00 each, and one (1) instalment of € 850,000.00.

According to certain loan agreements, the Company should meet certain financial ratio levels, throughout the term of the loans, based on the annual audited financial statements. The main financial ratios agreed are as follows:

1. **EBITDA [(Earnings before Interest, Taxes and Depreciation) / Interest]:** maintained throughout the duration of the Bond Loan greater than or equal to 1.5.
2. **Foreign capital (including contracts Leasing (Leasing) / equity:** maintained throughout the duration of the Bond Loan less or equal to 2.
3. **Index Sales / Total Borrowings (including contracts Leasing (Leasing) and contract factoring (Factoring**): maintained throughout the duration of the Bond Loan greater or equal to 1.3.
4. **Index of Total Net Debt / EBITDA:** less than 11.00**.**

Total interest expenses on long-term borrowings for the years ended 31 December 2014 and 2013 amounted to € 549,285 and € 524,713 respectively and are included in financial expenses (Note 9) in the accompanying financial statements.

(b) Short-term Borrowings:

The Company maintains short-term borrowing the annual floating rate of which ranges from 5.2% to 7.25%. The table below shows the credit lines available to the Company as well as the utilized amount.

(amounts are expressed in euro unless otherwise stated)

	31 December	
	2014	**2013**
Funding limit	15.450.000	13,150,000
Unused threshold	(10.514.005)	(7.364.163)
Used portion	**4.935.995**	**5.785.837**

Total interest expenses on short-term borrowings for the years ended 31 December 2014 and 2013 amounted to € 460.060 and € 680.227 respectively and are included in financial expenses (Note 9) in the accompanying financial statements.

23. Provisions for staff retirement indemnities

The obligation of the Company to the persons working in Greece for future benefits depending on the length of service of each, counted and displayed based on the expected vested right of every employee, at the balance sheet date, discounted to its present value, in relation to the anticipated time of payment. The discount rate used (7.00%) is equal to the long-term Greek government bonds' yield at the balance sheet date.

Headcount and payroll:

	On 31/12/2014		**On 31/12/2013**
Average number of employees	180		167
Cost of employees:			
Payroll expenses	3.678.691		3,243,170
Staff compensation costs	11.959		111,849
Insurance fund costs	957.415		933,672
Benefits	23.639		36,521
Provision for staff retirement indemnities	60.100		15,463
Total cost	**4.731.804**		**4.340.675**

The movement in the net pension liability is as follows:

	On 31/12/2014		**On 31/12/2013**
Net liability at year start	203,856		188,393
Expenses/income recognised in the income statement	60.100		15,463
Net liability at year end	**263.956**		**203.856**

(amounts are expressed in euro unless otherwise stated)

The Company's obligation for retirement compensation to its employees was based on actuarial valuation prepared by an independent actuary. Key financials and actuarial assumptions as of 31 December 2014 and 2013 are as follows:

	On 31/12/2014	On 31/12/2013
Present value of obligation	263.956	203,856
Net liability in balance sheet	**263.956**	**203.856**

	On 31/12/2014	On 31/12/2013
Analysis of pension costs in the income statement:		
Cost of service	19.254	17,539
Financial cost	14.270	8,478
Actuarial gains (losses)	26.576	(10,554)
Total charge to income statement	**60.100**	**15.463**

Liabilities from employee benefits changed during the year as follows:		
Net liability at year start	203,856	188,393
Current service cost	19.254	17,539
Interest cost	14.270	8,478
Actuarial gains (losses)	26.575	(10,554)
Net liability at year end	**263.956**	**203.856**

Basic assumptions of the actuarial study:	
Actuarial valuation method	Projected Unit Method
Average annual salary increase	0,00%(2013:0,00%)
Average annual salary reduction	0%(2013:0%)
Discount rate	7%(2013:5,50%)
Assets for compensation under Law 2112/20	Nil (2013: Nil)

24. Grants

Government grants related to investments in fixed assets are recognised as revenue in addition to depreciation of assets-mainly machinery-subsidised. Depending on the relevant law under which the grant was issued, there are certain restrictions on the transfer of subsidised machinery and the legal status of the subsidised company. The several inspections carried out by the competent authorities throughout these years, did no identify any non-compliance with these restrictions.

(amounts are expressed in euro unless otherwise stated)

ACQUISITION COST	**On 31/12/2014**	**On 31/12/2013**
Opening balance	1,364,383	1,364,383
Grants received during the year	-	-
Closing balance	**1.364.383**	**1.364.383**

DEPRECIATION & AMORTISATION	**On 31/12/2014**	**On 31/12/2013**
Opening balance	698,250	617,969
Depreciation for the year	81.024	80,281
Total depreciation & amortisation at year end	**779.274**	**698.250**
Unamortised balance	**585.109**	**666.133**

25. Leasing

The company’s finance leases are analysed as follows:

	31 December	
	2014	**2013**
Leasing of machinery	13.197	12,584
Total	**13.197**	12,584

26. Suppliers

The Company's total liabilities to suppliers are analysed as follows:

	31 December	
	2014	**2013**
Domestic suppliers	2.502.296	1,668,650
Foreign suppliers	3.737.599	3,541,893
Suppliers of fixed assets	13.913	130,801
Cheques payable	-	-
Balance	**6.253.808**	**5.341.343**

(amounts are expressed in euro unless otherwise stated)

27. Accrued and other current liabilities

Accrued and other current liabilities are analysed as follows:

	31 December	
	2014	**2013**
Insurance organisations	213.891	219,443
Other taxes (excluding income tax)	77.167	74,320
Accrued expenses	138.173	182,647
Advances from customers	39.844	546,156
Value Added Tax	426.164	206,974
Liabilities from derivative financial instruments	-	-
Other current liabilities	260.835	483,309
Total liabilities	**1.156.073**	**1.712.849**

28. Financial instruments

Fair value: The amounts reflected in the accompanying statements of financial position for cash, customers and other receivables prepayments, suppliers and other current liabilities approximate their respective fair values. The fair value of floating rate loans approximate the amounts shown in the balance sheet.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities,

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly,

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the period there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 fair value measurement.

On 31 December 2014 and 2013, the Company held the following financial instruments measured at fair value:

(amounts are expressed in euro unless otherwise stated)

	Fair Value –31.12.2014			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Long-term loans (including short term portion) (Note 22)	-	12.776.413	-	**12.776.413**
Derivative financial instruments (Note 27)	-	-	-	**-**

	Fair Value –31.12.2013			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Long-term loans (including short term portion) (Note 22)	-	9,156,970	-	**9.156.970**
Derivative financial instruments (Note 27)	-	-	-	**-**

Interest Rate Risk: As regards long-term & short-term borrowings, the Management monitors on a continuous basis, fluctuations in interest rates and evaluates the need for relevant positions to hedge risks arising from them.

The following table shows the changes in comprehensive income (through the impact of the remaining floating-rate borrowings at year end) possible changes in interest rates, holding other variables constant.

Sensitivity analysis of the Company's loans to interest rate changes:

	31 December 2014		31 December 2013	
	Volatility of Interest Rates	Impact on Comprehensive Income	Volatility of Interest Rates	Impact on Comprehensive Income
EUR	1.0%	(171.661)	1.0%	(104,478)
	-1.0%	171.661	-1.0%	104,478

Note: The above table does not include the positive effect of interest income from deposits.

The Management manages the risk of interest rate fluctuations through hedging.

Price risk: The Company faces significant risk of changes in prices of raw materials and packaging materials. The key risk to price changes is to supply a paper material which constitutes the most basic supplies throughout the company. In the global paper market, prices are determined on a quarterly basis, therefore our company makes quarterly contracts with its suppliers. The Management addresses the above risk both at paper supply level and across the company, by entering into partnerships with several suppliers pursuing similar objectives, maintaining solid partnerships, continuously reviewing the global market and finally passing on increases to consumers.

(amounts are expressed in euro unless otherwise stated)

Credit Risk: The Company's maximum exposure to credit risk because of non-performance of obligations by contractors during the current year, is the carrying amount of those assets as indicated in the accompanying statements of financial position. The Company has no significant concentrations of credit risk with any single counterparty.

Liquidity Risk: The Company manages the risks that may arise due to insufficient liquidity by managing to have always available secured bank credit to use. Prudent liquidity management of the Company is achieved by appropriate combination of cash and bank credits.

The following table summarizes the maturity profile of undiscounted financial liabilities deriving from relevant contracts, as at 31 December 2014 and 2013.

Amounts 31.12.2014	**On demand**	**Less than 6 months**	**6-12 months**	**1 to 5 years**	**>5 years**	**Total**
Borrowing	238.749	5.462.995	1.091.000	10.919.664	-	17.712.408
Trade and other payables	4.038.244	3.371.637	-	-	-	7.409.881
Total	**4.276.993**	**8.834.632**	**1.091.000**	**10.919.664**	**-**	**25.122.289**

Amounts 31.12.2013	**On demand**	**Less than 6 months**	**6-12 months**	**1 to 5 years**	**>5 years**	**Total**
Borrowing	96,306	6,440,837	926,000	7,304,664	175,000	14,942,807
Trade and other payables	4,074,027	2,980,165	-	-	-	7,054,192
Total	**4.170.333**	**9.421.002**	**926.000**	**7.304.664**	**175.000**	**21.996.999**

Capital Management: The primary objective of capital management is to ensure the maintenance of high credit rating and healthy capital ratios to support and expand the activities of the Company and maximize shareholder value.

29. Transactions and Balances with Related Persons

Remunerations of Management members and Executives of the Company are analysed as follows:

31 December

(amounts are expressed in euro unless otherwise stated)

	2014	2013
Compensation of the Board	347.413	365,814
Managers' fees	303.555	303,087
Total	**650.968**	**668.901**

30. Commitments and Contingent Liabilities

30.1. Commitments:

Rents: The Company has entered into commercial operating lease agreements to lease a warehouse and vehicles. Future obligations under the already signed contracts for buildings at 31 December 2014 and 31 December 2013 are as follows:

	31 December	
	2014	2013
Within one year	139.776	79,493
2-5 years	424.488	114,127
Over 5 years	-	-
Total	**564.264**	**193.620**

30.2. Guarantees: The Company issues letters of guarantee to various third parties. The following table contains a breakdown of such letters of credit as at 31 December 2014 and 31 December 2013:

	31 December	
	2014	2013
Participation in competitions	-	12,370
Good performance of contracts	37.843	37,760
Total	**38.843**	**50.130**

30.3. Contingent liabilities arising from litigation or arbitration: There are no litigation or arbitration or court decisions or arbitration bodies that may have a material effect on the financial condition or operations of the Company.

31. Subsequent Events

There are no events subsequent to 31 December 2014 that may affect the financial position of the Company.

Georgios Trakakis	Athanasios Christopoulos	Georgios Antypas
CEO	Deputy CEO	CFOECG Licence No. 0009604 Class A
ID No: AZ 509230	ID No: 067015	ID No: X 615574
		REVIVAL CONSULTING SERVICES S.A. ECG Licence No. 325

AVAILABILITY OF FINANCIAL STATEMENTS

The annual and interim financial statements, the Auditor's Report and Management Report of the Board of Directors to the Annual General Meeting have been posted on the Company's website (www.eurochartiki.gr).