General Commercial Reg. Number: 346001000
AVLONAS ATTICA, DRASEZA PLACE (Industrial park Avlona)

ANNUAL FINANCIAL REPORT
PERIOD FROM 1ST JANUARY TO 31ST DECEMBER 2014

Conducted according to article 4 of the Law 3556/2007 and the relevant Decisions of the Hellenic Capital Market Commission

It is asserted that this Annual Financial Report for 2014 (01.01.2014-31.12.2014) is the one approved by the Board of Directors of "ELTON INTERNATIONAL TRADING COMPANY S.A.", on March 27th 2015 and is posted on www.elton.gr, where it will remain at the disposal of the investing public for at least five (5) years after its publication.

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TABLE OF CONTENTS

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CHAPTER 1

STATEMENTS OF THE MEMBERS OF THE BOARD

The following members of the Board of Directors of the Company "ELTON INTERNATIONAL TRADING COMPANY S.A." and especially:

1. Nestor Papathanasiou of Dimitrios, Chairman of the Board of Directors and CEO
2. Alkistis Papathanasiou of Nestor, executive member of the Board
3. Katy Andreou of Ioannis, executive member of the Board,

with our above-mentioned status and according to article No. 4, paragraph 2, of the law 3556/2007, as it stands today, and as especially assigned from the Board of Directors of the Public Listed Company under the name "ELTON INTERNATIONAL TRADING COMPANY SA" (hereafter referred to as the "Company" or as "ELTON"), we state and we assert that to the best of our knowledge:

(a) The financial statements of the Company (and the consolidated) for the period 2014 (01.01.2014-31.12.2014), which were prepared according to the current accounting standards, depict in a truthful way the assets and the liabilities, the equity and the results of the Group and the Company, as well as the companies' which are included in the consolidation as total, and

(b) The Report of the Board of Directors of the Company presents in a truthful way the significant events that took place in the financial year of 2014, the evolution and the position of the Company, as well as the companies that are included in the consolidation as a total, including the main risks and uncertainties they face.

Avlonas Attica, March 27th 2015

The asserting,

President of BoD and CEO	Executive member of the Board	Executive member of the Board
Nestor D. Papathanasiou	Alkistis N. Papathanasiou	Katy I. Andreou
ID card AB 606775	ID card AE 105490	ID card AB 237937

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CHAPTER 2

Annual Report of the Board of Directors for the period 2014 (including the State of Corporate Governance)

INTRODUCTION

The present Report of the Board of Directors (from now on referred to as the ''Report'') which follows refers to the financial year of 2014 (01.01.2014 - 31.12.2014).

This Report, was compiled and is in line with the relevant stipulations of the law 2190/1920 (article 107 par.3, since the Company prepares consolidated financial statements), as well as the law 3556/2007 (Government Gazette 91A'/30.04.2007) and the relevant executive decisions of the Hellenic Capital Market Commission and in particular the decision 7/448/11.10.2007 of the Board of the Capital Market Commission.

The present Report contains in a brief, but substantive manner all the important units, which are necessary, based on the above-mentioned legislative frame and depicts in a truthful way all the relevant indispensable according to the law information, in order to deduce a substantive and well-founded appraisal of the activity, during the time period in question, of the company "ELTON INTERNATIONAL TRADING COMPANY SA" (hereafter referred to as the "**Company**" or "**Issuer**" or as "**ELTON**") as well as the Group.

In the Group, apart from ELTON, also the following associated companies are included:

a) ELTON CORPORATION SA, which is located in Bucharest Romania, Campului street 5, Pantelimon, in which ELTON participates a 100%.

b) ELTON CORPORATION LTD, which is located in Sofia Bulgaria, Botevgradsko Shose Blvd., 2nd kilometer from the ring-road /direction to Varna/1855 Dolni Bogrov, in which ELTON participates a 100%.

c) ELTON CORPORATION DOO, which is located in Belgrade Serbia, Sanje Zivanovica 27a, in which ELTON participates a 100%.

d) ELTON PLS, which is located in Avlona Attica , Draseza place , in which ELTON participates a 70%.

e) ELTON CORPORATION O.O.O., which is located in Kiev Ukraine, Mezhigorskaya str.82 "A", office 303, 04080, in which ELTON participates a 100%.

This report was prepared in accordance with the terms and conditions of the pre-described legal framework, notably Article 107 paragraph 3 of the Law 2190/1920 and Article 4 of L.3556/2007 and Article 4 of Decision 7/448/11.10.2007 of the Board of the Capital Market Commission and accompanies the financial statements for the year 2014 (1.1.2014-31.12.2014).

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Given that the Company also prepares consolidated financial statements, the present report is single, the main point of reference is the consolidated financial figures of the Company and the associate companies, and the parent company's figures are referred to when it is considered necessary in order to better understand its content.

This Report is included integral, with the financial statements of the Company and the other elements and statements that are dictated by the law, in the Annual Financial Report that includes the Corporate Government Statement and refers to the financial year of 2014.

The sections of the Report and their content are as follows:

SECTION A

Important Events during the Fiscal Year of 2014

The important events which took place during the fiscal year 2014 (01.01.2014-31.12.2014) in the order they took place, for the Company and the Group are the following:

07/01/2014 – Group Chief Financial Officer

ELTON SA announces in accordance with the provisions of Article 2 par. 2e of Decision 3/347 / 12.7.2005 of the Hellenic Capital Market Commission that on 1/1/2014 Mr. Anthony Yassaris was appointed as Group Finance Director.

Mr. Yassaris has years of experience during which he has worked as an executive financial services to large companies.

27/03/2014 - Announcement of the Financial Calendar 2014

In accordance with articles 4.1.2 and 4.1.4.3.1 of Rulebook of ASE, ELTON SA announces the Financial Calendar for the year 2014 according to which:

Announcement date of the annual Results 2013: Monday 31st March, 2014.

Announcement date of the Financial Results of 1st quarter 2014: Friday 30th May 2014.

The Annual General Meeting of Shareholders will be held Wednesday 18th June 2014.

Announcement date of the Financial Results of 1st semester 2014: Friday 29th August 2014.

Announcement date of the Financial Results of nine months 2014: Friday 28th November 2014.

It is noticed that the Board of Directors of the Company proposed dividend distribution for the year 2013 to the Annual General Meeting.

Dividend right cut: Monday 23 June 2014. Dividend 2013 beneficiaries: the shareholders of the Company who are registered in the files of the Intangible Securities System on Wednesday 25 June 2014. Date of dividend payment is Monday 30 June 2014.

31/03/2014 - Publication of Financial Results 2013

23/05/2014 - Invitation to Annual General Meeting

30/05/2014 - Publication of Financial Results for First Quarter 2014

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18/06/2013 - Decisions of the Annual General Assembly 18/06/2014

It is announced that on 18/06/2014 at the offices of the company in the municipality of Avlona, place Draseza (Industrial Park) took place The Annual General Meeting of shareholders of our Company after the 23/05/2014 invitation of BoD, which was attended by nine (9) shareholders (seven in person and two by proxy), representing a total of 21.477.045 shares, ie 80,347530 % of the share capital of the company.

On the issues of the agenda following decisions were taken:

1. Unanimously approved by votes 21.477.045 for total that were present 21.477.045, ie 100% of the present shareholders and votes, the Annual Financial Statements for the fiscal year 1/1-31/12/2013 and Financial Statements & Information of fiscal year 1/1-31/12/2013, which are included in the Annual Financial Report for the fiscal year 1/1/2012-31/12/2013 according to the Article 4 of Law 3556/2007 and the Restated Financial Statements for the fiscal year 2012 after the mandatory application with retroactive effect of the revised International Accounting Standard 19 "Employee Benefits".

2. Unanimously approved by votes 21.477.045 for total that were present 21.477.045, ie 100% of the present shareholders and votes, the Board of Directors' Report and Audit Report of Independent Certified Auditor - Accountant on the annual Financial Statements for the fiscal year 1/1/2012-31/12/2013 and the information specified in Article 10 of L.3401/2005.

3. Unanimously approved by votes 21.477.045 for total those were present 21.477.045, ie 100% of the present shareholders and votes, the dividend distribution of the company’s profits for the fiscal year 1/1-31/12/2013 amounted one million three hundred thirty six thousand five hundred nine euro and thirty five cents (1.336.509,35) i.e. five cents (0,05) per share. The ex-dividend date is 23/6/2014, the date from which the shares will be traded on the Athens Exchange without the right of dividend from fiscal year 2013. As a record date of the dividend was set at 25/6/2014 and the starting date of the dividend payment was set for 30/6/2014

4. Unanimously approved by votes 21.477.045 for total that were present 21.477.045, ie 100% of the present shareholders and votes, to discharge the Members of the Board of Directors and of the Auditors from any compensation liability regarding Annual Financial Statements and the activities during the fiscal year that ended on 31.12.2013.

5. Unanimously approved by votes 21.477.045 for total that were present 21.477.045, ie 100% of the present shareholders and votes, the fees of the Board of Directors members for the year 1/1/2012-31/12/2013.

6. Unanimously pre-approved by votes 21.477.045 for total that were present 21.477.045, ie 100% of the present shareholders and votes, the fees of the Board of Directors members for the year 1/1/2013-31/12/2014.

7. Elected unanimously by votes 21.477.044 for total that were present 21.477.045, ie 99,999995% of the present shareholders and votes, as Regular Certified Auditor Accountant for the year 2014 Mr. Panagiotis Trimponias (14941) and as his deputy mr. Seraphim Makris (16311) both from the audit firm SOL SA.

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8. Unanimously approved by votes 21.474.044 for total that were present 21.477.045, ie 99,999995% of the present shareholders and votes, the contracts for work and services with Board of Directors members and third parties in accordance with Article 23a of Codified 2190/20 as applicable.

29/08/2014 - Publication of Financial Results of 1st half 2014

28/11/2014 - Publication of Financial Results of nine months 2014

09/12/2014 - Announcement of business development

ELTON INTERNATIONAL TRADING COMPANY SA informs the investment community that within its plans of further developing its business activities, it has reached a commercial cooperation with the company YPSILON SA PRODUCTION - MARKETING OF AGRICULTURAL SUPPLIES, located in Thessaloniki, a leader in the field of agrochemicals in which has been actively since 1987.

The cooperation regards the development of supply channels and expertise in farm supplies as part of the expansion of ELTON in seeds and contractual farming.

SECTION B

Main Risks and Uncertainties

The Group is exposed to a variety of financial risks: market risk (including changes in exchange rates), credit risk, liquidity risk, cash flow risk and fair value risk from changes in interest rates.

The overall risk management of the Group focuses on the unpredictability of financial markets and seeks to minimize their potential negative effects on the financial performance of the Group.

a) Market Risk

1. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risks arise from future commercial transactions, recognized assets and liabilities and investments having their head office and operate abroad. The Group has certain investments in subsidiaries that are depicted in the table below, whose assets are exposed to currency risks.

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION LTD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON CORPORATION OOO	UKRAINE	100%	NOT CONSOLIDATED

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2. Price risk

The Group is not exposed to debt securities price risk due to their total lack.
However is exposed to changes in the value of commodities traded (Bulk chemicals) and this because their price is directly related to the price of petroleum, as valued in the current market.
The risk is managed through a similar change in selling prices of the goods available.

1. **Cash flow and fair value interest**

a) Interest risk

The Group has no interest-bearing assets and therefore income and operating cash flows are substantially independent of changes in market interest rates.
The Group's interest risk is increased by long-term and short-term borrowings.
In particular the long-term bond loan on December 31, 2014 of the Company and of the Group amounted to 3.333.328 euros while the short-term bond borrowings at 1.666.664 euros.
The long-term bond borrowing is a common bond loan of ten years duration with semi-annual installments and six month interest charge of total initial nominal value fifteen million (15.000.000) euros. The interest rate is with fixed part (spread) per annum and variable part which is equal to the EURIBOR of the interest period.
Short-term bank borrowings of the Group and of the Company amounting to 10.947.502 euros and 8.764.436 euros respectively, was concluded with a floating interest rate.
In case of +1% or -1% change of interest rate the effects on equity and results of the Group and the Company are presented below:
A) Increase in interest rate by 1%
The results for the year and equity of the Group and the Company would burden by 172.000 and 120.000 euros respectively.
B) Decrease in interest rate by 1%
The results of the year and the equity of the Group and the Company would increase by 172.000 and 120.000 euros respectively.

b) Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks, and credit reports of customers including significant receivables and transactions.
The Group has significant concentration of receivables, mainly because of the fact that the greatest number of its claims are relating to a limited number of customers, who are international prestige multinational companies, whether they are related parties within the meaning of IAS 24 and therefore the existence of credit risk is limited.
The Group and the Company make provision for doubtful customers.

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On 31 December 2014 the total amount of customers' and other trade receivables was EUR 40.928.725 and EUR 31.524.914 respectively and the provisions for doubtful debts were 3.184.433 euros and 2.501.235 euros respectively ie 7,78% and 7,93% which the management of the Company considers satisfactory in an environment of increased credit fluctuations.
Also the debit balances of subsidiaries on December 31, 2014 amounted to EUR 692.332 which the Company's management believes that presenting no risk of non-collecting since subsidiaries are controlled 100% by the parent.

c) Capital management risk

The capital management aims to ensure the Group the ability to continue its activities in order to provide profits to the shareholders and benefits for other interested parties, while maintaining a capital structure that minimizes the cost of capital. The tools of capital management are the dividend policy, the issuance or return of capital and trading assets.
The main index used in the management of capital is the leverage factor, which is calculated as net borrowing divided by total usable capital.
Net borrowing is calculated as total borrowings (including short and long term loans) minus cash and cash equivalents.
The total usable capital is calculated by the equity that is displayed in the balance sheet plus the net borrowing.

	GROUP		**COMPANY**	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Total of borrowings	15.947.494	15.820.480	13.764.428	12.670.862
Less: Cash and cash equivalents	-1.164.918	-2.432.675	-431.009	-1.548.910
Net Borrowing	**14.782.576**	**13.387.805**	**13.333.419**	**11.121.951**
Equity	44.546.676	42.553.633	41.622.609	40.568.342
Total usable capital	**59.329.252**	**55.941.438**	**54.956.028**	**51.690.294**
Leverage factor	**24,92%**	**23,93%**	**24,26%**	**21,52%**

It is observed that the leverage factor on 31 December 2014 in both the Group and the Company appears in percentage bigger than the previous fiscal year 2013 because there is a decrease in cash and cash equivalents of the Company and Group.

d) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of financing through sufficient credit operations. The table below analyzes the financial liabilities of

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the Group and the Company classified in groups by date, calculated in accordance with the remaining period from the balance sheet date until the contractual maturity date.

Group 31/12/2014	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	12.614.166	3.333.328	0	15.947.494
Trade and other liabilities	15.462.307	0	0	15.462.307
Total	**27.626.473**	**3.333.328**	**0**	**31.409.800**

Group 31/12/2013	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	10.820.488	4.999.992	0	15.820.480
Trade and other liabilities	14.513.494	0	0	14.513.494
Total	**25.333.982**	**4.999.992**	**0**	**30.333.974**

Company 31/12/2014	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	10.431.100	3.333.328	0	13.764.428
Trade and other liabilities	10.639.501	0	0	10.639.501
Total	**21.070.601**	**3.333.328**	**0**	**24.403.929**

Company 31/12/2013	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	7.670.870	4.999.992	0	12.670.862
Trade and other liabilities	10.038.657	0	0	10.038.657
Total	**17.709.527**	**4.999.992**	**0**	**22.709.519**

Group considers that all of the obligations to suppliers are short term. In the same category include other short-term obligations and the tax liabilities.

e) Fire risk

The Group's fixed assets (buildings, warehouses, offices, machinery and furniture) and the inventories of the Company are fully insured against fire, lightning, storm, storm, other natural disasters and acts of terrorism.

The inventories that are in warehouses of the company are insured at their acquisition value against all these risks. Additionally, there are insurance programs for loss of gross profit as a consequence of business interruption, from coverage of property damage, as well as programs covering financial losses or contingent liabilities of third parties.

Despite security of facilities, stock and employees, in any partial or total destruction or accident related to the above risks, it cannot be provides any confirmation that the Company will be indemnified directly and in full by the insurance company.

In addition, the Group's buildings are in very good condition and have been taken all appropriate measures to address this risk and minimize its consequences.

SECTION C

Important Transactions with Related Parties

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This section includes the most important transactions between the Company and its related parties, as they are defined by International Accounting Standard 24.

Especially in this section include:

a) Transactions between the Company and any related party made during the fiscal year 2014, which have materially affected the financial position or performance of the Company during this period,

b) Any changes in the transactions between the Company and any related party described in the last annual report that could have a material effect on the financial position or performance of the Company during the fiscal year 2014.

Note that the reference to those transactions which follows includes the following items:

a) The amount of such transactions for the period 1.1-31.12.2014,

b) The outstanding balance at end of period (31.12.2014)

c) The nature of the related party relationship with the issuer and

d) Any information on transactions, which are necessary for an understanding of the financial position of the Company, but only if such transactions are substantial and not been concluded under normal market conditions.

In particular the transactions and the balances between the Company and the related legal entities (subsidiaries), as defined by the International Accounting Standard 24, for the period 1.1.2014-31.12.2014 and 31 December 2014 were as follows (amounts in euro):

COMPANY	SALES	PURCHASES	RECEIVABLES	OBLIGATIONS
ELTON CORPORATION SA	471.533	478.625	85.660	112.402
ELTON CORPORATION LTD	200.786	44.606	468.457	0
ELTON CORPORATION DOO	66.169	0	138.215	0
TOTAL	**738.488**	**523.231**	**692.332**	**112.402**

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES 1/1-31/12/2013

COMPANY	SALES	PURCHASES	RECEIVABLES	OBLIGATIONS
ELTON CORPORATION SA	666.733	320.591	118.002	75.587
ELTON CORPORATION LTD	174.630	29.918	317.509	5.236
ELTON CORPORATION DOO	145.241	0	72.046	0
TOTAL	**986.605**	**350.509**	**507.557**	**80.823**

Analytically and with the objective of specific determination of the above transactions are specified the following:

Transactions and balances with related natural persons, as defined by the International Accounting Standard 24, for the period 1.1-31.12.2014 and 31 December 2014 respectively for the period 1.1-31.12.2013 and December 31, 2013 were as follows (amounts in euros):

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	GROUP		COMPANY	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Transactions and fees of managers and members of the administration from payroll and profits	661.914	858.793	512.161	625.105
Receivables from managers and BoD members	0	0	0	0
Obligations to key management personnel and BoD members	74.337	0	74.337	0

There were no changes in the transactions between the Company and its connected persons which could have a material effect on the financial position and performance of the Company for the period 1.1-31.12.2014.
All transactions described above have been concluded under normal market conditions, ie under conditions identical to those that would apply for the same or similar transactions between independent enterprises.

SECTION D
Detailed information according to Article 4 § 7 of L.3556/2007 as valid today (Explanatory Report)

Structure of the share capital of the Company
The Company's share capital amounts to 16.038.112 euro. It is divided to 26.730.187 ordinary shares with a nominal value of 0,60 euro each.
The shares are nominal and registered and listed for trading on the Hellenic Exchange Market (under "Mid Cap") of the Athens Stock Exchange.
Each share empowers the entitlement of one vote at the General Assembly.

Each share provides all the rights and creates all the obligations identified by the Law and the Company's Articles of Association. The responsibility of shareholders is limited to the nominal value of their shares.

Restrictions to the transfer of shares of the Company
The transfer of shares is done as stipulated by Law and there are no restrictions from the Association.

Important direct or indirect participations
The significant holdings of the Company are the following:
a) ELTON CORPORATION SA, Romanian subsidiary in which the Company holds 100% of shares and voting rights
b) ELTON CORPORATION LTD, Bulgarian subsidiary in which the Company holds 100% of the share capital.

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c) ELTON CORPORATION DOO, Serbian subsidiary in which the Company holds 100% of the share capital.
d) ELTON PLS A.E., subsidiary in Greece, in which the Company holds 70% equity.
e) ELTON CORPORATION OOO, Ukrainian subsidiary, in which the Company holds 100% of the share capital.

Furthermore, at 31/12/2014 the significant (more than 5% of the total voting rights of the Company) direct or indirect participations to the share capital and to the voting rights of the Company, in the sense of articles 9 to 11 of the Law 3556/2007 are the following:

- Papathanasiou Nestor, 9.673.936 shares and voting rights - percentage 36,19% (direct participation).
- Papathanasiou Eleni, 4.896.630 shares and voting rights - percentage 18,32% (direct participation).
- Papathanasiou Panagiota, 3.568.336 shares and voting rights - percentage 13,35% (direct participation).
- Papathanasiou Alkistis, 1.914.045 shares and voting rights - percentage 7,16% (direct participation).

Shares that offer special control rights
There are no shares that offer special control rights.

Limitations in voting rights
There is no provision in the Statute of limitations on voting rights.

Agreements among shareholders of the Company
The Company is not aware neither provided by its Articles of Association of any agreements among shareholders entailing limitations on the transfer of shares or limitations on the voting rights.

Rules of appointment and replacement of the Board of Directors members and amendment of Articles of Association that differ from the provisions of Law 2190/1920
The rules concerning the appointment and replacement of members of the Board of Directors and the amendment of the provisions of the Articles of Association of the Company do not differ from those envisaged in Law 2190/1920.

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Responsibility of the Board of Directors or some of its members to issue new shares or purchase own shares of the Company according to the Article 16 of Law 2190/1920

There is no specific authority of the Board of Directors or certain members of the Board of Directors to issue new shares, while the Board of Directors has not been authorized by the General Meeting of shareholders to purchase own shares in accordance with Article 16 of Law 2190/1920.

Significant agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer

The Company has no agreements which are put in force, amended or terminated in the event of a change in the control of the Company following a public offer.

Significant agreements with members of the Board of Directors or its employees

There are not any significant agreements with members of the Board of Directors or its employees providing for the payment of compensation, especially in the case of resignation or dismissal without reasonable cause, or in case of any other public offer.

SECTION E

Information for Labor issues

The management of the companies of the Group is based on a team of experienced and qualified staffs, which have full knowledge of the companies' subject and market conditions and contribute to the proper functioning and development of the companies.

In these circumstances the company executives are in harmonious cooperation among themselves and with the general management of the company. The infrastructure of the company enables direct replacement of executive without significant impact on the progress of its work.

The relations of the managers with the working staff are excellent and there aren't any labor problems. The result of these relations is the lack of court cases involving labor issues.

The Group and the Company as at 31.12.2014 are employing 199 and 113 people respectively, against 185 and 106 respectively on 31.12.2013.

One of the basic principles governing the operation of the Group is the continuous training of personnel and the strengthening of corporate culture at all levels of operations and activities of the Group.

SECTION F

Financial and non, basic performance indices and analysis of basic financial figures of Group and the Company as compared with the prior year.

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Financial and non, basic performance indices of the Group

	31/12/2014	31/12/2013	Comments
Current Assets/Total Assets	73,12%	74,45%	these ratios show the proportion of funds that have been allocated to current and fixed assets
Fixed Assets/Total Assets	26,88%	25,55%	
Equity/Total Obligations	131,91%	130,29%	this ratio points to economic self-sufficiency of the company
Total Obligations/Total Liabilities	43,12%	43,42%	these ratios show the leverage of the company
Equity/Total Liabilities	56,88%	56,58%	
Equity/Fixed Assets	211,61%	221,46%	this ratio shows the extent of funding the Company's assets from equity
Current Assets/Short term Obligations	203,96%	221,04%	this ratio shows the Company's ability to cover its short term obligations by current assets
Net Results before Taxes/Total Sales	4,65%	4,66%	this ratio illustrates the overall performance of the company compared to total revenue
Net Results before Taxes/Equity	10,42%	11,03%	this ratio illustrates the effectiveness of the Company's equity
Gross Results/Total Sales	15,88%	16,03%	this ratio illustrates the percentage size of the gross profit on sales of the Company

Basic financial figures of 2014

The consolidated turnover of ELTON for the fiscal year 2014 amounted to 98,78 million euro from 100,03 million euro in the corresponding period of 2013, decreased 1,25 %.
The turnover of the parent company amounted to 69,23 million euro from 70,54 million euro in the last year, decreased 1,86%.
Despite the continuing negative economic climate and during 2014, the gross profit margin maintained at a very good level in both the Company with 15,79% and ELTON Group with 15,88% (the corresponding figures in 2013 were 16,55% in Company and 16,03% of the Group).
Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) for the financial year 2014 totaled 6,30 million euro from 6,50 million euro last year, representing decrease 3,13%.
Mother company’s earnings before interest, taxes, depreciation and amortization (EBITDA) amounted in the fiscal year 2014 at 4,47 million euro from 4,77 million euros in 2013, representing decrease 6,37%.
Earnings before taxes (EBT) of the parent for 2014 amounted to 3,33 million euro from 3,54 million in 2013, decreased 5,95%.

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Earnings before taxes (EBT) of the Group for 2014 amounted to 4,64 million euros, decreased 1,11% compared to 4,69 million euros in 2013.
Net profit (NIAT) after taxes of the parent for the financial year 2014 amounted to 2,45 million euro from 2,59 million in 2013, decreased 5,61%.
Net profit after tax (NIAT) of Group for the financial year 2014 amounted to 3,49 million euro from 3,50 million the previous year, decreased 0,23%.

Changes of key figures of Financial position Statement for the year 2014

It follows a brief description of changes to other key figures for the fiscal year 2014. The significant changes are as follows:

- Non-current assets of the Group and the Company increased at € 1.836.049 and € 2.393.657 respectively, i.e. increase of 9,56% and 10,12% respectively. Increase is due to the commercial cooperation of the parent company with the company "YPSILON SA PRODUCTION - MARKETING OF AGRICULTURAL SUPPLIES".
- Cash and cash equivalents of the Group and the Company decreased € 1.267.757 and € 1.117.901 respectively, i.e. decrease of 52,11% and 72,17% respectively. The decrease is mainly due to the need for timely payment of suppliers.
- Equity of Group and the Company increased at € 1.993.043 and € 1.054.267 respectively i.e. increase of 4,68% and 2,60% respectively. The equity increase is due to the continuously profitability of both the Group and the Company.
- Short term Liabilities of Group and the Company increased by € 2.742.490 and € 3.361.074 respectively, i.e. increase of 10,83% and 18,98%. Increase is mainly due to the obligation created by the commercial cooperation of the parent company with the company "YPSILON SA PRODUCTION - MARKETING OF AGRICULTURAL SUPPLIES".

SECTION G

Corporate Governance Statement

(The present statement is compiled according to article 43a paragraph 3 of the Law 2190/1920 and is part of the Annual Report of the Board of Directors of the Company)

TABLE OF CONTENTS:

*These financial statements and notes on the financial statements have been translated to English from the original statutory notes that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek version will prevail over this document

INTRODUCTION

The term "corporate governance" describes the way with which companies are managed and controlled.

Corporate governance is stipulated as a system of relationships between the management of the Company, the Board of Directors, the shareholders and other interested parts and constitutes the structure through which the targets of the company are set, the means with which to achieve these targets are set and the observation of the performance of the management is monitored.

The application of corporate governance principles promotes the competitiveness of companies and the increased transparency it offers has as a result the improvement of overall transparency in economic activity of private companies and public organizations and institutions.

On October 2013, the new Code of Corporate Governance was published. This Code was drafted at the initiative of the Hellenic Federation of Enterprises (SEV), and was later on amended, in the context of its first review by the Hellenic Corporate Governance Council (HCGC).

The Hellenic Corporate Governance Council, was founded in 2012 and is the result of synergy of the Hellenic Exchanges Group (HELEX) and the Hellenic Federation of Enterprises (SEV) that together recognized the contribution of corporate governance to the continuous enhancement of the Greek corporate institutional framework and broader business environment and also to the increase of reliability of the Greek market. Hence, since then HCGC works towards this direction.

<u>1. Code of Corporate Governance</u>

1.1 <u>Disclosure of willing compliance of the Company with the Code of Corporate Governance</u>

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In Greece the framework of corporate governance has been developed mainly via the adoption of mandatory legislation or regulation, such as 3016/2002, which mandates the participation of non-executives and independent non-executives on the boards of Greek listed companies, as well as the establishment of an internal control function and the adoption of internal charters.
Moreover, a number of other later laws such as 3693/2008, which mandates the creation of Audit Committees and a number of significant disclosure obligations as regards the ownership and governance of companies, and Law 3884/2010 on the rights of shareholders, which includes further obligations regarding disclosure of information to shareholders, prior to General Meetings, transposed several European directives in the area of the company law, for the protection and effective updating of the whole of the shareholders.
Moreover, the Law 3873/2010 incorporates into Greek legislation EU Directive 2006/46/EC, makes obligatory the adoption of a Code of Corporate Governance.
Our company is in full compliance with the above mentioned laws (and more specifically 2190/1920, 3016/2002 and 3693/2008), which comprise the minimum content of any Code of Corporate Governance and at the same time constitute such a Code, though an informal one.

In view of the above, the Company declares and the current fiscal year that at the present time it adopts as Corporate Governance Code (CGC) the Code of Corporate Governance was formed from the Hellenic Corporate Governance Council (HCGC), available at http://www.helex.gr/documents/10180/906743/HCGC_GR_20131022.pdf/e8e7b6da-6dd0-4c30-90e9-79fe9ca8383d and states is subject to that Code by the following deviations and exceptions.
1.2 Deviations from the Code of Governance and explanation of the non- compliance. Specific provisions of the Code do not applied by the Company and explanation of the reasons for non-implementation
The company states that it conforms to all the legal obligations (law 2190/1920, law 3016/2002 and law 3693/2008).
These obligations embody the minimum of any Corporate Governance Code, of listed companies.
An important addition to the new Corporate Governance Code is the adoption of the standard of non-compliance of the Company with special practices of the Code. This means that the new Code follows the rule of "comply or explain" and requires from listed companies that choose to imply it, to publish their intentions and either comply with the whole of the Code's special practices, or explain the reasons of non-compliance with specific provisions.
Regarding the above-mentioned additional practices and rules the new CGC applies, some deviations (including the case on the non-compliance) are observed in the current period, for which a short explanation follows.

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Part A - BoD and its members

I. Role and authority of the Board of Directors

- The BoD has not created separate committees, to manage the procedure of nominations to the Board and for the preparation of proposals for election in the BoD concerning the remuneration of the members of the BoD and the Management Team.

This divergence is justified by the fact that the Company's policy regarding remuneration of members of the Bod and Management Team members is considered regular, consistent, stable and reasonable, and always adjusted to the current economic environment conditions and Group's performance. This policy is always sustained and applied by the BoD, in order to avoid cases of extortionate compensations, that don't coincide with the provided services and the general economic situation of the country.

Furthermore, the non-existence of a separate committee that manages the procedure of applying candidates for the election of the BoD members is explained by the fact that the applying for election candidates, from the establishment of the Company since today, meets all the necessary prerequisites and provides all the guarantees for being elected as members of the Board of Directors. They also stand out for their high professional brilliance, their knowledge, qualifications and experience. They are also of exceptional moral and personal integrity and therefore since today, there is no need for forming such a committee.

II. Size and composition of the BoD

- The BoD is not comprised from seven (7) to fifteen (15) members.

According to the Company's Articles of Association and in particular Article 11 paragraph 1 "the Company represented in court and out of court by its Board of Directors consisting of three (3) the minimum to nine (9) the maximum members." The organization and size of the Company does not justify the existence of a multitudinous board operation which would restrict the speed and flexibility needed to dynamically changing business environment.

- The BoD is not comprised in majority by non-executive members.

The existing BoD of the Company, consists today of six (6) members, three (3) of which are executive and the rest three (3) are non-executive members, in which two (2) independent and non-executive are included.

The present balanced composition of the BoD, has ensured during all the previous years the productive and effective operation of the Company.

The presence of two (2) independent, non-executive members of the BoD, ensures the needed objectivity and neutrality in the making of decisions, without any influences of psychological, professional, family or financial character from individuals conducting the management of the Company and act as a sufficient factor to the effective operation of the BoD.

The before mentioned divergence from this particular rule of the Corporate Governance Code, cannot be set in specific time frames, since the Company with its current structure and operation is not willing to comply immediately with this requisition, which is considered not to correspond with its needs, structure and operational organization.

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- The policy of diversity, including the genders equilibrium of the BoD members, as this has been adopted by the BoD will be available at the Company's site. In the Corporate Governance Code a special statement should be included: a) regarding the diversity policy of the Company regarding the composition of the BoD and of the Management Team members and b) the percentage of each gender's representation respectively.

The present Board of Directors, and all previous compositions, consists of three (3) men and three (3) women ensuring the perfect balance between genders for its members. The diversity and balance among the members of the Board are not determined by specific written policies to be uploaded on the website of the Company.

III. Role and characteristics of the President of the BoD

- There is no specific discern between the President and the CEO.

This non-compliance is due to the fact that it is not considered as needed, given the structure and operation of the Company. If the Company's needs alter in the future, this matter of discernment of the Chairman and CEO will be reevaluated.

- The BoD does not appoint an independent Vice President arising from its independent Members.

This divergence has not a negative impact on the achievement of corporate aims that are defined and supported in the most effective way of existing members and existing responsibilities.

IV. Duties and conduct of the members of the BoD

- the BoD has not adopted as part of its internal rules, policies to ensure that the BoD holds enough information to make decisions regarding transactions between associated parties with the diligence of a prudent businessman. These policies should also be applied during transactions of the subsidiaries of the Company with the associated parties.

Corporate Governance Statement should include a special report on the policies applied by the Company, regarding all the above-mentioned.

Although such a special and specific policy towards that direction does not exist, one that forms the framework for provision of sufficient information from the side of the BoD, in order for decisions for transactions between associated parties to be made under the diligence of a prudent businessman, the BoD while managing the Company's business issues and therefore also to transactions between the Company and its associated parties, has the diligence of a prudent businessman, in order for these transactions to be absolutely transparent and in accordance with the markets terms and conditions, but also in absolute compliance with the existing regulative law, as defined by the relevant regulations of the corporate and tax legislation. The same diligence is also shown regarding transactions of the subsidiaries of the Company with associated parties.

If it is considered necessary, the Company will proceed to the formation of a business unit that will define the procedures for guaranteeing and obtaining on behalf of the BoD, enough information, in order to base its decisions for transactions between associated parties, following the standard of the prudent businessman. Nevertheless, this particular moment and due to the vertically integrated structures of the Company such a need does not exist.

- There is no obligation for analytical disclosure of any professional bounds of the BoD members (including important non-executive bounds to companies and non-profitable organizations) before their appointment in the BoD.

This deviation is justified by the fact that the members of the BoD are distinguished for their high level of education, their professionalism and their concrete devotion to the Company, and therefore besides the absence of a statutory analytical disclosure of any professional bounds of the members of the BoD, prior their election to the Board, they would proceed to such a disclosure, if they considered that any danger of conflict of interests existed.

V. Nomination of candidates for the BoD

- there was no discrepancy in maximum terms of four (4) years incumbency of Board members According to Article 11 paragraph 3 of the Articles of Association: "The term of service of Board members is three years, to be postponed until the deadline within which to meet the next Annual General Meeting, which may not exceed four years" .

- There is no committee for selecting candidates for the BoD.

This deviation is justified by the size, structure and operation of the Company and its BoD at the time being, which do not make necessary the existence of such a committee for selecting candidates.

Besides that, every time before the election of a new BoD or new member, the Management of the Company, assures the existence and appliance of a transparent procedure, evaluates the size and the composition of the BoD or its members to be elected, examines the qualifications, knowledge, views, skills, experience, morals and integrity of the candidates and therefore the mission of a committee for selecting candidates if that existed, is fully accomplished.

VI. Operation of the BoD

- There is no specific rule for the operation of the BoD.

This deviation is justified by the fact that the Company's Articles of Association and internal regulations are considered to be adequate for the organization and operation of the BoD and ensure the full, right and on time fulfillment of its duties and the satisfactory examination of all the matters upon which the BoD makes decisions.

- the BoD at the beginning of every calendar year does not adopt a calendar of convocations and a 12month program of actions, which is eligible to alterations, according to the Company's needs.

This divergence is easily understood by the fact that all the members of the BoD are residents of Attica and therefore the calling and convocation of the BoD is easy every time is required by

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the needs of the Company or law, without the existence of a strict pre-defined program of actions.

- There is no provision for the support of the BoD during its work by competent, specialized and experienced secretary, which will be present during the meetings.

This is justified by the fact that a state of the art technology exists to record and map the convocations of the BoD. Furthermore all BoD members have the ability, if it is considered necessary, to ask for support from the legal consultants of the Company, in order to ensure the compliance of the BoD with the existent legal and regulatory legislation.

It is noted that according to the new Corporate Governance Code, a high level employee or a legal consultant, can act as a secretary, whilst the purpose of the secretary is the provision of practical support to the chairman and to the rest of the members of the BoD, in person and as a whole, with aim the total compliance of the BoD with the legal and Memorandum regulations and provisions. The Company will examine in the near future, the need for such a secretary.

- There is no provision for existence of programs for the introductory information for the new members of the BoD or the constant education of the rest of the members.

This deviation is explained by the fact that as members of the BoD are proposed individuals with satisfactory and proven experience, high level of knowledge, as well as organizational and managerial skills. Besides that, the Group has as a basic rule the constant education and training of its employees and managers, but also the reinforcement of the corporate consciousness in all levels, by conducting frequently educational seminars according to the sector its member is working or the duties it is responsible for. Therefore the constant training and education is the philosophy of the Company regarding all of its operations and is not restricted to the level of the members of the BoD.

- There is no provision for the supply of sufficient resources to the committees of the BoD for the fulfillment of their obligations and for the hiring of external consultants to the degree they are needed.

This deviation is explained by the fact that the Management of the Company examines and approves such resources for the hiring of external consultants based every time on the needs of the company, for being able to control the operating expenses of the Company.

VII. Evaluation of the BoD

-The assessing of BoD and its committees effectiveness does not take place at least every two (2) years and not based on specific process. The Board does not asses the performance of the President in a process directed by the Vice President or other independent non-executive member, in no existence of independent Vice President.

During the current period does not exist an institutional procedure aiming to assess the effectiveness of the BoD and its committees neither is assessed the performance of the Chairman of the BoD, during a procedure directed by the independent vice-president, or even another non-executive member of the BoD in absence of the independent vice- President .

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Such a procedure is not considered to be necessary due to the organizational structure of the Company, since there are no boundaries between the members of the BoD. Therefore whenever weaknesses or malfunctions concerning the organization and operation of the BoD are identified, meetings are conducted and analytical discussions are made, during which the problems are presented, critique is being made to decisions made and other actions or statements of all the members of the BoD take place. Besides, the BoD observes and re-evaluates regularly the implementation of their made decisions, based on time plans set, while the BoD is annually assessed by the Regular General Meeting of the shareholders of the company, conducted according to the regulations and the procedure described in detail in law 2190/1920 as well as to the Articles of Association of the Company.

The Company in order to comply with this particular rule the new Corporate Governance Code has introduced, is currently in a procedure of examining the necessity of introducing a system of control and evaluation of the BoD, though the time frame of its completion cannot be accurately defined.

Part B- Internal Audit

I. Internal Control – Audit Committee

- There is no special and specific rule for the operation of the audit committee

This divergence is explained by the fact that the basic duties and responsibilities of the audit committee are adequately described by the existing legislation. Therefore the Company does not consider necessary at the present time the formation of a specific internal rule for the operation of the above-mentioned committee, since what comes first is the adherence of the existing legislation.

- The audit committee does not convene at least four (4) times per year

This deviation is explained by the call and meeting of the audit committee when substantial matters regarding the procedure of financial information and credibility of the financial reports of the Company rise. Besides, the aim is the conducting of meetings with purpose, where is monitoring the effectiveness of internal audit procedures and management of the risks the Company, the regular examination of its internal audit system, the management of conflict of interests while conducting transactions with associated parties and to obtain sufficient information regarding the Company's financial performance.

- No specific funds are given out to the committee for the use of external consultants.

This deviation is justified by the current composition of the audit committee and the special knowledge and experience of its members, which ensures the correct and effective operation of the committee in a sufficient way. Therefore the external service of consultants is not considered to be necessary.

In any case, if it considered to be necessary, in order to improve the structure and operation of the committee, it is implicit that the Company will provide the budget needed.

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Part C- Compensation

I. Level and structure of the compensation

- there is no committee of compensation, comprising exclusively of non -executive members, independent in their majority, which aims at defining the compensation of the executive and non-executive members of the BoD and thus there are no rules for the tasks of this committee, the frequency of its convocations and other issues concerning its operation.

This divergence is explained by the way the Company is structured and organized, a way that does not require the establishment of such a committee. Until today the Management of the Company redacts the procedure of defining the compensation and ensures this procedure is characterized by objectivity, transparency, professionalism and is deprived by any conflicts of interest. Regarding the specification of compensation of the BoD members, executive and non-executive ones, the Management of the Company, acts with the principle of creating a long-term company value, the sustainability of balance and meritocracy, for the shill of executives, that have the needed qualifications for the effective operation of the Company.

The BoD, while defining the compensation of the BoD members and especially for the executive ones, takes into consideration the duties and responsibilities, their performance in relation to pre-defined quantitative and qualitative criteria, the economic environment, the performance and future prospects of the Company, the level of compensation for similar services in other relative companies, as well as the level of compensation of the Company's and Group's employees.

From the above described procedure for determining the remuneration of the Board members, executives and non-executives it arises that the formation of such a specific committee is not necessary, since the duties and responsibilities of such a committee are efficiently performed by the management of the Company.

- in the contracts of the executive members of the BoD, there is no provision that the BoD may ask for part or full refund of the bonuses paid due to the revised financial statements of previous years or in general wrong financial data that were used to calculate such a bonus.

This is explained by the fact that rights for bonuses rise, only after the final approval of financial statements. Also since today, because of the state of the art organization and auditing procedures, the phenomenon of a bonus calculation based on inaccurate financial statements and data has never occurred.

However, and for purposes of compliance with that Corporate Governance Code requirement, the Management of the Company is seriously considering importing to the relevant contracts of the executive members of the Board, provision for the right of the Board to require the return of all or part of the bonus that is awarded because of misconduct or false financial statements and other financial data.

- The compensation of every executive member of the BoD is not approved by the BoD after the proposal of the audit committee, without the presence of its executive members

This divergence is explained by the fact that such a committee does not exist.

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Part D - Relationship with shareholders

I. Communication with shareholders

- The Company has not adopted a special practice regarding communication with its shareholders that includes the policy of the Company for questions made from shareholders to the B.o.D.

At this particular time, an established special procedure regarding questions made by shareholders to the BoD does not exist, since every shareholder has the ability to address the Investor's Relation Service, making requests and questions. In case it is considered necessary, these are transferred in groups to the BoD for further processing and the relative answer or update is given to the interested party.

Moreover the rules of article 39 of the law 2190/1920, describe in a detailed way the procedure of participation of the shareholders of minority to the General Assemblies of the Shareholders, a procedure always followed in every General Assembly, in order to ensure the valid and on time information of the shareholders, in relation to the evolvement of the corporate issues.

Despite all the above-mentioned safeguards, the Company examines the possibility of adoption of a special policy, for upgrading the procedure for shareholders setting questions to the Company, through the Investors Relation Service, although the direct communication of shareholders with BoD members is not considered to be necessary and appropriate.

II. The General Assembly of the share holders

- No deviation was observed

General Note regarding the time point of release of the non-compliance of the Company with the special practices adopted by the new CGC

As it was mentioned before (Introduction of Corporate Governance Statement), the new CGC, as it stands from October 2013 follows the "comply or explain" rule and demands from the listed companies that choose to apply it, to publish their intention and either comply with the whole of the special practices of the Code, either explain the reasons for non-compliance with certain special practices.

Furthermore, the relevant explanation for non-compliance, is not only restricted to a simple mention of the general principle or the special practice with which the Company does not comply, but among others the Company should disclose whether this divergence is time framed and its intentions to comply with the codes principle.

The divergences of the Company from the practices established by the new CGC are not thought to be subject to a strict time-frame, taken into consideration that these practices do not correspond to the structure, organizational structure, tradition, corporate values and ownership status and needs of the Company and maybe the compliance with these practices makes more difficult the application of the substance of the code's principles.

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In any case, no code can or is supposed to substitute the context of principles, values and structure of any Company and therefore the adoption of rules not compatible with these principles are not reasonable.

Nevertheless, the Company has already formed a working group, that examines the existing divergences from the special practices of the new CGC, investigates the possibility of compliance with these and evaluates the possibility of establishment of its own Corporate Governance Code, the identity and regulations of which, will respond to the needs and specificities of the Company. This would promote the long term success and robust the competitiveness of the Company. After the resolution of the new law for Corporate Governance the conditions will be suitable for the completion of that project.

1.3 Practices for corporate governance that the company applies over the provisions of the law

The company abides to the provisions of the text as in its legal framework concerning corporate governance. There are no practices applied over the above mentioned.

2. <u>Board of Directors</u>

2.1 <u>Composition and Services of the BoD</u>

2.1.1 The company's BoD is composed, according to article 11 of the Articles of Association of the company, of three (3) up to nine (9) members, which are elected by the General Assembly of the Shareholders by absolute majority of the votes, which are represented in the Assembly.

The members of the BoD may be Shareholders of the company or other natural entities (non-shareholders). The members of the BoD are unlimitedly re-electable and freely revocable from the General Assembly irrespective of the time their service ends.

The service of the BoD members is three (3) years, that start the following date of the election of the BoD and expiring the relevant date of the third year. In case upon the expiration of their service an new BoD has not been elected, their service is extended up to the first ordinary General Assembly which shall be converged upon the expiration of their service, which in no case can supersede four years. Each member has to participate in the deliberations of the BoD.

Each member of the BoD has to keep confidential the confidential information of the company, which he may know thanks to his capacity.

2.1.2 The BoD convenes at the registered office of the company whenever the law, the Articles of Association or the needs of the company demand it after the invitation of its President or his replacement. In the invitation the agenda has to be clearly stated, or else decisions can only be made when all the members of the BoD are present and no one controverts the decision making. The BoD can convoke outside its registered seat, in another place, in or out of the country, if in the convocation all the members of the BoD are present and no one controverts the realization of the convocation and the decision making. The BoD may convoke via teleconference. In this case the invitation to the members of the BoD must include all the

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necessary information concerning their participation in the convocation. In the convocations of the BoD its President or his legal representative presides.

2.1.3 The BoD has quorum and dully convokes, when the 50% plus one (1) of the directors is present and represented. In no case however the number of the Directors who appear in person, may not be less than three (3).

2.1.4 The BoD decides with the absolute majority of the present or represented members. In case of halved votes the vote of the President does not dominates. Every Director has one (1) vote. Exceptionally may have two (2) votes when represents another director. The voting in the BoD is apparent, unless by its decision is defined that for a specific matter secret voting will be conducted, in which case the vote shall be by ballot.

2.1.5 The discussions and decisions of the BoD are kept in the minutes which are registered in a special book of minutes which can be kept by the software system. After the request of a Board member, the President is obliged to record to the minutes, accurate summary of his opinion. In the minutes is posted also a list of the present or represented directors during the convocation of the Board. Copies of minutes of meetings of the Board for which a registration requirement in the Companies Registry pursuant to Article 7a of Law 2190/20 as applicable, shall be submitted to the competent supervisory authority within twenty (20) days of the meeting of the Board. The minutes of the Board shall be signed by the President or if he is incapacitated from legal substitute. Nobody consultant cannot deny signing the minutes of meetings took place , but is entitled to request indicating the opinion in the minutes if they disagree with the decision taken . However, the non- signing of the minutes of the meeting by stander involves no nullity of the decision taken legally if the refusal to sign is referred. Copies and extracts of the minutes of the Board shall be authenticated by the Chairman or if he is incapacitated from legal substitute without requiring other validation.

2.1.6 The BoD may appoint some or all of its powers and jurisdictions (apart from those that require collective decision) and its representation to one or more persons, that may or may not be its members, also defining the extent of this appointment.

2.1.7 If possibly any member of the BoD, departs or deceases or is declared fallen for any reason before the expiration of its service, the remaining directors of the BoD, so long as they are at least three (3), are obliged to elect a replacer for the remaining of the service of the member who is replaced on condition that the replacement is not feasible from alternate members, who have been elected by the General Assembly. The above election by the Board shall be taken by the remaining members if they are at least three (3) and is valid for the remaining of the duty of the member being replaced. The decision of the election must be published according to the Article 7b of Law 2190/1920 and announced by the Board of Directors at the next General Assembly, which can replace the elected, even if it is not relevant item on the agenda.

2.1.8 If possibly any member of the BoD departs or deceases or is declared fallen for any reason before the expiration of its service, the remaining members may continue the

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management and representation of the company without replacing the fallen members, according to the previous paragraph, with the prerequisite that they are over the half members, as they were before these facts. In any case the members cannot be less than three (3).

2.2 Information concerning the members of the BoD

2.2.1 The BoD of the company consists of six members and has the following members:

I) Nestor Papathanasiou, President of the BoD and CEO, executive member

II) Alkistis Papathanasiou, executive member

III) Katy Andreou, executive member

IV) Electra Papathanasiou, non-executive member

V) Michalis Chatzis, independent, non-executive member

VI) Christos Poulis, independent, non-executive member

The above mentioned BoD was elected by the annual ordinary Shareholder Meeting of the company, which took place on June 20th 2012 and its service is three years long lasting until June 19th 2015.

The above-mentioned BoD was re-assembled as a body, during its meeting on the 20th of June 2012, and this was announced to the Government Gazette with number 6502/10.07.2012.

2.2.2 The brief resumes of the members of the BoD are:

I) Nestor Papathanasiou: Born in 1941.

Graduate of the Chemistry University of Athens, holder of the two years' postgraduate in the Economy University of Business Administration and business.(A.S.O.E.E.). He has many years of professional experience in the area of production, sales and marketing, working experience in the selling of chemicals products since 1978.

II) Alkistis Papathanasiou: Born in 1969.

Graduate of the Chemistry department of the Thessaloniki University. She is responsible of the Quality Assurance Department.

III) Katy Andreou: Born in 1967.

She is head Manager of sales department. Graduate of the Chemistry department of Athens University.

IV) Electra Papathanasiou: Born in 1975.

Graduate of the English college with many years of professional experience in Logistics and customers service.

V) Michalis Chatzis: Born in 1952.

Chemical engineer with Post graduate studies (M.S.C.) in operations research – Aston University of Birmingham, American Purchasing & Inventory control society Certificate. He has many years of professional experience as a director of Logistics, Property manager and operations manager of Greek and multinational major companies.

VI) Christos Poulis: Born in 1948.

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He is Graduate of Panteion University. He has been Director of human resources on a large multinational company and member of its BoD for 25 years.

2.3 Audit Committee

2.3.1 The company in compliance with the Law 3693/2008 elected during its annual General Shareholders Meeting on June 20th 2012 an Audit Committee including comprising of the following members:

1) mrs. Electra Papathanasiou, non-executive member
2) mr.Michalis Chatzis, independent, non-executive member
3) mr. Christos Poulis, independent, non-executive member

2.3.2 The authorities and obligation of the Audit Committee are:

a) Observing the procedure of financial information,
b) The observation of the efficient operation of the system of internal control and the system of risk management, as well as the observation and support of the operation of the internal auditors of the company,
c) The observation of the course of the obligatory check of the Company financial statements and of the group,
d) The observation of issues contingent to the existence and preservation of the independence of the auditor especially on what concerns the providing of other services from the auditor.

2.3.3 Mission of the Audit Committee is ensuring the efficiency of the company's proceedings affairs, the control of the credibility of the financial information that is provided to the investing public and the shareholders of the company, the compliance of the company with the laws, the safeguard of investments and assets of the company and the detection and confrontation of the most important risks.

2.3.4 The audit committee during 2014 (01.01.2014-31.12.2014) convened four (4) times.

2.3.5 It is also clarified that the Auditor of the company who audits the annual and interim financial statements, does not offer any other auditing or other service to the company, or is connected to the company so his objectivity ,impartiality and independence. This with the exception of special tax auditing, that is required by article 65 A N.4174/2013, upon which the "Annual Tax Certificate" is issued.

3. General Assembly of Shareholders

3.1 Way of operation of the General Assembly and its basic Authorities

3.1.1 The General Assembly is the supreme body of the Company and is entitled to decide for any company matter and to conclude upon all matters, which are submitted or said.

More specifically it is exclusively competent to decide upon:

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a) The amendments of the articles of association. As amendments are meant also the increases or decreases of the capital share, apart from the cases are mentioned in article five (5) paragraph 1 of the Articles of Association and other cases that are enforced by law,

b) The election of Auditors,

c) The approval or reforming of the balance sheet and the annual financial statements of the Company,

d) The distribution of annual profits,

e) The merge, fracture, conversion, revival of the Company,

f) The conversion of shares into public limited,

g) The extension or abbreviation of the duration of the company,

h) The dissolution of the Company and the appointment of liquidators,

i) The appointment of members of the BoD, apart from the case of article 12 of the present and

j) The approval of the election according to article 12 of the Articles of Association, the temporary members replacing the members that resigned, passed away of have fallen out of their position.

3.1.2 The decisions of the General Shareholders Meeting are obligatory for the shareholders that are absent or disagree.

3.1.3 The General Assembly is always convened by the BoD and convenes regularly at the seat of the company or in the district of the seat of the company, at least once in every business year and always in the first semester from the expiration of the business year. The General Assembly may convene at another place in Greece or abroad when the Assembly present or represented shareholders are representing the entire share capital with voting rights and one of them is opposed to the held of the meeting and decision making. The General Assembly may convene in the district of the municipality where the seat of the Athens Stock Exchange is.

The BoD may convene an extra ordinary Shareholders Meeting when it considers it is fit or if the shareholders that represent the required (by the law or the Articles of Association) percentage.

3.1.4 The Shareholder Meeting, with the exception of the repeating Meetings and those that simulate it, must convene twenty (20) days at least before its date including the non-working days. The date of publication of the invitation and the day of the General Assembly are not calculated.

In the invitation to the General Assembly, the date, year, day time and place of the General Assembly must be determined, the matters of the agenda, the shareholders that have the right to take part in the Shareholder Meeting as well as accurate directions of how to take part in Shareholder Meeting and exercise their rights in person or via representative or even from a distance. An invitation for the General Assembly is not required when the shareholders that are represented represent the total of the share capital and none of them contradict its realization and the making of decisions.

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3.1.5 The Shareholder Meeting has a quorum and duly convokes in the matters of the agenda when in the said shareholders who represent one fifth (1/5) at least of the paid capital share are represented.

If such quorum is not achieved the General Assemble converges again in twenty (20) days from the date of the meeting which was cancelled since is invited for that purpose ten (10) at least days earlier. The said repetitive meeting duly convokes for the matters of the initial agenda no matter what percentage of the share capital represented is.

3.1.6 The decisions of the General Assembly are taken by absolute majority of votes, which are represented.

Exceptionally, when it concerns decisions regarding: a) the alteration of the Company's nationality, b) the alteration of the Company's registered office, c) the alteration of the purposed or object of the Company's business, d) the alteration of the Company's shares to public limited, e) the increase of the obligations of shareholders, f) the increase of share capital, with the exception increases of Article 5 of the Statute or imposed by law or done by capitalization of reserves or decrease of the share capital, except if is done in accordance with paragraph 6 of article 16 of Codified Law 2190/20 as applicable, g) the issuance of Bond Loans according to articles 3a and 3b of 2190/1920, h) the alteration of the mode of distribution of profits, i) the merging, dispersion, alteration, revival of the company, ja) the extension or reduction of the duration of Company, jb) the company's dissolution, jb) the giving or renewing of authority to the BoD for increase of share capital according to par. 1 art. 13 of 2190/1920, and jc) every other case for which the law determines, the General Assembly has a quorum and duly convokes when shareholders representing two thirds (2/3) of the paid share capital are represented.

3.1.7 The President of the BoD or when he is hindered his lawful replacer presides temporarily in the General Assembly and defines as secretary one (1) of the shareholders who are present, until the list of shareholders is certified by the General Assembly, who are entitled to participate in the Assembly. After this control, the General Meeting begins its work and by vote elects the regular Bureau and a Secretary who shall act as vote- teller.

3.1.8 The discussions and the decisions of the General Assembly are restricted to the mattes of the agenda. The agenda is drawn by the BoD and includes the proposals of the BoD towards the Assembly, as well as proposals of auditors or shareholders towards the Assembly, who represent the one twentieth (1/20) of the paid Share Capital. The discussions and decisions of the General Assembly are registered in a special Book (Book of Minutes) and the relevant minutes are signed by the President and the Secretary of the Assembly.

Upon request of shareholder, the President of the Assembly is obliged to register in the minutes an accurate summary of shareholders' opinion. In this book is recorded and a list of present or represented at the General Assembly issued according with article 26 of the Statute. If in the General Assembly one (1) shareholder is present, the assembly is also attended by a Notary who countersign its minutes.

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3.2 Shareholder Rights

3.2.1 Rights to participate and vote

3.2.1.1 The shareholders exercise their rights, concerning the management of the company, only in General Assemblies and according to the law and the Articles of Association. Each share gives the right for one vote in the General Assembly according to Law 2190/1920 as it stands today.

3.2.1.2 In the General Assemble anyone who appears as a shareholder in the Dematerialized Securities System which is managed by Athens Stock Exchange S.A. has a right to participate. The proof of shareholders identity is established by the relevant written assurance of the above mentioned organization or by direct electronic connection of the Company with the organization.

The person must be a shareholder five (5) days before the General Assembly (record date), and the relevant receipts or the electronic receipts concerning the shareholding capacity must come to the company at the latest the third (3) day before the General Assembly.

3.2.1.3 In the General Assembly only those who are shareholders in the said date have a right to participate in the General Assembly. In case of noncompliance to article 28a of the law 2190/1920, the said shareholder participates in the General Assembly only after its license.

3.2.1.4 The fulfilling of the above mentioned rights does not require the prior bound of the shareholders' shares or any other procedure that limits the possibility of selling or transferring shares in the time between the record date and the date of the General Assembly.

3.2.1.5 The shareholder participates in the General Assembly and votes either in person or via proxies. Each shareholder may appoint up to three (3) proxies. Legal entities may participate in the General Assembly appointing as proxies up to three natural entities. However, if the shareholder owns shares of the company that appears in more than one account, he may appoint different proxies. A proxy that acts on behalf of different shareholders may vote differently for each shareholder. The proxy must inform the Company before the beginning of the General Assembly, any fact that may be useful to assess the risk that the proxy may cater to interests other than the represented shareholder. A conflict of interests regarding this paragraph may rise when the proxy: a) is a shareholder controlling the Company, or another legal entity controlled by the particular shareholder, b) is a member of the BoD, or the management team of the Company, or a shareholder that controls the Company, or another legal entity controlled by a shareholder, which controls the Company, c) is an employee or auditor of the Company, or a shareholder that controls the Company, or another legal entity controlled by a shareholder, d) is a spouse or a first degree relative with one of the entities that are mentioned above in cases (a) to (c)

The appointment and reverse of a proxy takes place in writing and is announced to the company at least three (3) days before the date of the general Assembly.

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3.2.2 Other rights of shareholders

3.2.2.1 Ten (10) days before the general Assembly each shareholder may take from the Company copies of the Annual Reports and the Reports of the BoD and the auditors. These documents should be submitted on time to the Company's Office, by the BoD.

3.2.2.2 Upon application of Shareholders that represent the one twentieth (1/20) of the paid capital, the BoD is obliged to convene an extra- ordinary General Assembly. The day of the Assembly must not abstain more than forty five (45) days from the date that the application was served to the Chairman of the BoD. The application must also contain the matters that are going to be discussed. If the General Assembly is not convened after twenty (20) days from the relevant application, the Assembly is convened by the shareholders with the expense of the company by decision of the First Instance Court of the headquarters of the Company, issued in the process of interim measures. This decision shall state the time and place of the meeting and the agenda.

3.2.2.3 By application of the shareholders that represent one twentieth (1/20) of the share capital, the BoD is obliged to add additional matters in the agenda that has already convene, if the relevant application comes to the BoD at least fifteen (15) days before the general Assembly. The additional matters have to be published, under the responsibility of the BoD, according to art. 26 of the law 2190/1920, seven (7) days at least before the General Assembly. If these matters are not published, the shareholders applicants may ask for the postponement of the General Assembly, according to paragraph 3 of article 39 of the law 2190/1920 and may also proceed to publish it themselves as stated before, with Company's expenses.

3.2.2.4 Upon application of the one twentieth (1/20) of the paid share capital, the Chairman of the General Assembly is obliged to postpone only once the taking of the decisions of the ordinary or extra- ordinary General Assembly and defines as date of the decision making the date mentioned in the application of the shareholders. The said date may not abstain more than thirty (30) days from when the postponement was granted. The adjourned General Assembly is a continuation of the previous one and does not require repetition of the formalities of publication of shareholders, and it may be attended by new shareholders, subject to the provisions of Articles 27 § 2 and 28 of the Law 2190/20 as applicable.

3.2.2.5 After an application of any shareholder, submitted to the Company at least five (5) days prior the General Assembply, the BoD has to present to the General Assembly the necessary information for the affairs of the company to the point that they are useful for the true estimation of the matters of the agenda.

3.2.2.6 Upon application of the one twentieth (1/20) of the paid share capital, which msut be submitted five (5) days before the General Assembly, the BoD must announce to the General Assembly, if it is ordinary, the amounts that in the last two years have been paid for any reason to the members of the BoD or its Directors or other employees as well as any other contract that was drawn up with the same persons. The BoD is required to give out such information if it

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is useful for the assessment of the matters of the agenda. The BoD may decline to give out such information and post in the minutes the relevant reason. Such reason may be, under the circumstances, the representation of the requesting shareholders to the Board pursuant to paragraphs 3 or 6 of article 18 of Codified Law 2190/20 as amended.

3.2.2.7 Upon application of the one fifth (1/5) of the paid share capital, which is submitted within the deadline of the previous paragraph, the BoD has to offer the General Assembly information regarding the course of company affairs and the assets of the company. The BoD may decline to give out such information and post in the minutes the relevant reason. Such reason may be, under the circumstances, the representation of the requesting shareholders to the Board in accordance with paragraph 3 or 6 of article 18 of Codified Law 2190/20 as valid if the respective members of the Board of Directors have received the relevant information in a sufficient manner.

3.2.2.8 In cases of § 3.2.2.5 and § 3.2.2.7 of this section, any dispute as to the correctness or otherwise of the reasons for refusal to provide information, is resolved by the First Instance Court of the Company's seat, with Decision issued by the proceedings for interim measures. In the same judgment the Court obliges the company to provide the information refused.

3.2.2.9 Shareholders of the company, that represent at least one twentieth (1/20) of the share capital have the right to ask for the control of the company from the Court of First Instance of the district in which the company has its registered address, in the ex parte proceedings. The control is ordered if are suspected actions that violate the provisions of the Laws or Articles of Association or resolutions of the General Assembly. In any case the request for control must be submitted within three (3) years from the approval of the financial statements for the year in which the alleged acts took place.

3.2.2.10 Company Shareholders representing one fifth (1/5) of the paid share capital, have the right to ask the control of the company by the First Instance Court of the district in which the company is located, as long as from the overall course of the Company it is believed that the administration of corporate affairs is not exercised according to the sound and prudent management.

3.2.2.11 In all cases of this section, the shareholders who ask for control must prove their shareholder status and the number of shares they held during the exercise of the right.

4. System of Internal Control and Risk Management

4.1 Main characteristics of the Internal Control

4.1.1. The Internal Control of the company is conducted by the Service of internal control according to the programmed control included in the Internal Rulebook of the company.

It is noted that the control on the base of which the relevant report is drawn up within the law 3016/2002, as it stands, and specifically in accordance with Articles 6, 7 and 8 of this law as well as Decision 5/204/2000 of the Hellenic Market Committee, as it stands after its alteration by the Decision of the BoD of the Hellenic Market Committee no 3/348/19.7.2005.

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4.1.2 During the auditing the Service of Internal Control takes into account all the necessary books, files, bank accounts and portfolios of the company and asks for the complete and constant cooperation of the Management to ensure that all the necessary information and data provided, with the purpose to reach conclusions in their Report, does not entail substantial inaccuracies. This control does not include any assessment of the appropriateness of the accounting principles that were adopted as well as the estimations made from the management as these are a matter of the legal auditor of the Company.

4.1.3 The scope of control is the evaluation of the general level of the procedures of the system of internal control. In any controlled period several scopes of control are chosen, while the organization and operation of the BoD is constantly controlled as well as the Service of Servicing Shareholders and Investor Relations that operate based on the law 3016/2002.

4.1.4 It is noted though, that the Internal Control and Risk Management systems, provide reasonable and not absolute security, due to the fact that they are designed to restrict the possibility of the upcoming risks, without being able to completely eliminate them.

4.2 Risk management concerning the financial statements (company and consolidated)

The Group has invested in the development and maintenance of advanced IT infrastructures that through a series of safeguards ensure the correct display of figures. At the same time an analysis of the results is made on a daily basis covering all the important fields of business activity. The actual, historical and budgeted revenue and expense figures are compared with adequate explaining of all the important deviations.

5. Other managerial or supervisory committees of the company

No other managerial or supervisory committees exist at the time. According to all the above mentioned and in the context of creating its own Corporate Governance Code, the Company examines the case of establishing such committees that will help substantially and not typically the BoD.

SECTION H

Assessment for the evolution of the activities of the Company and the Group during 2015

The global chemical production growth, combined with economic conditions, is expected
is expected to continue at rhythms of 2014 or even accelerate in 2015. If estimations for growth of chemicals worldwide are verified, the predicted improvement might be over the global growth of last year. The German economy shows again strength signs in 2015, despite the constraints imposed by the prolonged weakness of other Eurozone members. Predictions for the European recovery estimate that is expected to continue at very slow pace.

However, the Eurozone will not regain soon the level of GDP reached in the first quarter of 2008, just before the onset of the financial crisis.

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Efforts for exit from the crisis will continue to constrain achieving significant growth in southern Europe during 2015.

The European economies outside the euro are possible to record improved performance, while the emerging countries of Eastern Europe and the Balkans is estimated to achieve a significant increase in their GDP.

The chemical industry of the European Union passed a turning point in September 2013.

An upward trend achieved in the development of the quarters of 2014 with increased production of chemical products in the E.U. This fact marked the exit of the industry from a long, painful recession, according to the European Council of Chemical Companies.

It is expected the gradual recovery of the EU chemicals industry to continue in 2015 the pace of the previous year, but, like the overall economy, at a moderate pace.

Further and more detailed prediction for the prospects of the market is hampered due the liquidity and volatility that prevail in the economic and social environment.

The Group's management continues to focus its efforts both to new openings and reach new shares due to the reorganization of the market, and the consistent effort and further cost containment.

SECTION I

Other information

There aren't any.

Avlonas Attica, March 27th 2015

The asserting,

President of BoD and CEO	Executive member of the Board	Executive member of the Board
Nestor D. Papathanasiou	Alkistis N. Papathanasiou	Katy I. Andreou
ID card AB 606775	ID card AE 105490	ID card AB 237937

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CHAPTER 3

Independent Certified Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the Company "ELTON S.A."

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the Company "ELTON S.A.", which comprise the separate and consolidated statement of financial position as of 31 December 2014, the separate and consolidated statements of comprehensive income, changes in 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 Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated 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 separate and consolidated 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 on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 system of 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 the Company “ELTON S.A.” and its subsidiaries as of 31 December 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in paragraph 3d of article 43a of c.L. 2190/1920.

b) We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of c.L. 2190/1920.

Athens, 28 March 2015

PANAGIOTIS V. TRIBONIAS

Certified Public Accountant Auditor

Institute of CPA (SOEL) Reg. No. 14941

SOL CERTIFIED PUBLIC ACCOUNTANTS Crowe Horwath

Associated Certified Public Accountants s.a.

member of Crowe Horwath International

3, Fok. Negri Street – 112 57 Athens, Greece

Institute of CPA (SOEL) Reg. No. 125

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CHAPTER 4
ANNUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION
(Amounts in euro)

		GROUP		COMPANY	
	Note	**31/12/2014**	**31/12/2013**	**31/12/2014**	**31/12/2013**
ASSETS					
Non-current assets					
Tangible fixed assets	**6**	17.059.383	17.341.070	11.922.236	12.172.783
Intagible assets	**7**	2.901.593	422.195	2.855.000	400.079
Investments in Subsidiaries	**8**	0	0	10.191.326	9.591.326
Not consolidated investments in subsidiaries	**8**	881.035	828.035	881.035	828.035
Deferred tax receivables	**9**	140.433	557.478	135.427	550.560
Other non-current assets	**10**	68.518	66.135	56.222	104.806
		21.050.961	**19.214.912**	**26.041.246**	**23.647.588**
Current Assets					
Inventories	**11**	16.218.954	15.374.677	10.622.117	10.026.373
Trade Receivables	**12**	37.744.292	35.460.598	29.023.679	27.566.720
Other current assets	**13**	2.137.392	2.731.521	2.096.190	2.666.506
Cash and cash equivalents	**14**	1.164.918	2.432.675	431.009	1.548.910
		57.265.556	**55.999.472**	**42.172.994**	**41.808.509**
TOTAL ASSETS		**78.316.517**	**75.214.384**	**68.214.240**	**65.456.098**
EQUITY AND LIABILITIES					
Capital and reserves					
Share Capital	**15.1**	16.038.112	16.038.112	16.038.112	16.038.112
Share premium	**15.1**	133.417	133.417	133.417	133.417
Other reserves	**15.2**	11.951.151	11.816.726	11.768.008	11.526.126
Profits carried forward	**15.2**	16.423.996	14.565.378	13.683.072	12.870.687
Total shareholders' equity (a)		**44.546.676**	**42.553.633**	**41.622.609**	**40.568.342**
Non-controlling interests (b)		0	0	**0**	**0**
Total Equity (c) = (a) + (b)		**44.546.676**	**42.553.633**	**41.622.609**	**40.568.342**
LIABILITIES					
Long term liabilities					
Bond loans (interest bearing)	**16**	3.333.328	4.999.992	3.333.328	5.833.324
Provisions for employee benefits	**17**	411.855	319.296	411.855	267.709
Other provisions	**18**	304.678	245.496	245.496	245.496
Grants of assets	**18**	1.530.351	1.613.445	1.530.351	1.634.388
Deferred tax obligations	**9**	88.038	88.038	0	0
Other long-term liabilities		25.119	60.503	0	0
Total Long-term Liabilities		**5.693.369**	**7.326.769**	**5.521.030**	**7.178.228**
Short-term Liabilities					
Short-term Borrowings	**16**	12.614.166	10.820.488	10.431.100	7.670.870
Suppliers	**19**	13.352.682	10.869.517	9.001.679	6.797.310
Current tax liabilities	**20**	760.425	2.349.764	398.196	2.029.194
Other short-term liabilities	**19**	1.349.200	1.294.213	1.239.626	1.212.153
Total short-term Liabilities		**28.076.472**	**25.333.982**	**21.070.601**	**17.709.527**
Total Liabilities (d)		**33.769.841**	**32.660.751**	**26.591.631**	**24.887.755**
TOTAL EQUITY AND LIABILITIES (c) + (d)		**78.316.517**	**75.214.384**	**68.214.240**	**65.456.098**

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INCOME STATEMENT

(Amounts in euro)

	Note	GROUP 1.1-31.12.2014	GROUP 1.1-31.12.2013	COMPANY 1.1-31.12.2014	COMPANY 1.1-31.12.2013
Turnover	**5.2**	**98.782.203**	**100.035.973**	**69.228.915**	**70.540.500**
Cost of Sales	**21**	83.095.476	84.003.186	58.300.481	58.865.009
Gross Profit		**15.686.727**	**16.032.787**	**10.928.434**	**11.675.491**
Other operating income	**23**	1.020.351	648.400	468.379	192.172
Distribution expenses	**22**	-7.847.278	-7.603.233	-5.295.747	-5.454.445
Administrative expenses	**22**	-2.770.883	-2.795.667	-2.176.685	-2.125.738
Other operating expenses	**23**	-568.991	-647.793	-28.021	-181.353
Profit before taxes,financing & investing results		**5.519.926**	**5.634.493**	**3.896.359**	**4.106.127**
Financial income		29.619	10.470	28.017	8.146
Financial expenses		-908.580	-951.903	-599.193	-578.642
Profit before taxes		**4.640.965**	**4.693.060**	**3.325.183**	**3.535.631**
Income Tax	**24**	-1.147.712	-1.191.663	-878.163	-943.136
Net Profit/(Loss) of period (A)		**3.493.253**	**3.501.396**	**2.447.020**	**2.592.494**
Attributable to:					
Owners of the parent		3.493.253	3.501.396	2.447.020	2.592.494
Non-controlling interests		0	0	0	0
Other comprehensive income :					
Data that will not be reclassified subsequently to results					
Deferred taxes on assets due to correction in the tax rate (from 20% to 26%)		0	39.986	0	39.986
Actuarial profits / (losses) on defined benefit pension plans (*)		-76.004	-18.645	-76.004	-18.645
Deferred taxes of actuarial profits / (losses) of defined benefit pension plans (*)		19.761	4.848	19.761	4.848
Data that are reclassified subsequently to the results					
Rate influence from the conversion of financial statements of subsidiaries in foreign currency		-107.457	-105.632	0	0
Other comprehensive income after taxes (B)		-163.700	-79.444	-56.243	26.188
Total comprehensive income after taxes (A+B)		**3.329.552**	**3.421.953**	**2.390.776**	**2.618.683**
Attributable to:					
Owners of the parent		3.329.552	3.421.953	2.390.776	2.618.683
Non-controlling interests		0	0	0	0
		3.329.552	**3.421.953**	**2.390.776**	**2.618.683**
Profit after taxes per share -basic (in Euro)	**25**	**0,1307**	**0,1310**	**0,0915**	**0,0970**
Depreciation of the period		**778.919**	**867.898**	**571.608**	**665.914**
Profit before taxes, financing & investing results and depreciation (EBITDA)		**6.298.845**	**6.502.391**	**4.467.967**	**4.772.041**

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STATEMENT OF CHANGES IN EQUITY
(Amounts in euro)

	GROUP				
	Share Capital	Difference from shares issued above par	Other reserves	Profits carried forward	Total
Balance at 1st January 2013	**16.038.112**	**133.417**	**11.041.121**	**11.919.031**	**39.131.681**
Net profit/(loss) of period	0	0	39.986	3.501.396	3.541.382
Actuarial profits / (losses) on defined benefit pension plans	0	0	0	-13.798	-13.798
Exchange differences of period	0	0	-105.632	0	-105.632
Regular Reserve	0	0	132.180	-132.180	0
Reserve of Grant by Law 3299/2004			109.071	-109.071	0
Extraordinary reserve			600.000	-600.000	0
Balance at 31st December 2013	**16.038.112**	**133.417**	**11.816.726**	**14.565.378**	**42.553.634**
Balance at 1st January 2014	**16.038.112**	**133.417**	**11.816.726**	**14.565.378**	**42.553.634**
Net profit/(loss) of period	0	0	0	3.493.253	3.493.253
Actuarial profits / (losses) on defined benefit pension plans	0	0	0	-56.243	-56.243
Exchange differences of period	0	0	-107.457	0	-107.457
Regular Reserve	0	0	135.939	-135.939	0
Reserve of Grant by Law 3299/2004	0	0	105.944	-105.944	0
Dividends distribution	0	0	0	-1.336.509	-1.336.509
Balance at 31st December 2014	**16.038.112**	**133.417**	**11.951.151**	**16.423.996**	**44.546.677**

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STATEMENT OF CHANGES IN EQUITY **COMPANY**

(Amounts in euro)

	Share Capital	Difference from shares issued above par	Other reserves	Profits carried forward	Total
Balance at 1st January 2013	**16.038.112**	**133.417**	**10.644.889**	**11.133.241**	**37.949.659**
Net profit/(loss) of period 1/1-31/12/2013	0	0	39.986	2.592.494	2.632.480
Actuarial profits / (losses) on defined benefit pension plans	0	0	0	-13.798	-13.798
Regular Reserve	0	0	132.180	-132.180	0
Reserve of Grant by Law 3299/2004	0	0	109.071	-109.071	0
Extraordinary reserve	0	0	600.000	-600.000	0
Balance at 31st December 2013	**16.038.112**	**133.417**	**11.526.126**	**12.870.687**	**40.568.342**
Balance at 1st January 2014	**16.038.112**	**133.417**	**11.526.126**	**12.870.687**	**40.568.342**
Net profit/(loss) of period 1/1-31/12/2014	0	0	0	2.447.020	2.447.020
Actuarial profits / (losses) on defined benefit pension plans	0	0	0	-56.243	-56.243
Regular Reserve	0	0	135.939	-135.939	0
Reserve of Grant by Law 3299/2004	0	0	105.944	-105.944	0
Dividends distribution	0	0	0	-1.336.509	-1.336.509
Balance at 31st December 2014	**16.038.112**	**133.417**	**11.768.008**	**13.683.072**	**41.622.609**

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CASH FLOW STATEMENT
(indirect method)
amounts in euro

	GROUP		COMPANY	
	01/01-31/12/2014	**01/01-31/12/2013**	**01/01-31/12/2014**	**01/01-31/12/2013**
Operating Activities				
Profit before taxes (continuing operations)	4.640.965	4.693.060	3.325.183	3.535.631
Adjustments for:				
Depreciation and Amortization	778.919	867.898	571.608	665.914
Amortization of Grants	-83.094	-105.944	-83.094	-105.944
Provisions	1.097.039	960.304	638.717	732.942
Exchange Differences	-137.845	-105.632	0	0
(Gain) or Loss from Investing activities	-2.042	-5.541	-645	-6.166
Interest and similar charges	878.961	780.454	571.176	570.496
Working capital changes				
Decrease/ (increase) of inventory	-884.590	-1.041.127	-595.744	-1.113.024
Decrease/(increase) of trade receivables	-2.225.163	-1.918.293	-972.926	-159.208
(Decrease)/Increase of liabilities (except loans)	1.114.853	-1.313.564	1.052.732	-1.806.357
Less:				
Interest and similar charges paid	-707.751	-656.250	-494.730	-454.869
Tax paid	-1.701.888	-1.040.374	-1.434.559	-782.043
Total cash/(used in) generated from operating activities (a)	**2.768.364**	**1.114.990**	**2.577.719**	**1.077.371**
Investing Activities				
Acquisition of Subsidiary	-53.000	-76.050	-603.000	-76.050
Purchase of Intagible Assets, Property	-2.947.217	-208.992	-2.776.106	-228.302
Sale of fixed and Intagible assets	769	9.380	769	9.216
Interest received	28.018	10.471	28.017	8.144
Dividends received	0	0	0	0
Total cash/(used in) generated from investing activities (b)	**-2.971.430**	**-265.190**	**-3.350.320**	**-286.992**
Financing Activities				
(Buy)/sale of company's own shares	0	0	0	0
Proceeds from increase of share capital	0	0	0	0
Proceeds from Borrowings	5.043.796	5.111.567	2.800.000	3.500.000
Repayment of Borrowings	-4.774.084	-4.809.370	-1.810.897	-3.661.748
Repayment of Finance Lease Liabilities	0	0	0	0
Dividends paid	-1.334.403	0	-1.334.403	0
Total cash/(used in) generated from financing activities (c)	**-1.064.691**	**302.197**	**-345.300**	**-161.748**
Net increase/(decrease) in Cash and Cash equivalents (a)+ (b)+(c)	**-1.267.757**	**1.151.997**	**-1.117.901**	**628.631**
Cash and Cash equivalents at the beginning of the period	**2.432.675**	**1.280.678**	**1.548.910**	**920.279**
Cash and Cash equivalents at the end of the period	**1.164.918**	**2.432.675**	**431.009**	**1.548.910**

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NOTES TO THE FINANCIAL STATEMENTS

1. General Information

ELTON CHEMICALS SA has been established in 1981 (Gov.3958/13.11.1981) and has General Commercial Reg. Number: 346001000. In 2002 the company changed its name from ELTON CHEMICALS Anonymous Trade Industrial Company (ELTON CHEMICALS SA) turned to ELTON INTERNATIONAL TRADING Anonymous Trade Industrial Company under name ELTON SA (Gov. 8469/8.8.2002). ELTON INTERNATIONAL TRADING COMPANY SA is licensed to practice Trade Representative Import and Export and has been registered with number 29945 in the Trade Representatives Register. Representative person for representative work is the President and Chief Executive Officer, Mr. Nestor D. Papathanasiou.

The web site address of the company is www.elton.gr

The composition of the Board of Directors is the following:

- Nestor D. Papathanasiou, President and CEO
- Alkistis N. Papathanasiou, executive member
- Katy I. Andreou, executive member
- Electra N. Papathanasiou, non-executive member
- Christos K. Poulis, non-executive independent member
- Michalis Chatzis, non-executive independent member

Main activity of the company is trading raw materials, additives, chemicals and other specialized products, which are mainly used as raw materials in various industries.

Part of Turnover comprises revenues from the sale of chemical products and services specifically in brokerage commissions from selling products companies represented by the company.

The consolidated financial statements of the company include the company and its subsidiaries (the Group). Subsidiaries are companies over which control is exercised by the parent.

Subsidiaries are fully consolidated (full consolidation) from the date that is taken control upon them and cease to be consolidated from the date that control ceases to exist.

The financial statements for the period January 1st – December 31st 2014 were approved by the Board of Directors on 27/3/2015.

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2. Framework of the Financial Statements

2.1. Basis of Preparation of annual Financial Statements

The consolidated and simple financial statements of ELTON SA have been prepared under the historical cost and the going concern business (going concern) convention and are in accordance with International Financial Reporting Standards (IFRS) and the Interpretations of the Interpretations Committee of the International Financial Reporting Standards as they have been adopted by the European Union and IFRS that have been issued by the International Accounting Standards Board (IASB).

Due to the fact that the company is not affected by the provisions regarding portfolio hedging, which are not required by the adoption of IAS 39 which has been validated by the EU, these financial statements have been prepared in accordance with IFRS as adopted by the EU and IFRS as issued by the IASB.

The accounting policies used in the preparation and presentation of the annual financial statements are consistent with those used in preparing the financial statements at 31 December 2013.

The policies referred below have been applied consistently in all periods presented.

The preparation of financial statements in accordance with IFRS requires the use of estimations and judgments in applying the accounting policies of the Company. Important assumptions made by management in applying the accounting methods have been highlighted where appropriate.

2.2. New accounting standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning during the current financial year or later. The Company's assessment of the impact of these new standards, amendments and interpretations is presented below.

<u>Standards and Interpretations mandatory for the current financial year 2014</u>

Group of standards on consolidation and joint arrangements

In May 2011 the IASB published three new standards, IFRS 10 "Consolidated Financial Statements", IFRS 11 "Schemes under common control" and IFRS 12 "Disclosure of participation in Other Entities" and amended IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures". These standards and amendments are obligatorily applicable from the current fiscal year. The main terms of the standards and their effect on the Group's financial statements listed below:

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IAS 27 (Amendment) "Separate Financial Statements"
This Standard is issued concurrently with IFRS 10 "Consolidated Financial Statements". The two IFRSs replace 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. The Standard requires an entity preparing separate financial statements to account the investments at cost or in accordance with IAS 39 or IFRS 9 "Financial Instruments". The amendment had no effect on the financial statements of the Company and the Group.

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 "Joint Arrangements". The amendment had no effect on the financial statements of the Company and the Group.

IFRS 10 "Consolidated Financial Statements"
IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements included in IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included in the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The amendment had no effect on the financial statements of the Company and the Group.

IFRS 11 "Joint Arrangements"
IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities - Non-Monetary Contributions by Venturers". 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

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not have joint control. The amendment had no effect on the financial statements of the Company and the Group.

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.The Group has made the necessary disclosures required by the standard.

Amendments to IFRS 10, IFRS 11 and IFRS 12 - Transition guidance

The amendments were adopted by the Council on June 28, 2012 and provide additional relief in the transition to IFRS 10, IFRS 11 and IFRS 12 limiting the requirement to provide comparative information only in the immediately preceding comparative period. For disclosures relating to unconsolidated structured entities, the amendments remove the requirement to present comparative information for periods before initial application of IFRS 12.

Amendments to IFRS 10, IFRS 12 and IAS 27 - Exceptions consolidation for investment companies

These amendments were adopted by the Council on 31st October 2012, providing exemption from the requirements of consolidation for investment companies and instead require investment companies to present their investment in subsidiaries as a net investment measured at fair value with changes in income. The amendment had no effect on the financial statements of the Company and the Group.

IAS 32 (Amendment) "Financial Instruments: Presentation" and IFRS 7 (Amendment) "Financial Instruments: Disclosures - Offsetting financial assets and financial liabilities"

The amendment to IAS 32 concerning the application instructions of the standard on offsetting a financial asset and a financial liability and to IFRS 7 related disclosures. This amendment had no impact on the financial statements of the Company and the Group.

IAS 36 (Amendment), "Impairment of Assets" Disclosures recoverable amount of non-financial assets

The amendment introduces the disclosure of information about the recoverable amount of impaired assets if the amount is based on fair value less disposal costs. The amendment is effective for annual periods beginning on or after January 1st 2014. This amendment had no impact on the financial statements of the Company and the Group.

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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. This amendment had no impact on the financial statements of the Company and the Group.

Standards and Interpretations mandatory for subsequent periods have not been applied earlier by the Company and the Group
The following new standards, amendments to standards and interpretations have been issued but are mandatory for subsequent periods. The Company and the Group has not applied early the following Standards and studying the effect on the financial statements.

IFRIC 21 "Levies"
The Interpretation clarifies that the "event binding" and creates an obligation to contribute is the activity described in the relevant legislation that triggers payment of the levy. This interpretation is effective for annual periods beginning on or after 17th June 2014 and is not expected to have a material effect on the financial statements of the Company and the Group.

IAS 19 (Amendment) "Employee Benefits-contributions from employees"
The amendment clarifies how contributions by employees or third parties related to the service should be attributed to periods of service. Moreover, it allows a practical solution, if the amount of contributions is independent of the number of years of service. The amendment is effective for annual periods beginning on or after July 1, 2014 and has not been adopted by the European Union.

IFRS 9 "Financial Instruments"
On 24 July 2014 the Council issued the final version of IFRS 9, which includes the classification and measurement, impairment and hedge accounting. The standard will replace IAS 39 and all previous versions of IFRS 9. Financial assets valued at carried cost, at fair value through profit or loss or at fair value through other comprehensive income, based on the entity's business model for managing financial assets and the contractual cash flows of financial assets. Apart from the credit risk of the entity, the classification and measurement of financial liabilities has not changed in comparison with existing requirements. The Company (or the Group) is (are) currently assessing the impact of IFRS 9 on its financial statements. IFRS 9 is mandatory for annual periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

Amendments to standards that are a part of the annual improvements project of the IASB (International Accounting Standards Board)

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The IASB as part of its annual improvements project has issued in December 2013 and September 2014 the following rounds of limited amendments to existing standards. The following amendments are not expected to have a material effect on the financial statements of the Company (or the Group) unless otherwise stated.

Annual Improvements to IFRSs, Circle 2010-2012

Amendments of the Circle 2010-2012, issued by the Council on December 12th 2013, applicable to periods beginning on or after 1 July 2014 and have not been adopted by the European Union.

IFRS 2 "Benefits depend on the value of the shares"

Amend definitions of "vesting conditions" and "market conditions" and are added definitions for "performance conditions" and "terms of service" that were previously part of the definition of "vesting conditions"

IFRS 3 "Business Combinations"

The amendment clarifies that contingent consideration classified as an asset or liability will be measured at fair value in every balance sheet.

IFRS 8 "Operating Segments"

The amendment requires an entity to disclose the decisions of the Administration in implementing the concentration criteria to operating segments. It also clarifies that the entity provides only agreements of the total assets of the reportable segments' assets of the entity if the segment assets are presented regularly.

IFRS 13 "Measurement of fair value"

The amendment clarifies that the issuance of IFRS 13 and the amendments to IFRS 9 and IAS 39 does not remove the possibility of measured short-term receivables and liabilities, for which no interest rate refers to invoiced amounts, undiscounted if the effect of discounting is not significant.

IAS 16 "Tangible Assets"

The amendment clarified that when an item of tangible assets is revalued gross book value is adjusted in a manner consistent with the adjustment of the net book value.

IAS 24 "Related Party Disclosures"

The amendment clarifies that an entity that provides "key management personnel" services in the reporting entity or the parent of the reporting entity is a related party of the entity.

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IAS 38 "Intangible Assets"

The amendment clarified that when an intangible asset is revalued, the gross book value is adjusted in a manner consistent with the adjustment of the net book value.

Annual Improvements to IFRSs, Circle 2011-2013

Amendments of the Circle 2011-2013, issued by the Council on 12th December 2013, are applicable to periods beginning on or after 1 July 2014 and adopted by the European Union on 18 December 2014.

IFRS 1 "First time adoption of International Financial Reporting Standards"

The amendment clarifies that an entity, in the first financial statements under IFRS, has a choice between applying an existing and valid IFRS or apply earlier a new or revised IFRS that is not yet mandatory, on condition that the new or revised IFRS permits earlier application. An entity is required to apply the same version of IFRS in all periods covered by its first financial statements under IFRS.

IFRS 3 "Business Combinations"

The amendment clarifies that IFRS 3 excludes from its scope, the accounting for the establishment of a joint agreement on the financial statements itself joint agreement.

IFRS 13 "Measurement of fair value"

The amendment clarifies that the scope of the exclusion of the portfolio, defined in paragraph 52 of IFRS 13 includes all contracts accounted for and within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 9 "Financial Instruments", regardless of whether they fulfill the definition of financial assets or liabilities as defined in IAS 32 "Financial Instruments: Presentation".

IAS 40 "Investment Property"

The amendment clarifies that if a particular transaction meets the definition of a business combination as defined by IFRS 3 "Business Combinations" and investment in real estate, as defined in IAS 40 "Investment Property", the separate application is required of two standards separately.

Annual Improvements to IFRSs, Circle 2012-2014

Amendments of the Circle 2012-2014, issued by the Council on September 25th 2014, applicable to periods beginning on or after 1st July 2016 and have not been adopted by the European Union.

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

The amendment clarifies that changing from one distribution method to another (e.g. sale or distribution to owners) should not be considered as a new sale plan but as continuation of the initial plan. Therefore, there is no interruption of applying the requirements of IFRS 5. The amendment also clarifies that the change of disposal method does not change the date of classification.

IFRS 7 "Financial Instruments: Disclosures"

The amendment clarifies that the service contract involving fee may constitute continuing involvement in a financial asset that is derecognized. This affects the disclosures required by the standard. The amendment also clarifies that the disclosures of IFRS 7 regarding the offsetting of financial assets and liabilities is not required in condensed interim financial statements.

IAS 19 "Employee Benefits-contributions from employees"

The amendment clarifies that the assessment of the existence of an active market of high quality corporate bonds is evaluated based on currency in which is the obligation and not by the country that there is an obligation. When there is no active market for high quality corporate bonds in this currency, use the interest rates on government bonds.

IAS 34 "Interim Financial Reporting"

The amendment clarifies that disclosure requirements of interim financial statements should be located either in the financial statements or incorporated by references between the interim financial statements and the point where included in the interim financial report (e.g. the Management Report).

It is also clarified that the other information within the interim financial report should be available to users on the same terms and at the same time as the interim financial statements. If users do not have access to the other information in this way, then the interim financial report is incomplete.

IAS 1 (Amendment) "Presentation of Financial Statements"- Disclosure initiative

The amendments to IAS 1 adopted by the Council on 18 December 2014, clarify that materiality applies to the total of the financial statements and that inclusion in these of insignificant information can hinder the usefulness of the disclosures. In addition, the amendments clarify that companies should use their professional judgment, determining where and in what order the information is presented in disclosures to the financial statements. The amendment is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

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IAS 16 and IAS 38 (Amendments) - Clarification about the permitted depreciation methods

The amendment clarifies that the use of methods based on revenue are not suitable for the calculation of depreciation of an asset and that revenues are not considered an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The amendment is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IAS 16 and IAS 41 (Amendments) - Agriculture: Bearer Plants

The amendments bring bearer plants, which are used exclusively to increase production, in the scope of IAS 16 in order to be accounted in the same way as fixed assets. The amendments are effective for annual periods beginning on or after 1 January 2016, with earlier application be allowed, and have not been adopted by the European Union.

IAS 27 (Amendment) "Separate Financial Statements" - Method of Equity in Financial Statements

The amendment to IAS 27 adopted by the Council on 12 August 2014 permits an entity to use the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements. This is an accounting policy choice for each category of investments. The amendment is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 (Amendment) "Investments in Associates and Joint Ventures" - Sale or contribution of assets between the Investor and the Associate or Consortium

The main consequence of the amendment adopted by the Council on 11 September 2014, is that a full gain or loss is recognized when a transaction involves a company (either set in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute business, even if those assets housed in a subsidiary. The amendment is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IFRS 10, IFRS 12 and IAS 28 (Amendments) - Investment Companies: Application of consolidation exceptions

On 18 December 2014 the Council adopted amendments to IFRS 10, IFRS 12 and IAS 28 on issues that have arisen in the implementation of consolidation exemptions for Investment Companies. The amendments are effective for annual periods beginning on or after 1 January 2016, with earlier application be allowed, and have not been adopted by the European Union.

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IFRS 11 (Amendment) "Joint Arrangements "- Accounting treatment of share acquisition in a joint activity

The amendment requires an investor to implement the method of "acquisition" when acquiring participation in a joint activity that is "business". The amendment is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IFRS 14 "Adjustable Deferred Accounts"

On January 30 2014 the IASB issued IFRS 14 "Adjustable Deferred accounts".
The purpose of IFRS 14 is to determine the financial reporting requirements for the balances of the "adjustable deferred accounts" that arise when an entity provides goods or services to customers at a price or percentage that is subject to specific regulation by the state. IFRS 14 allows an entity which first adopts IFRSs continue to account, with minor changes, the balances of "regulated deferred accounts" in accordance with previous accounting standards, both at the first-time adopters of IFRS and in subsequent financial statements. Balances and movements of these accounts are presented separately in the statements of financial position, income and other comprehensive income and specific disclosures required. The new standard is effective for annual periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IFRS 15 "Revenue from contracts with customers"

On 28 May 2014 the IASB issued IFRS 15 "Revenue from contracts with customers" which is mandatory for annual periods beginning on or after 1 January 2017 and is the new standard for the recognition of revenue.
IFRS 15 replaces IAS 18, IAS 11 and interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31. The new standard specifies how and when an entity should recognize revenue and requires entities to provide users of the financial statements more informative related disclosures. The standard provides a unified five step model that should apply to all contracts with customers for the recognition of revenue. IFRS 15 has not been adopted by the European Union.

2.3. Consolidated financial statements

Subsidiaries: are all companies managed and controlled, directly or indirectly, by another company (parent), whether through ownership of the majority of shares in the company in which the investment was made, either through its dependence on the expertise provided by the Group. Namely, subsidiaries are the companies that are controlled by the parent. ELTON acquires and exercises control through voting rights. The existence of potential voting rights that are exercisable at the preparation time of the financial statements is taken into account in order to substantiate whether the Group controls another entity. Subsidiaries are fully

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consolidated (full consolidation) with the acquisition method from the date that control is taken over them and cease to be consolidated from the date that control ceases.
The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, shares issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group' share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.
Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.
The Company accounts for its investment in subsidiaries, in its stand alone accounts, on the cost less impairment basis.

Associates: are entities over which the Group has significant influence but they do not fulfill the conditions to be classified as subsidiaries. The assumptions used by the group imply that voting rights percentage between 20% and 50% of a company suggests significant influence on the company. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. At the end of every fiscal year, the cost is increased by the proportion of the investing company in the changes in equity of the invested company and decreased with the received dividends from the associate.
The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. Accumulated changes affect the book value of investments in associated companies. When the Group's share of losses in an associate equals or exceeds its participation in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's participation in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.
Accounting policies of associates have been changed to ensure consistency with the policies adopted by the Group.

2.4. Segment reporting

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The operational segments business sector is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments.
A geographical segment is a geographical region in which products and services are subject to risks and returns different from other areas. For the year 2014 the 69, 33% of the consolidated turnover derived from activities carried out in Greece.

2.5 Foreign exchange conversions

Functional and presentation currency

The data of the financial statements of the companies of the Group are measured in the currency of the primary economic environment in which the Group operates (its functional currency).
The consolidated financial statements are reported in Euro, which is the functional currency and reporting currency of the parent company and all its subsidiaries.

Transactions and balances

Transactions in foreign currencies are converted to the functional currency using the exchange rates prevailing at the transaction date. Profits and losses from foreign exchange differences arising from the settlement of such transactions during the period and from the conversion of monetary items expressed in foreign currency using the exchange rates at the balance sheet date are recorded in the results.

Companies of the Group

The translation of the financial statements of the Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency of the Group is as follows:

• Assets and liabilities are translated at the rates prevailing at the balance sheet date,

• Revenues and expenses are translated at average exchange rates

• All resulting exchange differences are recognized in equity reserve and transferred to the income statement as part of the gain or loss on sale.

• The structure of the Group as at 31/12/2014 is as follows:

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
ELTON SA	GREECE	PARENT	
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION LTD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON CORPORATION OOO	UKRAINE	100%	NOT CONSOLIDATED
ELTON PLS SA	GREECE	70%	NOT CONSOLIDATED

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2.6. Tangible fixed assets

Fixed assets are reported in the Financial Statements at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

In the current financial statements depreciation of other tangible fixed assets (excluding land which is not depreciated) is calculated with method over their estimated useful lives, which are as follows:

1. Buildings	25 to 50 years
2a Mechanical Equipment	3 to 15 years
2b Metal Tanks	15 years
2c.Photovoltaic	20 years
3. Cars	4 to 10 years
4. Other Equipment	5 to 10 years
4a. Furniture	4 to 10 years
4b. Electronic computers	3 to 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. When the carrying amounts of the tangible assets are higher than their recoverable amount, the resulting difference (impairment loss) is recognized immediately as a loss in the income statement.

In case of sale of tangible assets, the difference between the sale proceeds and the carrying amount is recognized as profit or loss in the income statement. Repairs and maintenance are charged to the expenses of the period they occur.

Self-produced tangible assets constitute an addition to the cost of fixed assets on values that include the direct payroll cost of personnel involved (including the relevant costs), cost of materials and other general costs.

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2.7. Intangible assets

Intangible assets include software licenses. Software licenses are valued at cost less depreciation. Depreciation is calculated using the straight-line method over the useful life of these assets, which range from 1 to 5 years.

Expenses required for the development and maintenance of the software are recognized as expenses when incurred.

2.8. Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

Assets that are subject to amortization are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Impairment losses are recognized as an expense to the Comprehensive Income Statement, when they occur.

2.9. Financial assets

Financial asset is any contract that creates a financial asset to one entity and a financial liability or equity instrument to another enterprise. Financial assets are recognized at cost, including additional direct costs. The company did not hold any investments other than those which are subsidiaries. In the parent company's balance sheet the investments in subsidiaries are carried at fair value.

2.10. Inventories

At the date of balance sheet the inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less any costs related to sale. The acquisition cost of inventories is defined by the weighted average of the month. The cost of inventories does not include financial expenses.

For impaired inventories it has been formed provision of EUR 130.000 in previous years.

2.11. Trade receivables

Trade receivables are recognized initially at fair value and are then valuated in their un-depreciated cost, using the real interest rate, less provision for impairment. In case the carried value or cost of a financial asset exceeds the present value, then the asset is valued at its recoverable amount, i.e. the present value of future cash flows of the asset, which is calculated based on the actual initial interest rate. The relevant loss is transferred directly to the income statement. Impairment losses, ie when there is objective evidence that the Group is not able to

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collect all amounts owed based on contractual terms and after having run out all possible legal actions to collect them, are recognized in the results.

2.12. Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits and short term up to 3 months with high liquidity and low risk investments.

2.13. Non-current assets classified as held for sale

Assets held for sale include other assets (including goodwill) and tangible assets that the Group intends to sell within one year from the date of classification as "held for sale". The assets classified as "held for sale" are measured at the lower value between their book value immediately prior to their classification as held for sale and their fair value less the cost of sale. The assets classified as "held for sale" are not subject to amortization. The profit or loss arising from the sale and revaluation of "held for sale" assets included in "other income" and "other expenses" respectively in the income statement. The Group in the current fiscal has not classified non-current assets as held for sale.

2.14. Share capital

Share capital includes common shares of the Company that are classified as equity.
Expenses that were made for the issuance of the shares, presented after deducting the income tax, to a decrease of the proceeds. Expenses related to the issuance of shares for the acquisition of companies are included in cost of the acquired company.
During the acquisition of own shares, the price paid - including related costs - is depicted as deducted equity (share premium reserve).

2.15. Income tax and deferred tax

The period's charge with income tax consists of the current tax and deferred taxes, ie taxes or tax relief related to the financial benefits that arise during the period but have been or will be imputed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except from the tax that refers to transactions recorded directly in equity, in which case it is recorded directly in a similar way to equity.
Current income taxes include short term obligations or claims from fiscal authorities relating to taxes payable on the taxable income of the period and any additional income taxes from previous years.
Current taxes are measured according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to the short term tax assets or obligations are recognized as a component of tax expense in the income statement.

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Deferred income tax is determined by the liability method that results from the temporary differences between the accounting value and taxation basis of assets and liabilities. Deferred income tax is not accounted if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, which at the time of the transaction did not affect either accounting or taxable profit or loss.
Deferred tax claims and liabilities are valued based on the tax rates expected to applied in the period during which the claim or liability will be settled, taking into consideration tax rates (and tax laws) that have been enacted or essentially in effect until the balance sheet date. In case of failure to identify the timing of reversal of temporary differences, is applies the tax rate that is in effect on the following day of the balance sheet date.
Deferred tax claims are recognized to the extent that there will be future taxable profit for the use of the temporary differences that creates the deferred tax claim.
Deferred income tax is recognized for temporary differences that arise from investments in subsidiaries and associates, except in the case that reversal of the temporary difference is controlled by the Group and it is possible that the temporary differences will not reverse in the foreseeable future.
Most changes in deferred tax claims or liabilities are recognized as a part of the tax expenses in the income statement. Only the changes in assets or liabilities that affect the temporary differences are recognized directly in equity of the Group, such as the revaluation of property, result in the relevant change in deferred tax claims or liabilities to be charged against the relevant equity account.

2.16. Employee Benefits

Short-term benefits: Short-term employee benefits (except benefits from employment termination), monetary and in items, are recognized as an expense when they accrue.
Benefits after leaving the service: According to the Greek Laws 2112/20, the Company pays the employees compensations for dismissals or resignations due to pensions. The aforementioned payments depend on the years of working experience, the remunerations, and the way of leaving the company (dismissal or resignation). The compensations for pensions and dismissals fall under the defined benefit plans according to the IFRS 19 «Employee benefits». The above obligations are calculated based on an actuarial projected unit credit method. The provisions that concern the fiscal year, are included in the relative personnel cost in the attached consolidated financial statements and consist of the current and previous personnel cost, the relative financial cost, the actuarial profits or losses and any other possible charges. According to the non-recognized actuarial profits or losses, the amended IAS 19 is applied, which includes a series of amendments regarding the accounting of defined benefit plans.
1. Actuarial gains and losses will be recognized in other comprehensive income and their definitive exclusion from the income statement.

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2. Not recognizing more of the expected returns of investment of the program to the income statement but the recognition of such interest on the net liability/(claim) of benefit, calculated based on the discount rate that is used to measure the defined benefit obligation
3. Past service costs are recognized in the income statement in the period when a plan is amended.
4. Other changes include extended disclosures, as quantitative sensitivity analysis

2.17. Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and when it is probable that an outflow of resources and estimating the amount of the obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected be required for the settlement of the obligation. Contingent obligations are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is minimal. Contingent claims are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

2.18. Revenue and Expense Recognition

Revenue: Revenues include the fair value of projects, sales of goods and services, net of Value Added Tax, rebates and discounts. Intercompany revenues within the Group are eliminated in full. The recognition of revenue is as follows:

- **Sales of goods:** Sales of goods are recognized when the Group delivers the goods to the customers, the goods are accepted by the customers and collectability of the related receivables is reasonably assured.
- **Services:** Revenue from services is accounted the period in which the services are provided, based on the stage of completion of the service in relation to all services.
- **Interest income:** Interest income is recognized on a time proportion basis using the actual interest rate method.
- **Dividends:** Dividends are recognized as income when there is right to receive payment.

Expenses: expenses are recognized in results on an accrual basis.

2.19. Leases

Leases of fixed assets, which transfer to the Group all the risks and benefits related to the ownership of an asset, regardless of the finally transfer or not of the ownership title of that asset, are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease is allocated between the liability and the financial charges so as to

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achieve a fixed interest rate on the remaining financial obligation. The corresponding rental obligations, net of financial charges, are reported in liabilities. The part of financial expenses relating to finance leases is recognized in income statement during the lease period. Fixed assets that acquired through financial leasing are depreciated the shorter period of the useful life of the asset or the duration of the lease. There were no such leases until the period presented.

Lease agreements where the lessor transfers the right to use an asset for an agreed period, without transferring the risks and rewards of ownership of the asset are classified as operating leases. Payments made for operating leases (net of any incentives offered from the lessor) are recognized in the results proportionately by the lease period.

2.20. Distribution of dividends

The distribution of dividends to parent company's shareholders is recognized as a liability in the financial statements on the date on which the distribution is approved by the General Assembly of Shareholders.

2.21. Grants

Grants related to assets are government grants, which according to IAS 20 "Accounting for Government Grants', whose primary condition is that an enterprise qualifying for them should purchase, construct or any other way acquire long-term assets.

Government grants related to assets must be shown in the balance sheet either as deferred income or by deducting the accounting value of the related assets. The company chose to display the government grant of Law 3299/2004 as deferred income, which will be recorded in systematic and rational basis as revenue during the useful life of assets.

2.22. Suppliers and other obligations

Suppliers and other liabilities are recognized initially at fair value and subsequently at the unamortized cost using the effective interest rate method.

2.23. Borrowing

Loans are recorded initially at their fair value, less any costs to complete the transaction. Borrowings are subsequently valued at the unamortized cost using the effective interest rate method. Borrowings are classified as short term liabilities unless the Group has the right to defer the repayment of the liability for at least twelve months from the balance sheet date.

3. Risk management

3.1 Financial risk factors

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The Group is exposed to a variety of financial risks such as market risk (changes in exchange rates, interest), credit risk, liquidity risk, cash flow risk and fair value interest rate risk.
The overall risk management of the Group focuses on the unpredictability of financial markets and seeks to minimize their potential negative effect in the financial performance of the Group.

a) Market Risk

1. Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.
Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments which having their head office and operate abroad.
The Group has certain investments in subsidiaries that are depicted in the table below, whose assets are exposed to currency risks.

COMPANY	COUNTRY	PARTICIPATION PERCENTAGE	CONSOLIDATION METHOD
ELTON CORPORATION SA	ROMANIA	100%	FULL
ELTON CORPORATION LTD	BULGARIA	100%	FULL
ELTON CORPORATION DOO	SERBIA	100%	FULL
ELTON CORPORATION OOO	UKRAINE	100%	NOT CONSOLIDATED

2. Price Risk

The Group is not exposed to securities price risk because of the complete lack thereof. However is exposed to changes in the value of goods moved (Bulk chemicals) and this because their price is directly linked to the price of petroleum, as it is valued in the current market. This risk is managed through a comparable change in selling prices of the goods available.

3. Cash flow and fair value interest

a) Interest risk

-The Group has no interest-bearing assets and therefore income and operating cash flows are substantially independent of changes in market interest rates.
The Group's interest risk is increased by long-term and short-term borrowings.
In particular the long-term bond borrowing on December 31st 2014 of the Company and of the Group amounted to 3.333.328 euros while the short-term debt borrowing at 1.666.664 euros.
The long-term bond borrowing is a common bond loan of ten years with semi-annual installments and six months interest charge at total nominal value of fifteen million

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(15.000.000) euros. The interest rate is with fixed part (spread) annually and variable part which is equal to the EURIBOR interest period.

Short-term bank borrowings of the Group and of the Company amounting to 10.947.502 euros and 8.764.436 euros respectively, concluded with a floating interest rate.
In case of interest rate change of +1% or -1%, influences of the equity and results of the Group and the Company are presented below:
A) Increase in interest rate by 1%
The results of the year and the equity of the Group and the Company would incur by 172.000 and 120.000 euros respectively.
B) Decrease in interest rate by 1%
The results of the year and the equity of the Group and the Company would increase by 172.000 and 120.000 euros respectively.

b) Credit risk

Credit risk arises from cash and cash equivalents, deposits in banks, and credit reports of customers including significant claims and transactions.
The Group has significant concentration of claims, mainly because of the fact that the largest number of its claims is related to a limited number of customers, who are internationally renowned multinational companies, whether they are related parties within the meaning of IAS 24 and therefore the existence of credit risk is limited.
The Group and the Company are making provision for doubtful customers. On 31st December 2014 the total number of customers and other trade receivables was EUR 40.928.705 and EUR 31.524.914 respectively and provisions of doubtful were 3.184.433 euros and 2.501.235 euros respectively i.e. 7,78 % and 7,93 % which the management of the Company considers satisfactory in an environment of increased credit fluctuations.
Also the debit balances of the subsidiaries on December 31st 2014 amounted to EUR 692.332, which the Company's Management believes that present no risk of non-collection since subsidiaries are controlled 100% by the parent.

c) Capital risk management

The capital management aims to ensure the Group's opportunity to continue its activities in order to provide profits to the shareholders and benefits for other interest parties, while maintaining a capital structure that minimizes the cost of capital. The capital management tools are the dividend policy, the issuance or return of capital and trading of assets.
The main index used in the management of capital is the leverage factor, which is calculated as net borrowing divided by total usable capital.
Net borrowing is calculated as total borrowings (including short and long term loans) minus cash and cash equivalents.

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The total usable capital is calculated by the equity that is displayed in the balance sheet plus the net borrowing.

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Total of borrowings	15.947.494	15.820.480	13.764.428	12.670.862
Less: Cash and cash equivalents	-1.164.918	-2.432.675	-431.009	-1.548.910
Net Borrowing	**14.782.576**	**13.387.805**	**13.333.419**	**11.121.951**
Equity	44.546.676	42.553.633	41.622.609	40.568.342
Total usable capital	**59.329.252**	**55.941.438**	**54.956.028**	**51.690.294**
Leverage factor	**24,92%**	**23,93%**	**24,26%**	**21,52%**

It is observed that the leverage factor on 31 December 2014 in both the Group and the Company appears in percentage bigger than the previous fiscal year 2013 because there is a decrease in cash and cash equivalents of the Company and Group.

d) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of financing through sufficient credit operations. The table below analyzes the financial liabilities of the Group and the Company classified in groups by date, calculated in accordance with the remaining period from the balance sheet date until the contractual maturity date.

Group 31/12/2014	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	12.614.166	3.333.328	0	15.947.494
Trade and other liabilities	15.462.307	0	0	15.462.307
Total	**27.626.473**	**3.333.328**	**0**	**31.409.800**

Group 31/12/2013	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	10.820.488	4.999.992	0	15.820.480
Trade and other liabilities	14.513.494	0	0	14.513.494
Total	**25.333.982**	**4.999.992**	**0**	**30.333.974**

Company 31/12/2014	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	10.431.100	3.333.328	0	13.764.428
Trade and other liabilities	10.639.501	0	0	10.639.501
Total	**21.070.601**	**3.333.328**	**0**	**24.403.929**

Company 31/12/2013	**up to 1 year**	**from 1 until 5 years**	**over 5 years**	**Total**
Borrowing	7.670.870	4.999.992	0	12.670.862
Trade and other liabilities	10.038.657	0	0	10.038.657
Total	**17.709.527**	**4.999.992**	**0**	**22.709.519**

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The Group considers that the total liabilities to suppliers are short term. In the same category includes other current liabilities as well as tax liabilities.

<u>e) Fire risk</u>

The Group's fixed assets (buildings, warehouses, offices, machinery and furniture) and the inventories of the Company are fully insured against fire, lightning, storm, storm, other natural disasters and acts of terrorism.

The inventories that are in warehouses of the company are insured at their acquisition value against all these risks. Additionally, there are insurance programs for loss of gross profit as a consequence of business interruption, from coverage of property damage, as well as programs covering financial losses or contingent liabilities of third parties.

Despite security of facilities, stock and employees, in any partial or total destruction or accident related to the above risks, it cannot be provides any confirmation that the Company will be indemnified directly and in full by the insurance company.

In addition, the Group's buildings are in very good condition and have been taken all appropriate measures to address this risk and minimize its consequences.

4. Significant accounting estimations and judgments

Accounting estimations and judgments must continually be assessed based on historical experience and other factors, including expectations for future events that are considered under the circumstances.

The Group conducts provisions relating to the future. The calculated accounting estimations will rarely be equal the related actual results.

The annual financial statements of December 31st 2014 were compiled with the basic accounting principles and estimations of the balance sheet of December 31st 2013.

5. Financial information by segment

The operational segments business sector is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is a geographical region in which products and services are subject to risks and returns different from other areas.

5.1 Primary reporting sector by Business Unit

The financial statements of the Group by Business Unit for the periods 1/1-31/12/2014 & comparable 1/1-31/12/2013 analyzed as follows:

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Period 01/01-31/12/2014	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Net Sales to third parties	18.508.762	18.073.183	30.291.850	17.283.602	13.673.432	951.375	**98.782.203**
EBITDA	1.180.211	1.152.436	1.931.559	1.102.088	871.886	60.664	**6.298.845**
Depreciation of the period							**-778.919**
Financial cost							**-878.961**
Results before taxes							**4.640.965**
Income Taxes							**-1.147.712**
Profit after tax from ongoing activities							**3.493.253**

Period 01/01-31/12/2013	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Net Sales to third parties	20.672.458	18.201.871	29.812.216	18.114.997	12.396.876	837.556	**100.035.973**
EBITDA	1.343.721	1.183.131	1.937.810	1.177.484	805.803	54.442	**6.502.391**
Depreciation of the period							**-867.898**
Financial cost							**-941.433**
Results before taxes							**4.693.060**
Income Taxes							**-1.191.663**
Profit after tax from ongoing activities							**3.501.396**

Allocation of Assets and Liabilities by Business Unit on December 31st 2014 on a consolidated basis and the comparable period December 31st 2013

31/12/2014	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Assets of sector	14.674.119	14.328.783	24.015.988	13.702.787	10.840.572	754.269	78.316.517
Non allocated Assets	0	0	0	0	0	0	0
Consolidated Assets	**14.674.119**	**14.328.783**	**24.015.988**	**13.702.787**	**10.840.572**	**754.269**	**78.316.517**

31/12/2014	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Liabilities of sector	6.327.435	6.178.527	10.355.620	5.908.600	4.674.421	325.238	33.769.841
Non allocated liabilities	0	0	0	0	0	0	44.546.676
Consolidated liabilities	**6.327.435**	**6.178.527**	**10.355.620**	**5.908.600**	**4.674.421**	**325.238**	**78.316.517**

31/12/2013	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Assets of sector	15.543.071	13.685.502	22.415.011	13.620.184	9.320.881	629.736	75.214.384
Non allocated Assets	0	0	0	0	0	0	0
Consolidated Assets	**15.543.071**	**13.685.502**	**22.415.011**	**13.620.184**	**9.320.881**	**629.736**	**75.214.384**

31/12/2013	Cosmetics - Medical- Detergents	Water treatment -Yarns-Elastics	Food - Beverages- Feed	Industrial	Agrochemicals	Services	Total
Liabilities of sector	6.749.352	5.942.730	9.733.392	5.914.366	4.047.457	273.454	32.660.751
Non allocated liabilities	0	0	0	0	0	0	42.553.633
Consolidated liabilities	**6.749.352**	**5.942.730**	**9.733.392**	**5.914.366**	**4.047.457**	**273.454**	**75.214.384**

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5.2 Allocation of sales by geographic area

The company's registered office and the main country of activity is Greece. The group's activities are mainly in Greece whereas operates in Romania, Bulgaria and Serbia.

Period 1/1-31/12/2014	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Net sales to third parties	68.490.427	17.425.968	6.224.674	6.641.134	**98.782.203**

Period 1/1-31/12/2013	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Net sales to third parties	70.189.991	16.551.159	5.510.162	7.784.661	**100.035.973**

Allocation of Assets and Liabilities by geographic area of activity on December 31st 2014 and December 31st 2013 at consolidated level

31/12/2014	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Assets of sector	57.330.582	10.089.079	6.849.373	4.047.483	78.316.517
Non allocated Assets	0	0	0	0	0
Consolidated Assets	**57.330.582**	**10.089.079**	**6.849.373**	**4.047.483**	**78.316.517**

31/12/2014	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Liabilities of sector	26.479.229	2.311.688	3.145.388	1.833.537	33.769.841
Non allocated liabilities	30.851.353	7.777.392	3.703.985	2.213.946	44.546.676
Consilidated liabilities	**57.330.582**	**10.089.079**	**6.849.373**	**4.047.483**	**78.316.517**

31/12/2013	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Assets of sector	55.357.214	9.444.651	6.485.321	3.927.198	75.214.384
Non allocated Assets	0	0	0	0	0
Consolidated Assets	**55.357.214**	**9.444.651**	**6.485.321**	**3.927.198**	**75.214.384**

31/12/2013	GREECE	ROMANIA	BULGARIA	SERBIA	TOTAL
Liabilities of sector	24.806.933	2.802.527	2.870.859	2.180.432	32.660.751
Non allocated liabilities	30.550.281	6.642.124	3.614.462	1.746.766	42.553.633
Consilidated liabilities	**55.357.214**	**9.444.651**	**6.485.321**	**3.927.198**	**75.214.384**

Sales refer to the country which are established the customers. The total assets refer to geographical location.

6. Tangible Assets

The fixed assets of the Group and the Company are analyzed as follows:

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			GROUP	
	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment	Total
Cost value				
Balance at 1st January 2013	17.747.544	4.306.068	1.305.932	23.359.544
Additions	35.839	174.024	58.886	268.750
Exchange differences	-24.428	-4.398	-761	-29.587
Transfers	0	0	0	0
Reductions	0	-127.064	-5.441	-132.505
Balance at 31st December 2013	**17.758.955**	**4.348.630**	**1.358.617**	**23.466.202**
Depreciation				
Balance at 1st January 2013	1.957.889	2.521.245	1.024.280	5.503.414
Additions	394.069	301.494	59.730	755.293
Exchange differences	-1.438	-2.206	-476	-4.120
Reductions	0	-124.185	-5.271	-129.455
Balance at 31st December 2013	**2.350.520**	**2.696.348**	**1.078.264**	**6.125.132**
Undepreciated value at 31st December 2013	**15.408.435**	**1.652.282**	**280.353**	**17.341.070**

			GROUP		
	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment	Tangible assets under construction & advances	Total
Cost value					
Balance at 1st January 2014	17.758.955	4.348.630	1.358.617	0	23.466.202
Additions	23.488	255.331	64.148	80.945	423.912
Exchange differences	1.108	-7.026	-1.133	-310	-7.361
Transfers	0	0	0	0	0
Reductions	0	-8.537	-24.836	0	-33.374
Balance at 31st December 2014	**17.783.550**	**4.588.398**	**1.396.796**	**80.635**	**23.849.380**
Depreciation					
Balance at 1st January 2014	2.350.520	2.696.348	1.078.264	0	6.125.132
Additions	394.770	249.132	57.385	0	701.286
Exchange differences	-239	-2.224	-683	0	-3.146
Reductions	0	-8.537	-24.739	0	-33.276
Balance at 31st December 2014	**2.745.052**	**2.934.718**	**1.110.227**	**0**	**6.789.997**
Undepreciated value at 31st December 2014	**15.038.499**	**1.653.680**	**286.569**	**80.635**	**17.059.383**

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	COMPANY					
	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment			Total
Cost value						
Balance at 1st January 2013	12.330.961	3.852.236	1.201.238			17.384.435
Additions	35.839	125.213	49.558			210.611
Transfers	0	0	0			0
Reductions	0	-61.160	-5.441			-66.601
Balance at 31st December 2013	**12.366.801**	**3.916.289**	**1.245.356**			**17.528.445**
Depreciation						
Balance at 1st January 2013	1.634.936	2.263.513	957.653			4.856.103
Additions	259.059	258.204	45.848			563.111
Reductions	0	-58.281	-5.271			-63.551
Balance at 31st December 2013	**1.893.995**	**2.463.436**	**998.231**			**5.355.663**
Undepreciated value at 31st December 2013	**10.472.805**	**1.452.852**	**247.125**			**12.172.783**

	COMPANY					
	Land & Buildings	Mechanical equipment & transportation means	Furniture & other equipment	Tangible assets under construction & advances		Total
Cost value						
Balance at 1st January 2014	12.366.801	3.916.289	1.245.356	0		17.528.445
Additions	21.467	164.464	36.465	30.000		252.396
Transfers	0	0	0	0		0
Reductions	0	-1.281	-24.836	0		-26.118
Balance at 31st December 2014	**12.388.267**	**4.079.472**	**1.256.985**	**30.000**		**17.754.724**
Depreciation						
Balance at 1st January 2014	1.893.995	2.463.436	998.231	0		5.355.663
Additions	259.749	196.544	46.553	0		502.846
Reductions	0	-1.281	-24.739	0		-26.020
Balance at 31st December 2014	**2.153.744**	**2.658.699**	**1.020.045**	**0**		**5.832.488**
Undepreciated value at 31st December 2014	**10.234.523**	**1.420.773**	**236.940**	**30.000**		**11.922.236**

There are no mortgages or encumbrances on fixed assets against borrowings.

The additions to the fixed assets of the Group and of the Company are mainly improvements of buildings and purchase of vehicles, machinery and equipment.

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7. Intangible assets

	GROUP		
	Accounting programms	**Goodwill- Other rights**	**Total**
Cost value			
Balance at 1st January 2013	784.295	299.371	1.083.666
Additions	22.753	213	22.966
Exchange differences	-452	-79	-531
Transfers	0	0	0
Reductions	0	0	0
Balance at 31st December 2013	**806.596**	**299.506**	**1.106.102**
Depreciation			
Balance at 1st January 2013	558.879	12.722	571.601
Additions	108.747	3.858	112.605
Exchange differences	-282	-16	-298
Reductions	-1	0	-1
Balance at 31st December 2013	**667.343**	**16.564**	**683.907**
Undepreciated value at 31st December 2013	**139.253**	**282.942**	**422.195**

	GROUP		
	Accounting programms	**Goodwill- Other rights**	**Total**
Cost value			
Balance at 1st January 2014	806.596	299.506	1.106.102
Additions	44.697	2.513.263	2.557.960
Exchange differences	-225	-902	-1.127
Transfers	0	0	0
Reductions	-600	0	-600
Balance at 31st December 2014	**850.468**	**2.811.867**	**3.662.335**
Depreciation			
Balance at 1st January 2014	667.343	16.564	683.907
Additions	73.900	3.839	77.739
Exchange differences	-227	-104	-331
Reductions	-573	0	-573
Balance at 31st December 2014	**740.443**	**20.299**	**760.742**
Undepreciated value at 31st December 2014	**110.025**	**2.791.568**	**2.901.593**

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	COMPANY		
	Accounting programms	**Goodwill- Other rights**	**Total**
Cost value			
Balance at 1st January 2013	744.445	290.000	1.034.445
Additions	17.691	0	17.691
Transfers	0	0	0
Reductions	0	0	0
Balance at 31st December 2013	**762.136**	**290.000**	**1.052.136**
Depreciation			
Balance at 1st January 2013	536.925	12.328	549.254
Additions	99.902	2.901	102.803
Reductions	0	0	0
Balance at 31st December 2013	**636.827**	**15.230**	**652.057**
Undepreciated value at 31st December 2013	**125.309**	**274.770**	**400.079**

	COMPANY		
	Accounting programms	**Goodwill- Other rights**	**Total**
Cost value			
Balance at 1st January 2014	762.136	290.000	1.052.136
Additions	23.710	2.500.000	2.523.710
Transfers	0	0	0
Reductions	-600	0	-600
Balance at 31st December 2014	**785.246**	**2.790.000**	**3.575.246**
Depreciation			
Balance at 1st January 2014	636.827	15.230	652.057
Additions	65.861	2.901	68.762
Reductions	-573	0	-573
Balance at 31st December 2014	**702.115**	**18.131**	**720.246**
Undepreciated value at 31st December 2014	**83.131**	**2.771.869**	**2.855.000**

Intangible assets include software licenses. Software licenses are valued at cost less depreciation. Depreciation is calculated using the straight-line method over the useful life of these assets, which is 5 years. The addition of € 2.500.000 in other rights of fiscal year concerns the trademark costs of purchase and supplier contracts. The amortization of the rights is calculated using the straight-line method over the useful life of the assets which is 10 years.

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8. Investments in subsidiaries

In company's statements, participation in subsidiaries is relating to participations in companies that are not listed on the Stock Exchange.

The parent's ownership participation percentage in foreign companies is 100%, and therefore there is not arising any minority interest in the consolidated results report.

In the company's financial statements, investments in subsidiaries are valued at cost less any impairment losses. In consolidated financial statements the value of participation in subsidiaries is eliminated in full. The investments of the parent in subsidiaries at 31 December 2014 and 2013 were as follows:

COMPANY	31/12/2013	**Changes of period** amounts intended to increase the share capital of subsidiary	31/12/2014
ELTON CORPORATION SA	6.689.839	0	6.689.839
ELTON CORPORATION EOOD	97.682	300.000	397.682
ELTON CORPORATION DOO	2.803.805	300.000	3.103.805
TOTAL	**9.591.326**	**600.000**	**10.191.326**

The main financial figures of three consolidated subsidiaries are presented in the table below.

COMPANY	Country	Assets	Obligations	Income	Results before taxes
ELTON CORPORATION SA	Romania	10.458.855	2.406.663	17.999.950	1.363.266
ELTON CORPORATION EOOD	Bulgaria	6.862.439	3.813.570	6.347.024	-223.103
ELTON CORPORATION DOO	Serbia	4.049746	2.031.664	6.643.397	174.369

Noted that in December 2011 was founded the subsidiary ELTON CORPORATION OOO based in Kharkov, Ukraine.

The parent participation is 100% and the subsidiary is not consolidated due to the absence of significant activities until 31/12/2014.

Also on October 11th 2010 was established the subsidiary ELTON PLS based in Greece.

The participation of the parent company is 70% and the subsidiary is not consolidated due to absence of substantive effects until 31/12/2014.

The investments of the parent in unconsolidated subsidiaries at December 31st 2014 and 2013 are as follows:

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COMPANY	31/12/2013	**Period changes** (amounts intended for the increase in share capital of subsidiary)	31/12/2014
ELTON CORPORATION OOO	128.035	53.000	181.035
ELTON PLS S.A.	700.000	0	700.000
TOTAL	**828.035**	**53.000**	**881.035**

8. Deferred tax

Deferred taxes are calculated on temporary differences, according to the liability method, using tax rates applicable in the countries where the companies of the Group are active.

The calculation of deferred taxes of the Group and the Company are reviewed each year, so that the balance on the balance sheet to reflect the current tax rates.

Deferred tax receivables / liabilities as they result from temporary tax differences are as follows:

Deferred tax receivables					
GROUP	**Provision for staff indemnities**	**Provision for doubtful receivables**	**Provision for obsolete inventory**	**Value adjustment of land**	**Total**
1/1/2013	**53.542**	**327.052**	**26.000**	**133.286**	**539.881**
Credit/(debit) at the results statement	24.627	193.269	7.800	0	**225.696**
Credit / (debit) in Other Comprehensive Income	4.848	0	0	39.986	**44.834**
31/12/2013	**83.017**	**520.321**	**33.800**	**173.272**	**810.411**
1/1/2014	**83.017**	**520.321**	**33.800**	**173.272**	**810.411**
Credit/(debit) at the results statement	4.304	-423.800	0	0	**-419.496**
Credit / (debit) in Other Comprehensive Income	19.761	0	0	0	**19.761**
31/12/2014	**107.083**	**96.521**	**33.800**	**173.272**	**410.676**

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Deferred tax liabilities				
GROUP	**Tangible fixed assets**	**Intangible assets**	**Value adjustment of land**	**Total**
1/1/2013	**-133.204**	**-56.283**	**-88.038**	**-277.525**
Credit / (debit) to income statement	-54.131	-9.315	0	**-63.445**
Credit / (debit) in Other Comprehensive Income	0	0	0	**0**
31/12/2013	**-187.335**	**-65.598**	**-88.038**	**-340.971**
1/1/2014	**-187.335**	**-65.598**	**-88.038**	**-340.971**
Credit / (debit) to income statement	-21.946	4.636	0	**-17.310**
Credit / (debit) in Other Comprehensive Income	0	0	0	**0**
31/12/2014	**-209.281**	**-60.962**	**-88.038**	**-358.281**

Deferred tax receivables					
COMPANY	**Provision for staff indemnities**	**Provision for doubtful receivables**	**Provision for obsolete inventory**	**Value adjustment of land**	**Total**
1/1/2013	**53.542**	**327.052**	**26.000**	**133.286**	**539.881**
Credit / (debit) to income statement	24.627	193.269	7.800	0	**225.696**
Credit / (debit) in Other Comprehensive Income	4.848	0	0	39.986	**44.834**
31/12/2013	**83.017**	**520.321**	**33.800**	**173.272**	**810.411**
1/1/2014	**83.017**	**520.321**	**33.800**	**173.272**	**810.411**
Credit / (debit) to income statement	4.304	-423.800	0	0	**-419.496**
Credit / (debit) in Other Comprehensive Income	19.761		0	0	**19.761**
31/12/2014	**107.083**	**96.521**	**33.800**	**173.272**	**410.676**

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Deferred tax liabilities			
COMPANY	**Tangible fixed assets**	**Intangible assets**	**Total**
1/1/2013	**-140.847**	**-56.283**	**-197.130**
Credit / (debit) to income statement	-53.406	-9.315	**-62.720**
Credit / (debit) in Other Comprehensive Income	0	0	**0**
31/12/2013	**-194.252**	**-65.598**	**-259.850**
1/1/2014	**-194.252**	**-65.598**	**-259.850**
Credit / (debit) to income statement	-20.034	4.636	**-15.398**
Credit / (debit) in Other Comprehensive Income	0	0	**0**
31/12/2014	**-214.286**	**-60.962**	**-275.248**

The deferred tax receivables and liabilities at the Statement of Financial Position are as follows:

	GROUP		**COMPANY**	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Deferred tax receivables	410.676	810.411	410.676	810.411
Deferred tax liabilities	-270.243	-252.933	275.248	259.850
Deferred tax receivables at Balance Sheet	**140.433**	**557.478**	**135.428**	**550.560**
Deferred tax Liabilities at Balance Sheet	**-88.038**	**-88.038**	**0**	**0**

The above deferred tax liabilities of the Group amounting to € 88.038 come from ELTON CORPORATION EOOD (Bulgaria) and are not offset against deferred tax receivables of other companies located in other countries as the ability by IAS 12 is not provided to offset deferred tax receivables with obligations that are not reported in the same Tax Authority.

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The income tax rates of the parent and its subsidiaries are as follows:

Country	Income Tax Rate
Greece	26%
Romania	16%
Bulgaria	10%
Serbia	15%

10. Other non-current assets

Other non-current assets relating to long-term receivables are analyzed as follows:

	GROUP		COMPANY	
Other non-current assets	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Guarantees	68.518	66.135	56.222	54.806
Other receivables	0	0	0	50.000
	68.518	**66.135**	**56.222**	**104.806**

11. Inventories

Inventories of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Inventories	14.700.497	14.269.891	9.105.551	8.923.311
Finished and semi-finished products	896.091	663.332	896.091	663.332
Raw& Auxiliary materials, packing items	622.366	441.455	620.475	439.731
Total	**16.218.954**	**15.374.677**	**10.622.117**	**10.026.373**
Less: Provision for scrap, slow moving and damaged inventory (see liabilities "Other Provisions")	(189.182)	(130.000)	(130.000)	(130.000)
Total net liquidating value	**16.029.772**	**15.244.677**	**10.492.117**	**9.896.373**

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There are not any pledges on the stocks of the Group and the Company.
The Group takes all the necessary measures (insurance, storage) to minimize the risk and potential damages due to natural disasters, theft, fire, etc. In the current fiscal year's financial statements of the Group has been set up provision for impairment of inventory for slow-moving inventories at the amount of € 59.182.

12. Customers and other trade receivables

Customers and other trade receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
Trade and other receivables	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Customers	23.462.368	23.131.931	15.307.012	16.333.604
Notes receivable	60.288	85.722	60.288	85.722
Promissory Notes in delay	102.364	102.364	102.364	102.364
Cheques receivable	13.305.216	11.704.751	12.056.761	10.093.950
Checks in delay	3.473.889	3.503.344	3.473.889	3.503.344
Advances for purchase of inventories	524.599	692.520	524.599	672.228
	40.928.725	**39.220.633**	**31.524.913**	**30.791.213**
Less: Provision for doubtful debts	(3.184.433)	(3.760.035)	(2.501.235)	(3.224.493)
Grand total of customers and other trade receivables	**37.744.292**	**35.460.598**	**29.023.679**	**27.566.720**

There is no concentration of credit risk related to trade receivables, as these are divided into a large number of customers.
All the above claims are short-term and are not required to prepay them at the balance sheet date.
During fiscal year 2014 was made write off of doubtful debt of the Company at the amount of 1.223.258 euro to reduce the related provision.
In fiscal year 2014 it was formed a provision for doubtful debts in the Group and the Company amounting to 647.656 euros and 500.000 euros respectively.
Also the debit balances of subsidiaries on 31 December 2014 amounted to EUR 692.332, which the Company's management believes that present no risk of non-collection since subsidiaries are controlled 100% by the parent.

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13. Other current assets

Other receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
Other current assets	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Sundry Debtors	2.018.360	2.614.670	1.977.158	2.549.655
Accounts of advances-credits	47.985	15.915	47.985	15.915
Deferred expenses	71.046	100.935	71.046	100.935
	2.137.392	**2.731.521**	**2.096.190**	**2.666.506**

Furthermore, the sundry debtors are analyzed as follows:

	GROUP		COMPANY	
Sundry debtors	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Advance payment of Tax Income	366.128	846.900	366.128	846.900
Receivables from the Greek State (Investment Law 3299/2004)	1.157.000	1.157.000	1.157.000	1.157.000
Other Debtors	495.232	610.770	454.030	545.755
	2.018.360	**2.614.670**	**1.977.158**	**2.549.655**

All the above claims are short-term and do not require prepayment at the balance sheet date.

14. Cash and cash equivalents

	GROUP		COMPANY	
Cash and cash equivalents	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Cash	9.259	14.227	3.900	3.876
Sight and time deposits	1.155.659	2.418.448	427.109	1.545.034
	1.164.918	**2.432.675**	**431.009**	**1.548.910**

Sight deposits and cash are cash and cash equivalents presented in the cash flow statement.

15. Equity

15.1 Share capital and share premium

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The share capital of the Company is analyzed as follows:

	Number of shares	Nominal value per share	Share capital	Above par	Total
31/12/2013	26.730.187	0,60	16.038.112	133.417	16.171.529
+/- Acts during 2014	0		0	0	0
31st December 2014	**26.730.187**		**16.038.112**	**133.417**	**16.171.529**

The shares are registered and listed for trading in the Exchange Market (under "Mid Cap") of the ASE. In the year 2014 the share capital remained unchanged.

15.2 Other reserves and retained earnings

The other reserves of the Group are analyzed as follows:

	GROUP		COMPANY	
Reserves and Retained Earnings	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Statutory reserves	1.505.064	1.369.125	1.372.528	1.236.589
Extraordinary reserves	1.066.491	1.066.491	1.066.491	1.066.491
Untaxed reserves	630.338	524.394	630.338	524.394
Other Reserves	10.203.888	10.544.206	8.698.652	8.698.652
Reserves of Exchange Differences	-1.454.629	-1.687.490	0	0
Retained earnings	16.423.996	14.565.378	13.683.072	12.870.687
	28.375.147	**26.382.104**	**25.451.080**	**24.396.813**

15.3 Dividends

Dividends payable in accordance with the IASF are recognized as a liability at the date of approval by the General Meeting of Shareholders of the proposed distribution by the Board of Directors.

According to the decision of the Board of Directors will be proposed to the Annual General Meeting of shareholders on June 24th 2015 to be paid from the profits of a 2014, dividend of EUR 1.069.207,48 i.e. EUR 0,04 per share. In previous fiscal year it had been paid dividend at the amount of EURO 1.336.509,35 according to the relative decision of the General Meeting of shareholders of 18th June 2014.

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16. Loan liabilities

The borrowings at 31 December 2014 are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Long Term Loans				
Bank Borrowings	0	0	0	0
Bond Borrowing	3.333.328	4.999.992	3.333.328	4.999.992
	3.333.328	**4.999.992**	**3.333.328**	**4.999.992**
Short Term Loans				
Bank Borrowings	10.947.502	9.153.824	8.764.436	6.004.206
Bond Borrowing	1.666.664	1.666.664	1.666.664	1.666.664
	12.614.166	**10.820.488**	**10.431.100**	**7.670.870**
Total borrowings	**15.947.494**	**15.820.480**	**13.764.428**	**12.670.862**

The maturity dates of the loans of the Group and the Company are as follows:

MATURITY DATES OF LONG-TERM LOANS	
From 1 to 5 years	3.333.328

The Group in 2007 issued a bond loan of EUR 15.000.000 divided into 18 bonds. Each bond has a nominal value of 833.332 euro with an issue price at the par, interest rate with fixed part (spread) per annum and variable part which is equal to the EURIBOR of the interest period. The expiry of the bond is the year 2017. The above loan is granted without requiring any guarantees or other tangible collateral. This obligation was registered at cost, which reflects the fair value of the received amounts.

17. Employee benefits obligations due to termination of service

Based on IASF the Group recognizes as a liability the present value of the legal commitment that has been undertaken of the lump sum indemnity to staff members who are leaving due to dismissal or retirement.
The provision pursuant to IAS 19 that is based on independent actuarial report is required to be recorded in the balance sheet and income statement of each company.
According to the labor law, employees entitled to an indemnity in case of dismissal or retirement, the amount of which varies depending on salary, years of service and the manner

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of termination (dismissal or retirement). Employees who resign or fairly dismissed are not entitled to compensation. In Greece, employees who are retiring are entitled to 40% of such indemnity according to Law 2112/1920. These programs are not funded and are defined benefit plans in accordance with IAS 19.

In the Group was not created other provision and this why the subsidiaries in the Balkans have no obligation to compensate their staff in the event of dismissal.

The following table presents the amounts recorded in the Financial Statements of the Group and the Company after the adoption of the revised IAS 19 on 31.12.2014 and 31.12.2013 respectively:

	GROUP			COMPANY	
	31/12/2014	31/12/2013		31/12/2014	31/12/2013
Balance sheet liabilities for:					
Pension benefits	411.855	319.296		411.855	319.296
Total	**411.855**	**319.296**		**411.855**	**319.296**
Charges to results					
Pension benefits	62.713	33.216		62.713	33.216
Total	**62.713**	**33.216**		**62.713**	**33.216**
Actuarially (profit) / loss (other comprehensive income)					
Pension benefits	76.004	18.645		76.004	18.645
Total	**76.004**	**18.645**		**76.004**	**18.645**

The amounts recorded in the balance sheet are the following:

	GROUP			COMPANY	
	31/12/2014	31/12/2013		31/12/2014	31/12/2013
Present value of obligation at end of period	411.855	319.296		411.855	319.296
Actual value of plan assets at end of period	0	0		0	0
Net liability in the balance sheet for registration at the end of period	**411.855**	**319.296**		**411.855**	**319.296**

The amounts that have been registered in the income statement are as follows:

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	GROUP			COMPANY	
	31/12/2014	31/12/2013		31/12/2014	31/12/2013
Cost of current service	17.134	20.397		17.134	20.397
Interest expense	11.814	12.582		11.814	12.582
Cost (result) of Settlement	33.765	237		33.765	237
Total included in employee benefits	**62.713**	**33.216**		**62.713**	**33.216**

The total charge has been allocated as follows:

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Distribution expenses	31.356	23.251	31.356	23.251
Administrative expenses	31.356	9.965	31.356	9.965
	62.713	**33.216**	**62.713**	**33.216**

Change in the liability on the balance sheet:

	GROUP			COMPANY	
	31/12/2014	31/12/2013		31/12/2014	31/12/2013
Net liability to register in the balance sheet at the beginning of the year	**319.296**	**267.708**		**319.296**	**267.708**
Employer contributions paid	-46.158	-274		-46.158	-274
Expense to be registered in the income statement	62.713	33.216		62.713	33.216
Benefits paid during the year by Employer	0	0		0	0
Actuarial (profits) / losses	76.004	18.645		76.004	18.645
Net liability to register in the balance sheet at the end of the year	**411.855**	**319.296**		**411.855**	**319.296**

The main actuarial assumptions used for accounting purposes are as the following:

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	%	%	%	%
Interest rate	2,40%	3,70%	2,40%	3,70%
Salary increase	2,20%	2,40%	2,20%	2,40%
Inflation	2,00%	2,00%	2,00%	2,00%

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The sensitivity analysis of the results:

	Actuarial Obligation	Percentage Change
Increasing of the discount rate by 0,5%	380.911	-8%
Decrease in the discount rate by 0,5%	446.033	8%
Increase in the expected increase of salaries by 0,5%	445.572	8%
Decrease in the expected salaries increase by 0,5%	381.015	-7%

18. Other Provisions / Grants

The balances of provisions and grants on 31st December 2014 are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Provision for unaudited tax fiscal years	115.496	115.496	115.496	115.496
Provision for obsolete inventories	189.182	130.000	130.000	130.000
Other Provisions	**304.678**	**245.496**	**245.496**	**245.496**
Grants of assets	**1.530.351**	**1.613.445**	**1.530.351**	**1.613.445**

At the account "Grants of Assets" it has been registered grant related to assets. Grants related to assets are government grants, which according to IAS 20 "Accounting for Government Grants', have as primary condition that an enterprise which is qualifying them should purchase, construct or otherwise acquire long-term assets. Government grants related to assets must be shown in the balance sheet either as deferred income or by deducting the accounting value of the related assets.
The company chose to display the government grant of L.3299/2004 as deferred income, which will be recorded in a systematic and rational basis in untaxed reserves during the useful life of assets.
In the current year amount 83.094 euro registered in favor of the results.

19. Suppliers and other liabilities

Analysis of balances of suppliers and other related liabilities of the Group and of the Company is as follows:

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	GROUP		COMPANY	
Suppliers and other payables	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Suppliers	12.917.548	10.056.813	8.566.546	5.994.040
Notes payable	0	90.600	0	90.600
Cheques payable	110.044	412.050	110.044	412.050
Advances from customers	325.089	310.053	325.089	300.620
	13.352.682	**10.869.517**	**9.001.679**	**6.797.310**

It follows the analysis of other short term liabilities:

	GROUP		COMPANY	
Other Short Term Liabilities	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Insurance institutions	225.218	225.663	188.658	187.172
Dividends payable	2.197	0	2.197	0
Sundry creditors	1.076.553	1.038.364	1.018.761	1.015.132
Accrued Expenses	45.232	30.185	30.010	9.849
	1.349.200	**1.294.213**	**1.239.626**	**1.212.153**

All of the above liabilities are short-term and is not needed prepayment at the balance sheet date.

20. Current tax liabilities

Current tax liabilities of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Settlement Account of income tax	63.883	1.405.935	514	1.332.825
Other Liabilities from taxes	696.542	943.829	397.682	696.369
	760.425	**2.349.764**	**398.196**	**2.029.194**

21. Cost of sales

The cost of sales is analyzed as follows:

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	GROUP		COMPANY	
Cost of Sales	**1/1-31/12/2014**	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Cost of inventories recognized as an expense	82.942.673	83.840.993	58.147.678	58.702.816
Remuneration & Personnel expenses	45.677	49.425	45.677	49.425
Third party Fees & Expenses	101.960	105.801	101.960	105.801
Third party utilities and services	2.864	1.270	2.864	1.270
Taxes - Duties	0	0	0	0
Sundry Expenses	0	12	0	12
Depreciation of fixed assets	2.303	5.685	2.303	5.685
Operating provisions	0	0	0	0
	83.095.476	**84.003.186**	**58.300.481**	**58.865.009**

22. Administrative expenses - distribution

The administrative and distribution expenses are analyzed as follows:

	GROUP		COMPANY	
Distribution Expenses	**1/1-31/12/2014**	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Personnel payroll and expenses	4.127.486	3.775.481	3.133.999	2.959.334
Third party Fees & expenses	168.225	215.337	80.605	86.045
Third party utilities and services	707.188	656.794	493.800	400.514
Taxes and Duties	126.393	144.349	102.781	108.396
Sundry Expenses	1.390.271	1.453.952	635.162	809.015
Depreciation of fixed assets	461.302	465.566	318.044	368.081
Operating Provisions	866.413	891.754	531.356	723.059
	7.847.278	**7.603.233**	**5.295.747**	**5.454.445**

	GROUP		COMPANY	
Administrative Expenses	**1/1-31/12/2014**	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Personnel payroll and expenses	1.454.027	1.259.283	1.082.808	888.359
Third party Fees & expenses	336.197	481.046	309.864	453.803
Third party utilities and services	348.392	323.924	306.332	265.636
Taxes and Duties	77.079	98.345	69.872	82.470
Sundry Expenses	225.949	261.198	125.192	133.440
Depreciation of fixed assets	297.883	341.933	251.261	292.148
Operating Provisions	31.356	29.937	31.356	9.883
	2.770.883	**2.795.667**	**2.176.685**	**2.125.738**

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23. Other operating income / expenses

Other operating income and expenses are analyzed as follows:

	GROUP		COMPANY	
Other operating income	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Amortisation of grants L.3299/2004	83.094	105.944	83.094	105.944
Manpower Employment Organization subsidies	155.026	16.342	155.026	0
Income from rents	22.650	22.675	22.650	22.675
Extraordinary income	33.479	30.241	33.479	35.241
Exchange Differences	409.930	378.217	6.811	14.397
Prior years' income	158.016	0	158.016	0
Other operating income	158.156	94.982	9.303	13.916
	1.020.351	**648.400**	**468.379**	**192.172**

	GROUP		COMPANY	
Other operating expenses	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Extraordinary expenses	14.883	177.332	14.883	177.332
Exchange Differences	554.108	470.461	13.138	4.020
	568.991	647.793	28.021	181.353

It is noted that to the extraordinary and non-operating income and expenses are included mostly foreign exchange differences arising from transactions.

24. Income Tax

	GROUP		COMPANY	
Income Tax	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Income Tax	707.706	1.308.213	440.069	1.060.411
Deferred tax expense / (income)	436.806	-162.251	434.894	-162.976
Other non-incorporated taxes	3.200	45.701	3.200	45.701
	1.147.712	**1.191.663**	**878.163**	**943.136**

The income tax rate applicable to the Company for its operations in Greece stands at 26% for fiscal year 2014.

The tax base is increased by the non-tax deductible expenses.

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Further the income tax presented in the income statement is analyzed in the following tables:

	GROUP	
	1.1-31.12.2014	**1.1-31.12.2013**
Profit before Taxes	4.640.965	4.693.060
Income Tax based of application of each country tax rate	1.108.826	1.139.590
Additional 3% tax on income from property	0	3.922
Taxes not included in operating cost	3.200	45.701
Tax effect of not deductible expenses for tax purposes	57.291	64.633
Permanent differences	0	-34.638
Tax of non-taxable income	-21.604	-27.545
Taxes in the income statement	**1.147.712**	**1.191.663**

	COMPANY	
	1.1-31.12.2014	**1.1-31.12.2013**
Profit before Taxes	3.325.183	3.535.631
Tax rate (%)	26%	26%
Income taxes calculated at the applicable tax rate	864.548	919.264
Tax effect of change in tax rates	0	0
Additional 3% tax on income from property	0	3.922
Taxes not included in operating cost	3.200	45.701
Tax effect of not deductible expenses for tax purposes	32.020	64.633
Permanent differences	0	-62.839
Tax of non-taxable income	-21.604	-27.545
Taxes in the income statement	**878.163**	**943.136**

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25. Earnings per share

	GROUP		COMPANY	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Profit attributable to the owners of the parent	3.493.253	3.501.396	2.447.020	2.592.494
Weighted average number of shares	26.730.187	26.730.187	26.730.187	26.730.187
Earnings after taxes per share - basic (in €)	**0,1307**	**0,1310**	**0,0915**	**0,0970**

26. Unaudited tax years

From the year 2011 onwards, the Greek Societes Anonymes and Limited Liability Companies whose annual financial statements obligatorily audited by auditors and audit firms registered in the public registers of Law 3693/2008, are required to take "Annual Certificate" which is provided in Article 65A of Law 4174/2013, that is issued after a tax audit performed by the same statutory auditor or audit firm that audits the annual financial statements.
According to the same provisions the prior year 2013 was audited and the relevant tax certificate was granted to the Company with conclusion without reservation.
For the year 2014 the company has been subject to tax audit of Certified Auditors Accountants provided by Article 65A of Law 4174/2013.
This audit is in progress and the relevant tax certificate is planned to be granted after the publication of the financial statements of year 2014.
The Management does not expect tax obligations to arise beyond those recorded and reported in the financial statements.
The unaudited tax years of the companies of the Group are as follows:

Company name	Unaudited tax fiscal years
ELTON INTERNATIONAL TRADING COMPANY SA (Greece)	2009-2010
ELTON CORPORATION S.A. (Romania)	2007-2014
ELTON CORPORATION L.T.D (Bulgaria)	2007-2014
ELTON CORPORATION D.O.O. (Serbia)	2007-2014

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27. Transactions with related parties

Regarding intercompany revenues - expenses and claims-obligations in fiscal year 2014 and the comparable 2013, are presented below.

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES				
	SALES		PURCHASES	
COMPANY	31/12/2014	31/12/2013	31/12/2014	31/12/2013
ELTON CORPORATION SA	471.533	663.617	478.625	320.591
ELTON CORPORATION LTD	200.786	174.630	44.606	29.918
ELTON CORPORATION DOO	66.169	145.241	0	0
TOTAL	**738.488**	**983.489**	**523.231**	**350.509**

TRANSACTIONS OF ELTON SA WITH RELATED PARTIES				
	RECEIVABLES		OBLIGATIONS	
COMPANY	31/12/2014	31/12/2013	31/12/2014	31/12/2013
ELTON CORPORATION SA	85.660	118.002	112.402	75.587
ELTON CORPORATION LTD	468.457	317.509	0	5.236
ELTON CORPORATION DOO	138.215	72.046	0	0
TOTAL	**692.332**	**507.557**	**112.402**	**80.822**

Group Companies' Purchases- Sales of period 1/1- 31/12/2014					
	Purchase Company				
Sale Company	ELTON INT.TR.COM.SA	ELTON SA	ELTON LTD	ELTON DOO	Total
ELTON INTERNATIONAL TRADING CO.SA	*	471.533	200.786	66.169	**738.488**
ELTON CORPORATION SA	478.625	*	28.945	66.412	**573.982**
ELTON CORPORATION LTD	44.606	77.744	*	0	**122.350**
ELTON CORPORATION DOO	0	0	2.263	*	**2.263**
Total	**523.231**	**549.277**	**231.994**	**132.581**	**1.437.083**

Group Companies' Purchases- Sales of period 1/1- 31/12/2013					
	Purchase Company				
Sale Company	ELTON INT.TR.COM.SA	ELTON SA	ELTON LTD	ELTON DOO	Total
ELTON INTERNATIONAL TRADING CO.SA	*	663.617	174.630	145.241	**983.489**
ELTON CORPORATION SA	320.591	*	4.829	11.550	**336.970**
ELTON CORPORATION LTD	29.918	104.336	*	0	**134.254**
ELTON CORPORATION DOO	0	0	0	*	**0**
Total	**350.509**	**767.953**	**179.460**	**156.791**	**1.454.713**

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Group Companies' Receivables - Obligations at 31/12/2014					
	Obligation of				
Claim of	ELTON INT.TR.COM.SA	ELTON SA	ELTON LTD	ELTON DOO	**Total**
ELTON INTERNATIONAL TRADING CO.SA	*	85.660	468.457	138.215	**692.332**
ELTON CORPORATION SA	112.402	*	4.043	59.912	**176.357**
ELTON CORPORATION LTD	0	9.316	*	0	**9.316**
ELTON CORPORATION DOO	0	0	2.263	*	**2.263**
Total	**112.402**	**94.976**	**474.763**	**198.127**	**880.268**

Group Companies' Receivables - Obligations at 31/12/2013					
	Obligation of				
Claim of	ELTON INT.TR.COM.SA	ELTON SA	ELTON LTD	ELTON DOO	**Total**
ELTON INTERNATIONAL TRADING CO.SA	*	118.002	317.509	72.046	**507.557**
ELTON CORPORATION SA	75.587	*	2.275	0	**77.861**
ELTON CORPORATION LTD	5.236	32.263	*	0	**37.498**
ELTON CORPORATION DOO	0	0	0	*	**0**
Total	**80.822**	**150.265**	**319.783**	**72.046**	**622.916**

Transactions and balances with related natural persons, as these are defined by the International Accounting Standard 24, for the period 1.1-31.12.2014 and 31st December 2014 were as follows (amounts in euros):

	GROUP		**COMPANY**	
	1/1-31/12/2014	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Transactions and fees of managers and members of the administration from payroll and profits	661.914	858.793	512.161	625.105
Receivables from managers and BoD members	0	0	0	0
Obligations to key management personnel and BoD members	74.337	0	74.337	0

There were no changes in the transactions between the Company and its connected persons which could have a material effect on the financial position and performance of the Company for the period 1.1-31.12.2014.

The above transactions and balances have been eliminated from the consolidated financial statements.

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Also the transactions of the parent with its subsidiaries abroad are not necessarily at the same prices as those in the Greek market, but modulated according to competition and growth prospects that each market has. Apart from the above there are no transactions between the company and other related parties.

28. Number of employees

The number of employees at the end of the period was as follows: Group **199**, Company **113**. The number of employees at the end of the corresponding period last year was: Group **185**, Company **106**.

29. Contingent Claims - Obligations

Information regarding contingent obligations

There are no legal or under arbitration cases of the Company or its subsidiaries and decisions of courts or arbitration authorities who have or may have a material effect on the financial status or operation of the Company and the Group.

Information regarding contingent claims

The Company is involved in some litigation claims in the ordinary course of its business, the majority of which relates to a claim for collecting of customers bad debts.

30. Commitments

The Group and the Company are leasing tangible assets (transport means) under operating leases. The future total payable leases according to the operating leases and taking into account to the annual readjustment are as follows:

	GROUP		**COMPANY**	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Up to 12 months	281.710	297.323	210.438	236.693
Between 13-60 months	180.207	339.770	92.439	228.950
Total	**461.917**	**637.093**	**302.877**	**465.643**

31. Remuneration of Auditors

The remuneration of the auditors for the year 2014 was:

(a) Audit of financial statements: Group: € 30.500,00 Company: € 17.000,00.

(b) Tax Audit: Company: 12.000,00 euros.

Apart from the above audit services, other services are not provided by the auditors.

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32. Encumbrances

There aren’t any encumbrances on the property of the parent Company and its subsidiaries.

33. Events after the balance sheet date

There are not significant events after the balance sheet date.

Avlonas Attica, March 27th 2015

PRESIDENT & CEO	B.O.D. MEMBER	FINANCIAL MANAGER	GROUP FINANCIAL MANAGER
NESTOR D.PAPATHANASIOU	ALKISTIS N.PAPATHANASIOU	STYLIANOS D.VASILIOU	ANTONIOS GIASSARIS
ID card num.AB606775	ID card num.AE105490	ID card num.T132250	ID card num.Ξ237863

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CHAPTER 5

Financial Statements and Information period 1.1.2014 -31.12.2014

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CHAPTER 6

Information of article 10 L.3401/2005

The following announcements / disclosures published or made available to the public under the E.U. Community or national legislation, and are posted on the Company web site www.elton.gr or been sent to the Daily Official List Announcements and are posted on the website of Athens Exchange S.A. at the following link:

http://www.helex.gr/el/web/guest/company-announcements2/-/select-company/825

Below is a detailed representation of these announcements and disclosures:

07/01/2014 – Group Chief Financial Officer

27/03/2014 - Announcement of the Financial Calendar 2014

31/03/2014 - Publication of Financial Results 2013

23/05/2014 - Invitation to Annual General Meeting

30/05/2014 - Publication of Financial Results for First Quarter 2014

18/06/2013 - Decisions of the Annual General Assembly 18/06/2014

29/08/2014 - Publication of Financial Results of 1st half 2014

28/11/2014 - Publication of Financial Results of nine months 2014

09/12/2014 - Announcement of business development

In the company's website: www.elton.gr are uploaded the Annual financial statements, audit reports of the external certified auditor and reports of the Board of Directors of the Company.

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