Annual Financial Report

as at 31 December 2015

Pursuant to article 4 of L. 3556/2007

HALCOR
METAL WORKS SA
G.C.Registry.: 303401000
SA Registry No:2836/06/B/86/48
SEAT: Athens Tower, Building B, 2-4 Mesogeion Avenue

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The annual financial statements of the Company (in consolidated and non-consolidated basis), the report of the Chartered Accountant and the management report of the Board of Directors is currently in the Company's website (www.halcor.gr) and the Athens Exchange website (www.helex.gr).

STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

(pursuant to Article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors of the company with the name HALCOR S.A. - METAL PROCESSING, trading as HALCOR S.A., whose registered offices are in Athens, at 2-4 Mesogeion Avenue:

1. Theodosios Papageorgopoulos, Chairman of the Board of Directors

2. Nikolaos Koudounis, Board of Directors Member,

3. George Passas, Board of Directors Member,

in our said capacity, do hereby declare and confirm that as far as we know:

(a) the attached annual company and consolidated financial statements for the company HALCOR S.A. for the period from 1 January to 31 December 2015, which were prepared in accordance with the applicable International Financial Reporting Standards (IFRS), as adopted by the European Union, accurately present the assets, liabilities, equity and results for the period ended on 31 December 2015 for HALCOR S.A. and the entities included in the consolidation taken as a whole, in line with the provisions of Article 4, paragraphs 3 to 5, of Law 3556/2007; and

(b) the attached annual report of the Board of Directors of HALCOR S.A. contains the true information required by Article 4, paragraphs 6 to 8, of Law 3556/2007.

Athens, 11th of March 2016

Confirmed by

The Chairman of the Board	The Board-appointed Member	The Board-appointed Member
THEODOSIOS PAPAGEORGOPOULOS	**NIKOLAOS KOUDOUNIS**	**GEORGE PASSAS**
ID Card No. AE 135393	**ID Card No. AE 012572**	**ID Card No. Φ 020251**

BOARD OF DIRECTORS ANNUAL REPORT

This Annual Report of the Board of Directors set out below (hereinafter referred to for the purpose of brevity as "Report") concerns year 2015 (1 January – 31 December 2015). This report was prepared in line with the relevant provisions of Codified Law 2190/1920, as revised by Law 3873/2010, the provisions of Law 3556/2007 (Government Gazette 91A/30.4.2007) and the decisions of the Hellenic Capital Market Commission (HCMC) issued pursuant to it, and in particular Decision No. 7/448/11.10.2007 of the Board of Directors of the HCMC.

This report details financial information on the Group and Company of HALCOR S.A. - METAL PROCESSING (hereinafter referred to for the purpose of brevity as "Company" or "HALCOR") for year 2015, important events that took place during the said year and their effect on the annual financial statements. It also points out the main risks and uncertainties which Group companies were faced against and finally sets out the important transactions between the issuer and its affiliated parties.

1. Financials - Business report - Major events

Throughout the year of 2015 recovery in the Eurozone fluctuated slightly positively. On the contrary, the Greek market returned to negative growth rates, especially after the implementation of the capital controls on banks. Outside the area of Europe, GDP growth rate in the US was on slightly higher levels than the previous year, a fact that positively affected sales of the Group. In this tough environment, consolidated turnover in 2015 amounted to Euro 1,230 million against Euro 1,080 million in 2014, marking an increase of 13.9%. The volume of sales marked an increase by 9.6%.

In volume terms, the cables sector constituted a bigger proportion of the sales to 43% of the total volumes sold, versus the 38% in the previous year, following the execution of the contract of the submarine cables, the sales of tubes constituted the 26%, the rolling products the 15%, copper Bus Bars & Rods the 8% and Rods & Tubes 7%. Metal prices differentiated significantly in 2015, with the Copper to trend upwards, but afterwards and finally downwards in the markets, with the average price to form lower by 4.2% to Euro 4,952 per tonne, while the average price of Zinc to trend higher by 6.2% and form to Euro 1,736 per tonne versus Euro 1,634 per tonne.

For 2015, Consolidated gross profit rose by 86.0% and amounted to Euro 55.7 million versus Euro 29.9 million in 2014. This increase by Euro 25.8 million is attributed to the improvement of the operational result as the gross profit was hindered by Euro 20.5 million of metal loss versus only Euro 11.0 million in 2014, consequently the gross profit would have been higher if the downward trend of the metal prices at the end of the year had not accelerated. Consolidated earnings before taxes, depreciation and amortization (EBITDA) without the effect of the devaluation of assets amounted in 2015 to profit Euro 51.6 million versus Euro 18.2 million in the prior year, hence improved by Euro 33.4 million, while earnings before interest and taxes (EBIT) amounted to profit of Euro 19.5 million compared to losses of Euro 28.8 million in the previous year. Consolidated results (profit / loss before taxes) amounted to losses of Euro 29.9 million in 2015 compared to a loss of Euro 73.0 million in 2014. Finally, the loss after tax and minority interests amounted to Euro 32.5 million or Euro -0.3210 per share compared to a loss of Euro 51.2 million or Euro -0.5059 per share in 2014.

Results of the mother Company were significantly improved, as earnings before taxes and interest (EBIT) amounted in 2015 to profits of Euro 7.5 million versus loss of Euro 3.9 million in the prior year. Results after taxes amounted in 2015 to losses of Euro 11.3 million, versus losses of 16.1 million in 2014.

In the Eurozone, the modest recovery of production activity and the intensified competition, affected negatively conversion prices in most of the products of the Group. In the contrary, the continued improvement of financial conditions in the United States and the United Kingdom as well as the declining exchange rate of the Euro versus the US dollar and the UK pound led to an increase of sales and better margins. The demand for industrial products in the major European markets, showed signs of stabilization from 2014 a trend that went on throughout 2015. The performance of the parent company in the sales of Copper tubes was very good, as in spite of the decline in the European as well as the global consumption, with targeted moves in developing markets and new products Halcor achieved significant increases in terms of volumes. Regarding cables, the increase in the turnover was the result of the execution of two important construction projects of submarine cables, connecting the Cyclades islands and the connection of island Ag. Georgios. In addition, apart from the construction of submarine cables, the increase stemmed from the increase in the volume of sales of other products, as within 2015, two major projects were completed, in spite of the adverse conditions that dominated the domestic market.

As regards cost, the decreases in prices of energy in conjunction with the optimisation of procedures in production led to a further decrease in production cost and helped in strengthening the competitiveness of Group products abroad. However, the high cost of financing continued to negatively affect the profitability of the Group versus our main competitors.

Regarding cash flows, the significant reduction of inventory was the main reason of improvement of the operational cash flows at company as well as at consolidated level. On the other hand, the increase of the turnover as a consequence of the construction contracts of the submarine cables that has been undertaken by Hellenic Cables and its subsidiaries negatively affected the cash flow through the increase of the receivables.

In 2015, the Halcor Group carried out total investments of Euro 23.6 million, versus Euro 45.8 million in the prior year. Having completed their investment plan, Hellenic Cables is now one of the very few cable manufacturers worldwide able to produce high voltage submarine cables. For 2015, amount of Euro 6.6 million spent in upgrading the production facilities of the parent company in Inofyta, focusing mainly in the Tubes Plant. Finally, Euro 11.2 million related to Hellenic Cables and its subsidiaries, while the investements of subsidiary Sofia Med amounted to Euro 5.0 million in improvement of productivity, in the production of high added value products.

2. Financial standing

The ratios showing the financial standing of both Group and Company evolved as follows:

RATIOS	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Liquidity Current Assets / Current Liabilities	1.03	1.09	0.85	1.05
Leverage Equity / Bank Loans	0.17	0.24	0.41	0.46
Return on Invested Capital Profit Before Taxes and Financial Expences / Equity + Bank Loans	2.6%	-0.7%	2.1%	1.8%
Return on Equity Net Profits / Equity	-30.6%	-24,5%	-10.6%	-4.4%

For the calculation of the ratios for the year 2014, the revaluation effect was not included for comparability reasons.

3. Corporate Social Responsibility and Sustainable Development

Environment

Halcor, considering the major environmental problems that humanity is facing, seeks to actively contribute to international efforts to protect the environment, both through its responsible operation and by minimizing its environmental footprint.

The protection of the environment is implemented with significant investments in integrated measures to prevent pollution and to optimize production processes through the use of BAT (Best Available Techniques), that have been established by the European Union. In the adoption of best available techniques, the production processes are assessed based on the total environmental footprint, including the consumption of electricity, water and other natural resources, and not only in terms of waste produced.

Human Resources

One of the main advantages of Halcor is the quality of human capital that is credited in large part for its hitherto successful course. For this reason, the company attaches great importance to the selection, evaluation and reward its staff.

Halcor's policy is to attract highly quality individuals for optimal and timely needs, the establishment of objective evaluation and selection criteria as well as to ensure fairness and merit-based recruitment, through transparent procedures.

Halcor within its responsible operation has established a code of values and behaviour of employees. The Code is mandatory for all workers across the range of activities of the Company. This Code has been incorporated in the Bylaws of the Company and outlines the basic principles and rules governing the internal life and practices of the organization, taking into account the existing provisions under national and international legislative framework.

In the context of equal opportunities policy that is being applied, the Company desires and seeks a balanced distribution among employed men and women. However, given the nature of business, the involvement of men is increased.

Moreover, Halcor seeks and ensures jobs and recruitment from the wider society, Viotia and Evia, supporting virtually the employment in the region.

Health and Safety

Halcor cares of creating and maintaining a modern and safe working environment which is continuously improved reflecting the high levels of security that seeks to provide for their employees. For this reason, it maintains and implements a Management System for Safety and Health at Work, in accordance with the standards OHSAS 18001:2007 / ELOT 1801:2008.

In 2015, further steps were taken to improve the security culture while the training of employees to create a safe working environment intensified. Halcor's virtue is the recording and reporting of "near misses" something that is key element for improving and advancing worker safety.

4. Main risks and uncertainties

The Group is exposed to the following risks from the use of its financial instruments:

Credit risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterizing the specific market and the country in which customers are active, affect credit risk to a lesser extent since no geographical concentration of credit risk is noticed. No client exceeds 10% of total sales (for the Group or Company) and, consequently, commercial risk is spread over a large number of clients.

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of collectability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and his properties, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

Investments

These items are classified by the Company pursuant to the purpose for which they were acquired. The Management decides on proper classification of the investment at the time of acquisition and reviews classification on each presentation date.

The Management estimates that there will be no payment default for such investments.

Guarantees

The Group's policy consists in not providing any financial guarantees, unless the Board of Directors decides so on an exceptional basis; The sum of the guarantees provided by Group is of low value and does not pose a significant risk.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding the necessary cash and having adequate credit limits from cooperating banks, that it will always have adequate liquidity in order to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. The average maturity of loans stands at three years while the cash and cash equivalents on 31 December 2015, amounted to Euro 34.8 million at consolidated level and Euro 11.8 million at company level.

For the avoidance of liquidity risk the Group makes a cash flow projection for one year while preparing the annual budget as well as a monthly rolling projection for three months to ensure that it has adequate cash to cover its operating needs, including fulfilment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Market risk

Market risk is the risk of a change in raw material prices, exchange rates and interest rates, which affect the Group's results or the value of its financial instruments. The purpose of risk management in respect of market conditions is to control Group exposure to such risks in the context of acceptable parameters while at the same time improving performance.

The Group enters into transactions involving derivative financial instruments so as to hedge a part of the risks arising from market conditions.

Risk from fluctuation of metal prices (copper, zinc, other metals)

The Group bases both its purchases and sales on stock market prices/ indexes for the price of copper and other metals used and incorporated in its products. The risk from metal price fluctuation is covered by hedging instruments (futures on London Metal Exchange-LME). The Group, however, does not use hedging instruments for the entire working stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through the impairment of inventories.

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly the Euro. The currencies in which these transactions are held are mainly the Euro, the USD, the GBP and other currencies of S/E Europe.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates variation, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly the Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

Capital management

The Groups' policy is to maintain a strong capital base to ensure investor, creditor and market trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.

The Group does not have a specific plan for own shares purchase.

There were no changes in the approach adopted by the Group in how capital was managed during the financial year.

5. Outlook and prospects for 2016

Developments during 2016 and discussions in national and international level about the completion of the evaluation of the funding program of the Greek government constitute the greatest uncertainty in the domestic environment. The return to economic stability depends to a great degree on the actions and decisions of institutional bodies in the country and abroad. The Group and the Company, considering that the largest percentage of Group sales are destined for markets outside Greece, that the largest part of domestic sales are related to already signed contracts for projects that have secured financing, and that the Group has access to financing sources outside Greece, assess that any negative developments in the Greek economy are not expected to affect their smooth operation significantly. Apart all that, Management continuously assesses the situation in order to ensure that all necessary measures are timely taken in order to minimise any effects on the activities of the Group and the Company.

The reluctant strengthening of the global economy in the beginning of the year justifies a modest optimism for 2016. Regarding the U.S., demand is expected to remain on an upward trend, and the strength of the dollar is expected to help the competitiveness of European and also Group products significantly. Cost will be affected positively by the further drop in the cost of energy that is foreseen for 2016 due to the significant drops in the prices of fuels that started in the end of 2014. As the demand for industrial products is expected to move positively and will continue be the pillar of Group's growth for 2016. Regarding cables, the Group will start enjoying the benefits of the investments done in the last three years and there is significant optimism based on existing contracts for high/ultra-high voltage cables and submarine cables, as well as the prospects opened for exports to countries within and outside the European Union due to the restart of activities in the energy sector.

More generally, for 2016, given the difficult conditions still prevailing in the domestic market and the apparent stabilization of the economies of most countries in the Eurozone, the Group will continue to have the primary strategic objective of increasing market share in industrial products and strengthen activity in new markets that have not been affected by the economic downturn. In addition, the current use of the optimal management of working capital and net debt reduction are the main priority.

6. Important transactions with related parties

Transactions with affiliated parties mainly concern purchases, sales and processing of copper and zinc products (finished and semi-finished). Through such transactions, the companies take advantage of the Group's size and attain economies of scale.

Transactions between affiliated parties within the meaning of IAS 24 are broken down as follows:

Transactions of the parent company with subsidiaries (amounts in thousands Euro)

Company	Sales of goods, services & assets	Purchases of goods, sevices & assets	Receivables	Payables
HELLENIC CABLES	16,913	19,177	1,121	815
STEELMET GROUP	3	1,813	2	206
SOFIA MED	39,108	5,873	20,000	-
FITCO	17,306	561	1,988	-
METAL AGENCIES	46,482	93	3,177	0
OTHER	138	0	3	143
Total	**119,950**	**27,517**	**26,291**	**1,164**

The Hellenic Cables Group buys raw materials from Halcor according to their needs. In its turn, it sells copper scrap to Halcor from the products returned during its production process.

Steelmet S.A. provides Halcor with administration and organization services.

SofiaMed SA buys from Halcor raw materials and semi-finished products of copper and copper alloys, depending on its needs, as well as finished products which distributes to the Bulgarian market. In addition, Halcor provides technical, administrative and commercial support services to Sofia Med. Respectively, Halcor buys from SofiaMed raw materials, semi-finished products according to its needs, as well as finished products which distributes to the Greek market.

Fitco SA buys from Halcor raw materials. Halcor processes Fitco’s materials and deliver back semi-finished products. It also provides Fitco with administrative support services.

Metal Agencies LTD acts as merchant - central distributor of Halcor Group in Great Britain.

Transactions of the parent company with other affiliated companies (amounts in thousands Euro)

Company	Sales of goods, services & assets	Purchases of goods, sevices & assets	Receivables	Payables
MKC	32,718	186	4,288	21
REYNOLDS CUIVRE	26,533	53	2,171	24
STEELMET ROMANIA	6,619	23	-	1,017
GENECOS	2,719	128	1,241	77
ANAMET SA	942	12,320	909	498
VIANATT	325	-	76	-
HC ISITMA	171	-	141	-
TEKA SYSTEMS	37	1,781	7	621
VIEXAL	1	346	-	21
TEPRO METAL	-	139	-	25
ELVAL	99	1,197	192	1,423
VIOHALCO	134	173	47	-
OTHER RELATED	2,239	7,382	975	397
Total	**72,537**	**23,728**	**10,047**	**4,123**

MKC GMBH trades Halcor products in the German market.

Steelmet Romania trades Halcor products in the Romanian market.

Teka Systems S.A. undertakes to carry out certain industrial constructions for Halcor and provides consulting services in IT issues and SAP support and upgrade.

Anamet S.A. provides Halcor with considerable quantities of copper and brass scrap.

Viexal SA provides Halcor with travelling services.

CPW America CO trades Halcor products in the American market.

Viohalco S.A. rents buildings - industrial premises to Halcor .

Tepro Metall AG trades (through its subsidiary MKC) Halcor products and represents the latter in the German market.

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Genecos, as well as its subsidiary Reynolds Cuivre sell Halcors products and represent Halcor in the French market.

Metalvalius SA buys from Halcor or the market significant quantities of copper scrap and zinc which after assortment and cleaning sells to Sofia Med or the free market.

Transactions of Halcor Group with other affiliated companies (amounts in thousands Euro)

Company	Sales of goods, services & assets	Purchases of goods, sevices & assets	Receivables	Payables
MKC	59,573	216	6,705	26
STEELMET ROMANIA	13,969	4,194	43	2,942
TEKA SYSTEMS	39	2,805	8	1,149
ANAMET	2,066	21,918	1,049	610
VIEXAL	6	1,669	15	58
CPW	1,206	30	312	30
VIOHALCO	155	449	47	18
TEPRO METAL	1,163	893	229	369
SIDENOR	1,736	188	318	99
CORINTH PIPEWORKS	2,671	437	428	219
STOMANA	702	2	92	2
ETEM BULGARIA	792	10,063	127	548
METALVALIUS	7,625	97,948	3,283	84
GENECOS	7,641	335	3,333	334
REYNOLDS CUIVRE	26,796	53	198	-
HC ISITMA	171	49	141	-
OTHER RELATED	13,124	22,567	3,646	8,396
Total	**139,437**	**163,817**	**19,975**	**14,884**

Fees of Executives and Board members (amounts in thousands Euro)

The table below sets out the fees paid to executives and members of the Board of Directors:

	Group	Company
Total fees of management executives & Board members	4,724	1,710

7. Subsequent events

Halcor S.A. following the completion of the cross-border merger of “Viohalco SA/NV” (absorbing company) by absorption of “ELVAL ET. Symmetoxon SA”, “DIATOUR SA”, “ALCOMET SA” and “EUFINA SA” that took place on 26/2/2016, “Viohalco SA/NV” now holds out of the total voting rights (101,279,627) of Halcor S.A. a direct number of voting rights of 69,149,516; i.e. percentage of 68.28%.

BOARD OF DIRECTORS' EXPLANATORY REPORT

(Article 4(7) and (8) of Law 3556/2007)

a) Structure of share capital

Company share capital stands at Euro 38,486,258 divided into 101,279,627 common unregistered shares with a nominal value of Euro 0.38 each. All shares are traded on the ATHEX Equities Market in the Large Cap category. Company shares are unregistered, dematerialised shares incorporating voting rights.

According to the Company's Articles of Associations, the rights and obligations of shareholders are as follows:

- Right to obtain a dividend from the Company's annual profits. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months from the date of approval by the General Meeting of the financial statements. The right to collect a divided shall be deleted after the elapse of 5 years from the end of the year in which the General Meeting approved distribution.
- Option in each share capital increase and right to subscribe new shares.
- Right to participate in the General Meeting of Shareholders.
- Ownership of shares automatically entails acceptance of the Company's Articles of Association and the decisions of its bodies taken in accordance with the law.
- Company shares are indivisible and the Company only recognises one owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership are represented in the General Meeting by a single person that is appointed by the same following agreement. In case of disagreement the share of the aforementioned owners is not represented.
- Shareholder liability is limited to the nominal value of each share they hold.

b) Restrictions on the transfer of Company shares

Company shares may be transferred in the manner laid down by law and there are no restrictions on their transfer contained in the Articles of Association.

c) Major direct or indirect holdings within the meaning of Articles 9 to 11 of Law 3556/2007

The major holdings (over 5%) known on 31 December 2015 were as follows:

- VIOHALCO SA/NV: 66,34 % of voting rights of which it directly holds 58,42 % of share capital

d) Shares granting special rights of control

There are no shares in the Company granting their holders special rights of control.

e) Restrictions on voting rights

The Company's Articles of Association contain no restrictions on voting rights deriving from its shares. The rules in the Company's Articles of Association which regulate issues on the exercise of voting rights are contained in Article 24 of the Articles of Association.

f) Agreements between Company shareholders

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

g) Rules on the appointment and replacement of Board members and amendment of the Articles of Association

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The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the latter are not different from those contained in Codified Law (C.L.) 2190/1920.

h) Powers of the Board of Directors to issue new shares or purchase own shares

- Article 6(1) of the Company's Articles of Association states that only the General Shareholders Meeting with a 2/3 quorum of the paid-up share capital has the right to decide on a share capital increase of the Company with the issuance of new shares, such decision requiring the 2/3 of represented voting rights.
- The Articles of Association of the Company do not allow the transfer to the Board of Directors or to some of its members of any right falling under the competence of the General Meeting regarding the issuance of shares and share capital increase.
- The Board of Directors may acquire own shares in implementation of a decision of the General Meeting taken under Article 16(5) to (13) of C.L. 2190/20.
- In pursuance of Article 13(9) of C.L. 2190/1920 and a decision of the General shareholders Meeting made on 20 June 2002, during the month of December of years 2006-2013 the Board of Directors of the Company shall increase the Company's share capital without amending its Articles of Association by issuing new shares in the context of implementation of an approved Stock Option Plan, details of which are laid down in Note 26 of the Financial Statements.

i) Major agreements which take effect have been amended or expire in the case of change in control

The bank loans of both the Company and HALCOR Group, taken out fully by Banks and set out in Note 22 of the Annual Financial Report include clauses of change in control granting lenders the right to early terminate them.

There are no other major agreements which take effect, have been amended or expire in the case of change in control of the Company.

j) Agreements with Board of Directors members or Company staff

There are no agreements between the Company and members of the Board of Directors or staff which provide for the payment of remuneration specifically in the case of resignation or dismissal without just cause or termination of service or employment.

HALCOR

CORPORATE GOVERNANCE STATEMENT

Corporate Governance Code

The Company has adopted the practices of Corporate Governance as for its management and operation, as these are specified under the applicable institutional framework and the Corporate Governance Code recently published by the Hellenic Corporate Governance Council (HCGC) (hereinafter the "code") and is available on the following website:

http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_en.pdf

In the context of preparation of the Annual Report of the Board of Directors, the Company reviewed the Code. From this review, the Company concluded that it applies all special practices for listed companies and described in the Code of Corporate Governance of HCGC except the following practices with the corresponding explanations:

- **Part A.II (2.2, 2.3 & 2.5): Size and composition of the Board.** The independent non-executive members of the current Board of Directors are two (2) out of eleven (11) and therefore, their number is less than the one third of all its members, in contrast to what is indicated in the Code.Anindependentnon-executive memberhasserved on theBoardfor morethan12yearsfromthe date of the first election. It was judged, at this juncture, that the enlargement of the number of independent members or the limitation of the service of amember would not improve the efficient operation of the company.
- **PartA.III(3.3): Role andqualitiesrequiredfromthe Presidentof the Board.** The Vice PresidentofthisBoardhas notthestatus ofindependentnon-executive member, althoughthePresidentis an executivemember. It was judged, at this juncture, that the status of an independent member in the person of Vice President beyond the aforementioned status as non-executive, would not provide more guarantees in the efficient operation of the company.
- **Part A.V(5.4, 5.8): Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted for the same reasons as above.
- **Part A.V (7.1. – 7.3): Evaluation of Board of Directors and its Committees.** Until the time this Statement was drafted, the Company had not chosen any specific method to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part B.I (1.4): Composition of Audit Committee:** The Audit Committee is composed entirely of non-executive members, but which in their majority are not independent. The specific choice was made in order that the necessary technical know-how would be achieved for the sufficient operation of the Committee, through the persons that consist it.
- **Part C.I (1.6): Level and structure of remuneration.**Until the time this Statement was drafted, there was no Remuneration Committee. The matter will be reviewed shortly.

The Company's management did not rule that the further adoption of practices as described by the Code is necessary, given the current negative environment.

The Company does not implement any other corporate governance practices than the special practices of the Corporate Governance Code of HCGC and the provisions of Law 3873/2010.

Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports.

i. **Description of main characteristics and details of the Internal Control and Risk Management Systems in relation to the preparation of the consolidated financial statements**.

The Internal Control System of the Company covers the control procedures involving the operation of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Department controls the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting content and evaluates the enterprise by reviewing its activities, acting as a service to the Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "HALCOR S.A.-METAL PROCESSING" uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, and also for the purpose of publication in line with the applicable regulations and on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of sales, cost/expenses and operating profits as well as other data and indexes. All reports to Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, and to the data of the respective period of the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the International Financial Reporting Standards, as adopted by the European Union, reviewed by the Audit Committee and respectively approved in their entirety by the Board of Directors.

Controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and powers of executives; e) year closing procedure including consolidation (e.g. recorded procedures, access, approvals, agreements, etc.) and f) safeguarding the data provided by information systems.

The internal reports to Management and the reports required under Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures as to how to collect the necessary data from the subsidiary companies, and secures the reconciliation of individual transactions and the implementation of the same accounting principles by the aforementioned companies.

ii. Annual evaluation of corporate strategy, main business risks and Internal Control Systems.

The Company's Board of Directors states that it has examined the main business risks facing the Group as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the corporate strategy, main business risks and Internal Control Systems.

iii. Provision of non-audit services to the Company by its legal auditors and evaluation of the effect this fact may have on the objectivity and effectiveness of mandatory audit, taking also into consideration the provisions of Law 3693/2008.

The statutory auditors of the Company for the fiscal year 2014, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 27May 2014, do not provide non-audit services to the Company and its subsidiaries apart from those prescribed under law.

Public takeover offers - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.

- There are no third-party public offers to take over the Company's share capital during the last and current year.

- In case the Company takes part in such a procedure, this will take place in accordance to applicable laws.

General Meeting of the Shareholders and rights of shareholders

The General Meeting is convened and operates in compliance with the provisions of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders in regard to the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these can be exercised.

Composition and operation of the Board of Directors, the Supervisory Bodies and the Committees of the Company

Roles and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for the control and decision-making within the framework of the provisions of Codified Law 2190/1920 and the Articles of Association, and for compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- Supervision and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- Formulation and specification of Company core values and objectives;
- Securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no situations of conflict of interests and examines any incidents or cases of deviation from the confidential information policy;
- Ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- Securing the execution of its business activity on a daily basis through a special authorization system, while other affairs falling under its scope of responsibility are implemented under special decisions.
- The secretary of the Board of Directors is appointed for each Board of Directors and his main responsibilities are to support the Chairman and the operation of the Board in general.

The existing Board of Directors of the Company consists of 11 members of whom:

- 5 are executive members (Chairman, Vice-Chairman& 3 Members)
- 4 are non-executive members (Other Members)
- 2 are independent, non-executive members (Other Members)

The current Board of Directors of HALCOR S.A.-METAL PROCESSING consists of the following:

- Theodossios Papageoprgopoulos, Chairman, executive member
- Nikolaos Koudounis, Vice Chairman, executive member
- Perikles Sapountzis, executive member
- Eftyhios Kotsambasakis, executive member
- Tassos Kassapoglou, executive member
- Georgios Passas, non-executive member
- Konstantinos Bakouris, non-executive member
- Christos – Alexis Komninos, non-executive member
- Andreas Katsanos, non-executive member
- Andreas Kyriazis, independent non-executive member
- Nikolaos Galetas, independent non-executive member

The Board Members are elected for a yearly term from the General Meeting of the Shareholders. The current Board of Directors was elected by the Ordinary General Meeting of 22nd of May 2015 and its term of office shall expire on the date of the Ordinary General Meeting of the year 2016.

The Board of Directors met 63 times during 2015 and all members attended.

Audit Committee

i. Description of the composition, operation, work, responsibilities and of the issues discussed during Committee meetings

The Audit Committee, which is elected and operates according to Law 3693/2008 (Article 37), consists of three non-executive members of the Board of Directors, one of which is independent, and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfil its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems, assure compliance with the legal and regulatory framework, and effectively implement Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources they manage and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of adequacy as for the attainment of objectives and assess the policy and the programme concerning the activity under review;
- To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of management practice;

- To review internal audit reports and specifically:
  - to evaluate the adequacy of their scope;
  - to confirm the accuracy of reports;
  - to examine the adequacy of documentation of the results.

The Audit Committee receives the following reports on audit activity:

- Extraordinary reports
- Quarterly financial audit reports
- Ordinary annual audit reports
- Corporate Governance Reports

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognisance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to its Operation Regulation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

Members: Andreas Kyriazis: independent non-executive member of the Board.

Georgios Passas: non-executive member of the Board

Andreas Katsanos: non-Executive member of the Board

ii. Number of Committee meetings and frequency of each member's participation in meetings

The Audit Committee met 4 times during 2015 having full quorum.

iii. Evaluation of effectiveness and performance of the Committee

Until the time this Statement was drafted, no special procedures had been established to evaluate the effectiveness of the Board's Committee. Company Management will establish such procedures in the future.

CURRICULUM VITAE OF THE BOARD MEMBERS

Theodossios Papageorgopoulos, Chairman (Executive Member)

Mr. Papageorgopoulos is a graduate of Athens University of Economics and Business. He has been working for the VIOHALCO GROUP since 1962 and has served as General Manager in HALCOR SA from 1973 to 2004. Between 2004 and this date he is the Chairman of the Board of HALCOR SA.

Nikolaos Koudounis, Vice-Chairman (Executive Member)

Mr. Koudounis is a graduate of Athens University of Economics and Business. He has been working for the VIOHALCO Group since 1968 and he has been the Financial Manager of ELVAL SA (1983), General Manager of ELVAL SA (2000) and Managing Director of FITCO SA (2004). He already participates as an executive director in the Boards of ELVAL SA, HALCOR SA, DIA.VI.PE.THI.V SA (Chairman of BoD), FITCO SA (Chairman of BoD) and other Group companies. He is also the Chairman of the Board of Viotia Association of Industries.

Perikles Sapountzis, (Executive Member)

Mr. Sapountzis is a Chemical Engineer, graduated from the University of Munich and has also a PhD (TUM). He has been working for the VIOHALCO Group since 1995 when hired as a sales manager in HELLENIC CABLES SA. From 1997 to 2000 he was Commercial Director of TEPRO METALL AG. In 2000 he became General Manager of ICME ECAB SA and in 2004 took the same position in the parent company HELLENIC CABLES SA. Between 2008 and currently holds the position of General Director and Board Member of HALCOR SA.

Tassos Kassapoglou, (Executive Member)

Graduate Engineer - Electrical Engineer of National Technical University of Athens.He has been working for the VIOHALCO Group since 1972. He was Production Manager of HELLENIC CABLES SA. From 1983 until 2006, he served as Technical Director at the tubes plant of HALCOR SA. From middle 2006 until end of 2007 he served as General Manager of SOFIA MED. From 2009 he is Board Member of HALCOR SA.

Eftyhios Kotsambasakis, (Executive Member)

Mr. Kotsampasakis holds the position of Administrative Director of HALCOR SA. He has been working for the VIOHALCO Group since 1965. He serves on the Board of DIA.VI.PE.THIV. SA as a Vice-President and is treasurer of the Federation of Industries of Viotia.

Andreas Katsanos, (Non-executive Member)

Mr. Katsanos is a graduate of Piraeus University of Economics and Business and has been working for the VIOHALCO Group since 1960. He was senior officer in various group companies while from 1978 to 1980 he held the position of General Manager in the company VOIOTIAS CABLES SA Between 1989 and now is Director of the metals department of the VIOHALCO Group. Mr. Katsanos was instrumental in the adoption and implementation in Greece, from the Bank of Greece, the HEDGING process (hedging of metal price volatility), through the London Metal Exchange (LME). He is also on the Board of HELLENIC CABLES SA

Georgios Passas, (Non-executive Member)

Mr. Passas is a graduate of Athens University of Economics and Business. He joined the VIOHALCO Group in 1969 and has served in senior positions of the Group. From 1973 to 1983 he served as CFO of ELVAL SA, from 1983 to 1987 as Financial Director of HALCOR SA, while from 1987 to 2004 was General Manager of HELLENIC CABLES SA. Mr. Passas is a member of the Board of Directors in several companies of the VIOHALCO Group.

Konstantinos Bakouris, (Non-executive Member)

Mr. Konstantinos Bakouris is member on the Boards of ELVAL and HALCOR. Mr. Bakouris has been the Chairman of Corinth Pipeworks since 2005. He started his career in 1968 in ESSO PAPPAS. Two years later he became Financial Manager of UNION CARBIDE in Athens and six years later he became Managing Director. In 1985 he took over the responsibility for the company's consumer products as Europe Vice-chairman. In 1986 he was elected Chairman of RALSTON PURINA for Europe. In 1998 he returned to Greece as Managing Director of the Olympic Games Organizational Committee “Athens 2004”. From 2001 to 2002 he was the Chairman of the Hellenic Centre for Investment (EKE). From 2004 to 2008 he also served as Chairman of NET MED N.V., the parent company of NOVA subscribers’ television. He is Chairman of International Transparency Hellas and Chairman of the Greek-Russian Business Council. He has a MBA from DE PAUL University in Chicago.

Christos - Alexis Komninos, (Non-executive Member)

Mr. Christos Komninos was born in Istanbul in 1943.

In 1971 he graduated from Istanbul Technical University (I.T.U.) with a degree in Chemical Engineering (MSc).

In 1972 he moved to Greece and joined the COCA-COLA 3E, where he held various positions until 1987. From 1987 to 1990 he served as CEO of the Company «Coca-Cola Bottlers Ireland» (a subsidiary of COCA COLA 3E). In 1990 he returned to Greece and in 1995 was appointed as Chief Executive Officer, a position he held until 2000. From 2000 to 2004 he served as president and CEO of PAPASTRATOS SA. After the acquisition of PAPASTRATOS SA by PHILIP MORRIS SA, he participated as a volunteer in the Olympic Games Organizing Committee "Athens 2004" as Head of the Opening and Closing Ceremonies of the 28th Olympiad. From 2005 to 2010 he held the position of Executive Vice President of the Company SHELMAN SA and ELMAR SA.

He speaks English, French, Italian and Turkish.

Andreas Kyriazis, (Independent non-executive member)

Mr. Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice-chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists.

Nikolaos Galetas, (Independent non-executive member)

Mr. Galetas is a graduate of the Theological School of Athens University with additional studies at Technische Hochschule Wien while he is also a graduate engineer of the School of Electrical Engineering of the National Technical University of Athens. During his long career, Mr. Galetas took over managerial positions in ETBA (Greek Bank for Industrial Development) in CPC (Planning and Development Company) and in the National Investment (National Bank for Industrial Development) where he served as General Manager. He has also served as Senior Advisor to the National Investment and EFG EUROBANK PROPERTIES SA, and was a board member to numerous companies including EFG EUROBANK PROPERTIES AEAAP and ERT (vice president), and various subsidiaries of National Investment Group which was appointed as Chairman of the Board during the years of his career to this organization. In addition in 1990-92 offered advice to the Ministers of Interior, Agriculture and Co-ordination. Mr. Galetas is also member of the Board of Directors in several companies of the VIOHALCO Group.

The Chairman of the Board

of HALCOR SA

Theodossios Papageorgopoulos

KPMG

KPMG Certified Auditors AE
3 Stratigou Tombra Street
Aghia Paraskevi
GR – 153 42 AthensGreece

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Independent Auditor's Report
(Translated from the original in Greek)

To the Shareholders of

HALCOR METAL WORKS S.A.

Report on the Financial Statements

We have audited the accompanying stand-alone and consolidated financial statements of HALCOR METAL WORKS S.A. (the "Company") which comprise the stand-alone and consolidated statement of financial position as of 31 December 2015 and the stand-alone and consolidated statements of income and 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 Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these stand-alone 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 whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 stand-alone 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of stand-alone and consolidated the 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 stand-alone and consolidated financial statements give a true and fair view of the financial position of HALCOR METAL WORKS S.A. as of 31 December 2015 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

(a) The Board of Directors' Report includes a corporate governance statement, which provides the information set by paragraph 3d of article 43a of C.L. 2190/1920.

(b) We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying stand-alone and consolidated financial statements within the scope set by articles 37, 43a (par 3a), 108 of C.L. 2190/1920.

Athens, 15 March 2016

KPMG Certified Auditors A.E.

Stratigou Tombra 3

153 42 Aghia Paraskevi

Greece

AM SOEL114

KPMG Certified Auditors A.E.

Nick Vouniseas, Certified Auditor Accountant
AM SOEL 18701

HALCOR

Annual Financial Statements (Group and Company)
as at 31 December 2015
according to International Financial Reporting Standards

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE GROUP FINANCIAL MANAGER
THEODOSSIOSPAPAGEORGOPOULOS ID Card No. AE 135393	GEORGE PASSAS ID Card No. Φ 020251	PERIKLIS SAPOUNTZIS ID Card No. AK 121106	SPYRIDON KOKKOLIS ID Card No. X701209

HALCOR SA
G.C.Registry.: 303401000
SA Registry No: 2836/06/B/86/48
SEAT: Athens Tower, Building B, 2-4Mesogeion Avenue

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I. Statement of Financial Position

		GROUP		COMPANY	
EUR	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
ASSETS					
Non-current assets					
Property, plant andd equipment	10	532,663,929	548,206,894	131,821,887	136,565,475
Intangible assets	11	16,815,649	16,016,897	455,934	408,412
Investment property	12	6,426,268	2,552,265	3,742,166	-
Investments in associates	13	9,382,740	9,013,674	5,966,131	5,321,082
Investments in subsidiaries	13	-	-	185,149,163	174,346,714
Available for sale financial assets	14	3,396,168	4,285,276	2,854,772	3,730,772
Deferred income tax assets	15	3,870,184	1,845,112	-	-
Trade and other receivables	17	2,194,969	2,680,913	827,370	925,436
		574,749,906	**584,601,030**	**330,817,423**	**321,297,892**
Current Assets					
Inventories	16	209,937,102	233,835,538	48,798,460	58,757,697
Trade and other receivables	17	180,574,353	126,407,470	46,762,678	53,478,723
Derivative financial instruments	18	267,462	1,657,228	-	591,994
Cash and cash equivalents	19	34,786,380	18,578,837	11,809,811	6,826,859
		425,565,297	**380,479,074**	**107,370,949**	**119,655,273**
Total assets		**1,000,315,203**	**965,080,103**	**438,188,372**	**440,953,165**
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	20	38,486,258	38,486,258	38,486,258	38,486,258
Share premium		67,138,064	67,138,064	67,138,064	67,138,064
Reserves	20	178,546,387	190,160,698	105,152,475	109,691,180
Retained earnings/(losses)		(201,561,080)	(174,957,914)	(105,005,446)	(95,649,969)
Total		**82,609,629**	**120,827,106**	**105,771,351**	**119,665,534**
Non-Controlling Interest		25,057,595	26,513,210	-	-
Total equity		**107,667,225**	**147,340,316**	**105,771,351**	**119,665,534**
LIABILITIES					
Non-current liabilities					
Borrowings	22	394,509,140	395,213,711	174,512,842	179,239,255
Obligations under financial lease		720,584	-	-	-
Deferred income tax liabilities	15	46,701,022	39,880,981	27,431,378	24,365,353
Retirement benefit obligations	23	5,050,798	5,465,990	1,554,450	1,748,478
Commercial Paper		10,233,541	11,918,006	-	-
Grants	24	20,703,918	15,576,764	1,369,060	1,480,427
Provisions	25	329,984	329,984	90,000	90,000
		478,248,987	**468,385,436**	**204,957,730**	**206,923,513**
Current liabilities					
Trade and other payables	26	168,478,683	132,775,957	39,456,027	31,975,361
Current income tax liabilities		7,071,068	6,439,941	1,208,201	749,315
Borrowings	22	236,180,448	209,001,838	86,211,556	81,572,606
Obligations under financial lease	22	75,844	-	-	-
Derivative financial instruments	18	2,592,949	1,136,616	583,509	66,839
		414,398,992	**349,354,352**	**127,459,292**	**114,364,120**
Total liabilities		**892,647,979**	**817,739,788**	**332,417,022**	**321,287,633**
Total equity and liabilities		**1,000,315,203**	**965,080,103**	**438,188,373**	**440,953,167**

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

HALCOR

II. Income Statement

EUR	Note	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Sales	6	**1,230,103,112**	**1,079,873,385**	**451,690,228**	**396,014,891**
Cost of sales	8	(1,174,358,605)	(1,049,941,069)	(432,433,201)	(377,115,685)
Gross profit		**55,744,506**	**29,932,316**	**19,257,027**	**18,899,206**
Other Income	7	18,660,138	14,450,012	3,341,585	3,206,013
Selling costs	8	(16,095,929)	(15,153,356)	(4,989,492)	(4,834,151)
Administrative expenses	8	(18,958,777)	(19,302,376)	(8,238,965)	(8,644,687)
Other Expenses	7	(19,823,256)	(15,239,127)	(1,822,968)	(1,749,028)
Operating profit before revaluation		**19,526,682**	**(5,312,532)**	**7,547,189**	**6,877,352**
Loss from revaluat ion of Fixed Asset s t o Fair Value		-	(23,441,304)	-	(10,797,227)
Operating profit after revaluation		**19,526,682**	**(28,753,836)**	**7,547,189**	**(3,919,875)**
Finance Income	9	58,295	96,538	25,287	25,201
Finance Expense	9	(49,248,365)	(44,723,121)	(17,242,935)	(17,593,396)
Dividend		-	-	248,658	97,850
Net Financial Result		**(49,190,069)**	**(44,626,583)**	**(16,968,990)**	**(17,470,345)**
Share of profit of associates		(154,761)	371,434	-	-
Profit/(Loss) before income tax		**(29,818,148)**	**(73,008,985)**	**(9,421,801)**	**(21,390,220)**
Income tax expense	15	(3,009,250)	13,538,914	(1,803,928)	5,278,201
Profit/(Loss) for the year from continued operations		**(32,827,398)**	**(59,470,070)**	**(11,225,729)**	**(16,112,019)**
Attributable to:					
Equity holders of the Company		(32,509,070)	(51,235,338)	(11,225,729)	(16,112,019)
Non-controlling Interest		(318,327)	(8,234,733)	-	-
		(32,827,398)	**(59,470,071)**	**(11,225,729)**	**(16,112,019)**
Shares per profit to the shareholders for period					
(expressed in € per share)					
Basic and diluted		(0.3210)	(0.5059)	(0.1108)	(0.1591)

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

HALCOR

III. Statement of Comprehensive Income

EUR	GROUP 31/12/2015	GROUP 31/12/2014	COMPANY 31/12/2015	COMPANY 31/12/2014
Profit / (Loss) of the year from continuing operations	**(32,827,398)**	**(59,470,070)**	**(11,225,729)**	**(16,112,019)**
Items that will never be reclassified to profit or loss				
Profit from Revaluation of Fixed Assets to Fair Value	361,910	163,071,988	361,910	55,139,506
Remeasurements of defined benefit liability (asset)	512,100	(1,372,887)	216,397	(364,121)
Related tax	(2,594,100)	(31,746,695)	(1,821,894)	(14,241,600)
Total	**(1,720,090)**	**129,952,406**	**(1,243,588)**	**40,533,785**
Items that are or may be reclassified to profit or loss				
Foreign currency translation differences	(952,230)	491,021	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(3,274,455)	287,908	(1,130,854)	641,691
Gain / (Loss) of changes in fair value of Available-for-sale - net change in fair value	(876,000)	-	(876,000)	-
Income tax on income and expense recognised directly in equity	534,046	(50,931)	581,988	(166,840)
Total	**(4,568,639)**	**727,999**	**(1,424,866)**	**474,852**
Total comprehensive income / (expense) after tax	**(39,116,127)**	**71,210,335**	**(13,894,183)**	**24,896,618**
Attributable to:				
Equity holders of the parent company	(38,565,450)	69,230,657	(13,894,183)	24,896,618
Non-controlling interests	(550,677)	1,979,678	-	-
Total comprehensive income / (expense) after tax	**(39,116,127)**	**71,210,335**	**(13,894,183)**	**24,896,618**

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

HALCOR

IV. Statement of Changes in Equity

EUR	Share capital	Share premium	Reserves at Fair Value	Other reserves	Reserves for Revaluation of Fixed Assets to Fair Value	Results carried forward	Foreign exchange differences due to consolidation	Total	Non-Controlling Interest	Total Equity
<u>**GROUP**</u>										
Balance as at 1 January 2014	**38,486,258**	**67,138,064**	**1,406,249**	**75,149,294**	**-**	**(123,831,008)**	**(6,851,131)**	**51,497,727**	**24,743,738**	**76,241,466**
Net Profit / (Loss) for the period	-	-	-	-		(51,235,338)	-	(51,235,338)	(8,234,733)	(59,470,071)
Other comprehensive income	-	-	376,086	-	120,553,816	(787,237)	323,328	120,465,993	10,214,411	130,680,404
Total comprehensie income	-	-	376,086	-	120,553,816	(52,022,575)	323,328	69,230,655	1,979,678	71,210,333
<u>**Transactions with the shareholder's directly in equity**</u>										
Transfer of reserves	-	-	-	(977,440)	-	862,727	-	(114,713)	114,712	(1)
Dividend	-	-	-	-	-	-	-	-	(62,328)	(62,328)
Liquidation of subsidiaries	-	-	-	(11,095)	-	32,940	191,589	213,434	(262,590)	(49,156)
Total transactions with the shareholders	-	-	-	(988,535)	-	895,667	191,589	98,721	(210,206)	(111,485)
Balance as at 31 December 2014	**38,486,258**	**67,138,064**	**1,782,335**	**74,160,759**	**120,553,816**	**(174,957,916)**	**(6,336,214)**	**120,827,103**	**26,513,210**	**147,340,316**
Balance as at 1 January 2015	**38,486,258**	**67,138,064**	**1,782,335**	**74,160,759**	**120,553,816**	**(174,957,916)**	**(6,336,214)**	**120,827,103**	**26,513,210**	**147,340,316**
Net Profit / (Loss) for the period	-	-		-		(32,509,070)		(32,509,070)	(318,327)	(32,827,398)
Other comprehensive income	-	-	(3,267,229)	-	(1,639,403)	(576,755)	(572,992)	(6,056,379)	(232,350)	(6,288,729)
Total comprehensie income	-	-	(3,267,229)	-	(1,639,403)	(33,085,825)	(572,992)	(38,565,450)	(550,677)	(39,116,127)
<u>**Transactions with the shareholder's directly in equity**</u>										
Transfer of reserves	-	-	-	(25,160)	(5,900,855)	5,926,015	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	(230,760)	(230,760)
Total transactions with the shareholders	-	-	-	(25,160)	(5,900,855)	5,926,015	-	-	(230,760)	(230,760)
<u>**Change of participation in subsidiaries**</u>										
Increase / (Decrease) of participation in subsidiaries	-	-	-	(208,670)	-	580,201	-	371,531	(674,177)	(302,646)
Acquisition	-	-	-	-	-	(23,555)	-	(23,555)	-	(23,555)
Total	-	-	-	(208,670)	-	556,646	-	347,976	(674,177)	(326,201)
Balance as at 31 December 2015	**38,486,258**	**67,138,064**	**(1,484,894)**	**73,926,929**	**113,013,558**	**(201,561,080)**	**(6,909,206)**	**82,609,629**	**25,057,595**	**107,667,225**

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

EUR	Share capital	Share premium	Reserves at Fair Value	Other reserves	Reserves for Revaluation of Fixed Assets to Fair Value	Results carried forward	Total
<u>COMPANY</u>							
Balance as at 1 January 2014	**38,486,258**	**67,138,064**	**(86,237)**	**69,062,881**	**-**	**(79,832,051)**	**94,768,915**
Net Profit / (Loss) for the period	-	-	-	-		(16,112,019)	**(16,112,019)**
Other comprehensive income	-	-	474,852	-	40,803,235	(269,449)	**41,008,638**
Total comprehensie income	-	-	474,852	-	40,803,235	(16,381,468)	**24,896,619**
<u>Transactions with the shareholder's directly in equity</u>							
Transfer of reserves	-	-	-	(563,550)	-	563,550	-
Total transactions with the shareholders	-	-	-	(563,550)	-	563,550	-
Balance as at 31 December 2014	**38,486,258**	**67,138,064**	**388,614**	**68,499,331**	**40,803,235**	**(95,649,969)**	**119,665,534**
Balance as at 1 January 2015	**38,486,258**	**67,138,064**	**388,614**	**68,499,331**	**40,803,235**	**(95,649,969)**	**119,665,534**
Net Profit / (Loss) for the period	-	-				(11,225,729)	**(11,225,729)**
Other comprehensive income	-	-	(1,424,866)		(1,397,229)	153,642	**(2,668,454)**
Total comprehensie income	-	-	(1,424,866)	-	(1,397,229)	(11,072,087)	**(13,894,183)**
<u>Transactions with the shareholder's directly in equity</u>							
Transfer of reserves					(1,716,609)	1,716,609	-
Total transactions with the shareholders	-	-	-	-	(1,716,609)	1,716,609	-
Balance as at 31 December 2015	**38,486,258**	**67,138,064**	**(1,036,252)**	**68,499,331**	**37,689,396**	**(105,005,446)**	**105,771,351**

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

V. Statement of Cash Flows

	GROUP		COMPANY	
EUR	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash flows from operating activities				
Profit / (loss) before taxes	(29,818,148)	(73,008,985)	(9,421,801)	(21,390,220)
Adjustments for:				
Depreciation of tangible assets	31,836,221	23,072,891	6,602,546	4,858,916
Depreciation of intangible assets	1,398,151	1,035,691	225,650	170,803
Depreciation of grants	(1,153,446)	(576,895)	(111,367)	(111,102)
Provisions	11,471,022	463,538	2,133,920	(610,661)
(Profit) / loss from revaluation of Assets	24,824	23,441,304	24,824	10,797,228
Investing activities result (income, expenses, profits and losses)	(171,893)	(551,933)	-	(68,473)
Interest charges & related expenses	48,920,375	44,723,121	17,217,648	17,568,195
(Profit) / loss from sale of tangible assets	219,689	(19,269)	2,823	(2,080)
(Profit) / loss from revaluation of Assets	(361,960)	-	-	-
(Profit) / Loss from Fair Value of Derivative		(105,379)	-	(15,087)
Loss from the destruction of Assets	-	146,081	-	-
Income from participations	-	-	(248,658)	(97,850)
Decrease / (increase) in inventories	13,120,296	(25,599,390)	7,836,202	(3,803,809)
Decrease / (increase) in receivables	(52,531,478)	4,348,855	6,803,226	10,039,896
(Decrease) / Increase in liabilities (minus banks)	36,496,529	33,315,198	7,466,078	5,032,087
Interest charges & related expenses paid	(44,155,555)	(51,295,415)	(16,747,092)	(18,500,877)
Income tax paid	(154,858)	(216,109)	-	-
Net Cash flows from operating activities	**15,139,768**	**(20,826,696)**	**21,784,000**	**3,866,966**
Cash flows from investing activities				
Purchase of tangible assets	(23,260,937)	(43,592,406)	(6,667,801)	(4,921,731)
Purchase of intangible assets	(641,238)	(2,598,711)	(273,172)	(301,891)
Purchase of Investment Propertty	(131,837)	(1,535,473)	-	-
Sales of Fixed Assets and Intangible Asset	1,408,947	22,853	1,400,941	2,080
Sales of Participations in other companies	16,462	-	-	-
Dividends received	-	-	248,658	97,850
Interest received	53,394	96,538	25,287	25,201
(Increase) / decrease in paricipation in subsidiaries	(802,500)	-	(10,802,449)	-
Increase in paricipation in other investments and joint-ventures	(729,954)	(2,031,641)	(645,049)	(781,641)
Net Cash flows from investing activities	**(24,087,662)**	**(49,638,840)**	**(16,713,585)**	**(5,880,132)**
Cash flows from financing activities				
Dividends paid to shareholders of the parent	(230,760)	(8,283)	-	(3,813)
Loans received	46,453,496	60,098,328	13,000,000	23,313,642
Loans settlement	(23,683,719)	(27,902,880)	(13,087,463)	(17,522,500)
Changes in financial leases	796,428	(166,641)	-	-
Dividends paid to minority interest	-	(143,315)	-	-
Grand proceeds	1,743,070	8,030,422	-	-
Other	53,863	-	-	-
Net cash flows from financing activities	**25,132,378**	**39,907,632**	**(87,463)**	**5,787,329**
Net (decrease)/ increase in cash and cash equivalents	**16,184,484**	**(30,557,904)**	**4,982,951**	**3,774,163**
Cash and cash equivalents at the beginning of period	18,578,837	49,125,244	6,826,859	3,052,697
Foreign exchange effect on Cash and Cash equivalents	23,058	11,497	-	-
Cash and cash equivalents at the end of period	**34,786,380**	**18,578,837**	**11,809,810**	**6,826,860**

The notes on pages 10 to 68 constitute an integral part of these Financial Statements.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

1. Incorporation and Group Activities:

HALCOR S.A.-METAL PROCESSING (former VECTOR S.A.-Metal processing) ("HALCOR" or the "Company") was established in 1977 and has No 2836/06/B/86/48 in the Register of Societes Anonyme. In 1997, a merger of VECTOR S.A. and (former) HALCOR S.A. took place, which was completed by way of decision dated 5 June 1997 of the Ministry of Development.

The term of the Company has been set at 50 years from publication of its Articles of Association, namely until 2027. It is listed on Athens Stock Exchange since 1996 and is a subsidiary and member of the Viohalco Group.

These Financial Statements (the "Financial Statements") of the Company for the year ended on 31 December 2014 include the individual financial statements of Halcor and the consolidated financial statements of the Company (together the "Group"). The names of subsidiaries and affiliated companies are presented in Note 15 of the Financial Statements.

The Financial Statements of Halcor are included in the consolidated Financial Statements Viohalco SA/NV that is traded on the EURONEXT stock exchange in Belgium.

The principal activities of the Group lie in the production and trade of rolling and extrusion products made of copper and copper alloys, zinc rolling products and cables of all types. The Group is operating in Greece, Bulgaria, Romania, Cyprus, United Kingdom, France, Germany and Serbia.

The Company is seated in Greece, 2-4 Mesogeion Ave., Athens Tower, Building B, 11525, Athens. The central offices of the Company and its contact address are located at the 57th km of "Athens-Lamia" National Highway, Inofyta (Pref. of Viotia), GR-32011. The company's website is ***www.halcor.gr*.**

2. Basis of preparation of the Financial Statements

(a) Compliance note

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. The International Financial Reporting Standards issued by the IASB may differ from those adopted by the European Union.

The financial statements ended 31 December 2015 were approved for publication by the Company’s Board of Directors on March 11, 2016.

(b) Measurement basis

The Financial Statements have been prepared in accordance with the fair value principle.

(c) Functional exchange rate and presentation

The Financial Statements are presented in Euro, which is the Company’s functional currency. The amounts indicated in the Financial Statements are denominated in Euro and are rounded up/down to the nearest unit (any differences in sums are due to rounding up/down).

(d) Application of estimates and judgments

Preparing financial statements in line with the IFRS requires that Management take decisions, make assessments and assumptions which affect the implementation of accounting policies, and the book amounts of assets, liabilities, income and expenses. The actual results may finally differ from such estimates.

Estimates and related assumptions are continuously revised. These revisions are recognized in the period they were made and any subsequent ones.

Specific information about the areas for which estimates are uncertain and vital decisions must be made with respect to the application of accounting policies having a considerable effect on the amounts posted in financial statements is given in the notes below:

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

- Valuation of assets in fair value (notes 10 and 12): At the end of 2014, the Group adopted the Fair Value approach in the valuation of Property, Plant and Equipment. In addition the investment property is presented in Fair Value. The measurement are performed by independent valuators who are members of accredited unions and institutions and have the necessary experience and expertise in the fair value approach of real estate and machinery.
- Inventory valuation (note 16): The Group makes estimates to calculate the realizable value
- Valuation of assets not measured at fair value (notes 11 and 13): The Group makes estimates on the impairment of assets not measured at fair value (investments in subsidiaries and associates, intangible assets).
- Valuation of other investments (note 14): The fair values of financial assets that are traded in active markets are determined by the current market price. For non-traded assets, fair values are determined using valuation methods such as recent transactions, reference to other instruments that are traded and discounted cash flows.
- Impairment of Intangible Assets that their useful life is indefinite (note 11): The Management examines in annual basis if there is any indication of impairment for the assets that their useful life is indefinite and makes estimates according to the Groups policies. These intangible assets are examined as a part of a respective CGU.
- Recoverable tax assets (note 15): The Group makes estimates for the future profits in order to make calculate the recoverable amount recognized as deferred tax assets.
- Accounting for defined staff leaving indemnity plans (note 23): The present value of the liability of a defined benefit contribution plan is based on actuarial assumptions that are carried out from the Management. Any changes in the assumptions will affect the carrying value of the liability.

3. New principles

New principles that have not been put in effect

The following standards and amendment of standards have not been put in effect, have not been adopted by the Group and have not been approved by the European Union. The Management is assessing the potential impact on the financial position and profitability of the Group. However the effect has on the financial statements is yet to be estimated.

IFRS 9 "Financial Instruments"

This standard is effective for annual reporting periods beginning on or after January 1, 2018 with early adoption permitted. This standard will replace IAS 39 and includes new guidance on the classification and measurement of financial instruments. The Management is assessing the potential impact from the implementation of this Standard on their financial statements. The standard has not yet been endorsed by European Union.

IFRS 15 "Revenue from contracts with customers"

This standard will replace IAS 11 "Construction contracts", IAS 18 "Revenue" and IFRIC 13 «Customer loyalty programs", the IFRIC 15 "Agreements for the construction of real estate", την IFRIC 18 "Transfer of Assets from customers" and SIC-31 "Revenue – Barter transactions involving advertising services". This standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. The standard provides a five-step guideline based on principles that can be applicable to all contracts with customers.

This standard is effective for annual reporting periods beginning on or after January 1, 2018 with early adoption permitted.

Amendment on IFRS 11 "Joint arrangements"

This amendment provides new guidelines on the accounting of the participation on a joint operation that constitutes an operation base on IFRS and clarifies the proper accounting treatment on these operations. This standard is effective for annual reporting periods beginning on or after January 1, 2016 with early adoption permitted. This amendment has been endorsed by European Union.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Amendments on IAS 16 and IAS 38 “acceptable depreciation methods”

The amendment on IAS 16 clarifies that depreciation methods based on revenue cannot be used for tangible assets. The amendment on IAS 38 introduces the refutable presumption that the depreciation method is not he proper. This standard is effective for annual reporting periods beginning on or after January 1, 2016. These amendments have been endorsed by European Union . Earlier adoption is permitted.

Amendment on IAS 27 “Equity method on separate financial statements”

This amendment allows for entities to use the equity method of accounting for investments in subsidiaries, joint ventures and affiliated entities on their financial statements and clarifies the definition of separate reporting statements. This standard is effective for annual reporting periods beginning on or after January 1, 2016. The amendment have not been endorsed by the European Union. Earlier adoption is permitted.

Annual Improvements to “IFRSs Cycle 2012-2014”

Improvements are effective for annual periods beginning on or after January 1, 2016. These amendments have not yet been endorsed by European Union. Earlier adoption Is permitted.

The amendments set out below describe the key changes to four IFRSs.

IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”: The amendment clarifies that, when an asset (or disposal group) is reclassified from “held for sale” to “held for distribution”, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

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

IAS 19 “Employee Benefits”: The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 “Interim Financial Reporting”: The amendment clarifies what is meant by the reference in the standard to “information disclosed elsewhere in the interim financial report”.

IAS 1 (Amendments) “Disclosure initiative”

Amendments are effective for annual periods beginning on or after January 1, 2016. These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. This amendment has been endorsed by European Union.

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment Entities: Applying the Consolidation Exception”

Amendments are effective for annual periods beginning on or after January 1, 2016. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The effective date has not been determined.

4. Significant accounting principles

The accounting principles cited below have been consistently applied to all periods presented in these Financial Statements and have also been consistently applied by all Group companies with the exception of the implementation of new standards, amendments and interpretations that are mentioned below, the implementation of which is compulsory for the annual reporting period on or after January 1, 2015. The new standards that have been adopted in 2014 and did not have an impact on the financial statements of the Group are the below mentioned:

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Amendments to IAS 19 Employee Benefits – Defined Benefit Plans: Employee Contributions

The amendment introduces a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties.

Annual Improvements to IFRS 2010-2012 cycle

In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, summaries of which are provided below.

IFRS 2 Share-based Payment: The amendment defines ‘performance condition’ and ‘service condition’ in order to clarify various issues.

IFRS 3 Business Combinations: The amendment clarifies that all contingent consideration arrangements classified as liabilities or assets arising from a business combination must be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable).

IFRS 8 Operating Segment: The amendment clarifies that an entity must disclose the judgments made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are similar. The amendment also clarifies that the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

IFRS 13 Fair Value Measurement: The amendment clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets: The amendment clarifies that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. The amendment also clarifies that accumulated depreciation/amortisation is the difference between the gross and carrying amounts of the asset.

IAS 24 Related Party Disclosures: The amendment clarifies that a management entity – an entity that provides key management personnel services – is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual Improvements to IFRS 2011-2013 cycle

In the 2011-2013 annual improvements cycle, the IASB issued four amendments to four standards, summaries of which are provided below.

IFRS 1 First-time Adoption of International Financial Reporting Standards: The amendment clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity’s first IFRS financial statements.

IFRS 3 Business Combinations: The amendment clarifies that joint arrangements, not just joint ventures, are outside the scope of IFRS 3 and that this scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

IFRS 13 Fair Value Measurement: The amendment clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable).

IAS 40 Investment Property: The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment clarifies that IFRS

3, not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or a business combination.

4.1 Basis of consolidation

(a) Business combinations

The acquisitions of subsidiaries accounted under the purchase method on the date of acquisition, the date on which control is transferred to the Group. Control power is the power of operating and financial policies of an enterprise so as to benefit from the activity. In assessing control, the Group takes account of potential voting rights that presently may be exercisable.

The goodwill at the acquisition date is calculated as:

- The fair value of the purchase price, plus
- The value of minority interests in subsidiary acquired, minus
- The fair value of minority interests before the acquisition of subsidiary, in a gradual acquisition
- The fair value of identifiable assets and liabilities acquired.

If there is a negative goodwill, a profit is recognized immediately in the income statement. Any costs directly associated with the acquisition are recognized directly in the income statement. Any potential costs recognized in its fair value at the date of acquisition.

(b) Accounting for acquisitions of minority interests

Acquisitions of minority interests are accounted as transactions of shareholders and percentages and therefore no goodwill is recognized in such transactions.

(c) Subsidiaries

Subsidiaries are entities that the Group, directly or indirectly, controls their financial and operating policies. Subsidiary companies are fully consolidated from the day control over them is acquired and cease to be consolidated from the day this control is no longer exist.

In its financial statements, the Company measures holdings in subsidiaries at their acquisition cost less any impairment of their value.

(d) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an investment in an associate or as an available-for-sale financial asset depending on the level of influence retained.

(e) Investments in associates

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights ranges between 20% and 50%. Investments in associates are accounted for using the equity method and recognised initially at their acquisition cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. In the consolidated financial statements the Group represents the ratio of the results and the total income after any changes in accounting principles to be comparable to those of the Group from the date of obtaining significant influence until the date we lose it. When the Group's share of losses exceeds its interest in an investment in associate the carrying amount of that interest is reduced to zero and no recognition of further losses are recognized except to the extent that the Group has an obligation or has made payments on behalf of the associate.

In the Company's financial statements, investments in associates are recorded at cost.

(f) Transactions eliminated in consolidation

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated in preparing the consolidated financial statements. Unrealised gains on transactions between associates are eliminated against the Group's stake in the affiliated company. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been impaired.

4.2 Foreign currency

(a) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the Company's functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in the profit and loss statement.

(b) Transactions with Group companies in different currency

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

- Assets and liabilities of foreign activities including goodwill and fair value adjustments arising during consolidation are converted into Euro based on the official exchange rate for the foreign currency that is in effect on the balance sheet date.
- Income and expenses are converted into Euro on the basis of the average rate of the foreign currency during the year which approaches the exchange rate in effect on the date of transactions.
- Any foreign exchange difference that may arise is recorded in an equity reserve named "Foreign exchange differences due to consolidation" and transferred to profit and loss when these companies are sold.

4.3 Financial assets

(a) Non-derivative financial instruments

Financial instruments excluding derivatives consist of equities and other securities, receivables and other receivables, cash and cash equivalents, loans and long-term liabilities, trade and other payables. These items are classified by the Company pursuant to the purpose for which they were acquired. The Management decides on adequate classification of the investment at the time of acquisition. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets are initially recognized at fair value plus acquisition cost save those recognized at fair value. Assets are measured as per their classification.

(b) Trade and other receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their non-depreciated cost less impairment losses. Impairment losses are recognised when there are objective indications that the Group is not in a position to collect all or part of the amounts due based on contractual terms. The amount of impairment loss is the difference between the book value of receivables and the present value of the estimated future cash flows. The amount of provision is recognised in the income statement as an expense.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balances, sight deposits and short-term, high-liquid and low-risk investments.

(d) Available-for-sale financial assets

These include non-derivative financial assets that are either designated in this subcategory, or do not fit into "detained until the end" or "as a fair value through profit and loss." Purchases and sales of investments are recognized on trade date that is the date the Group commits to buy or sell the asset. Investments are initially recognized at fair value plus transaction costs. Then available for sale financial assets are measured at fair value and the resulted profit or loss is recognised in reserve 'fair value' of equity until these assets are sold or impaired. The fair value of those traded on a regulated market is the closing price. For other items the fair value cannot reliably determine the fair value corresponds to the acquisition cost. The impairment loss is recognized upon transfer of the accumulated damage from the reserve to the income statement.

The accumulated losses carried forward is the difference between the acquisition value after depreciation over the effective rate and the current fair value minus the depreciation already charged to the profit from previous years. Impairment losses recognized in profit or loss statement are not reversed through the income statement for equity financial assets. The Group looks for evidence of impairment that for the shares are listed in Stock Exchange is a mandatory or prolonged decline in fair value below its cost, which in such case recorded in the results.

(e) Fair Value

The fair values of financial assets traded on active markets are designated based on current market price. In the case of assets not so traded, fair values are designated using valuation techniques such as recent transaction analysis, reference to comparable and cash flow discounts.

(f) Loans

Loans are initially booked at fair value, less any direct expenses for the execution of the transaction. Subsequently loans are valued at non-depreciated cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the effective interest rate method.

Loans are classified as “Short-term Liabilities” unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. Loan interest charges are directly posted to the income statement of the period they concern. The recognition stops when the contractual obligations cancelled, terminated or sold.

4.4 Derivatives and hedge accounting

The Group holds derivative instruments to offset the risk of interest rate and the foreign currency change. Derivatives are initially and subsequently recognized at fair value. The method of recognizing gains and losses depends on whether derivatives designated as hedging instruments or as held for trading.

The Group documents at the inception of the transaction the relationship between instruments of hedging and hedged items as well as the strategic management of risk. At the conclusion of the contract and on an ongoing basis later recorded assessment of the high efficiency of hedging for both fair value hedges and for cash flow hedges. To offset future transaction demonstrates the possibility of completing the transaction.

(a) Fair value hedging

Changes in the fair value of derivatives which are defined as fair value hedges are posted to the results as are the changes in the fair value of the hedged assets which are attributed to the risk offset.

(b) Cash flow hedging

The effective proportion of change in the fair value of derivatives defined as cash flow hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset (e.g. inventory) or liability, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to Equity remain as a reserve and are carried forward to the results when the hedged asset affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to Equity are carried forward to the income statement.

4.5 Share capital

The share capital consists of common shares. Direct expenses for the issuance of shares appear after deducting the relevant income tax, reducing the amount of growth.

4.6 Property, plant and equipment

(a) Recognition and measurement

Land, buildings, machinery and equipment are shown at fair value, based on valuations by external independent assessors, less subsequent depreciation. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any positive effect from the revaluation of land, building and machinery is recognized in the Statement of Comprehensive Income and transferred to the equity in a special reserve, unless the amount is reversing a prior year loss for impairment that was formerly recognized in the Income Statement. The loss from the impairment of land, buildings, machinery is recognized in the Income Statement unless it reverses a prior year positive effect that was recognized in a revaluation reserve in the Equity. Transportation means and other equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is probable that the future financial benefits will accrue to the Group and the cost can be reliably measured. The cost of repairs and maintenance is posted to the results when incurred.

Upon sale of tangible assets, the differences between the proceeds and the carrying value is recorded as gains or losses on the results and the item 'Other operating income' or 'Other operating expenses "as appropriate. When the book value of tangible assets exceeds its recoverable amount, the difference (impairment loss) is recognized immediately as an expense in the income statement.

(b) Depreciation

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight-line method during the estimated useful life of fixed assets and their segments if they have a different useful life. The estimated useful life of these categories is as follows:

Buildings	20-50	years
Machinery & equipment	1-40	years
Transportation equipment	4-15	years
Furniture and fixtures	1-8	years

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date, if deemed necessary.

4.7 Intangible assets

Intangible assets acquired separately are recognized at acquisition cost while any intangible assets acquired through the purchase of entities are recognized at their fair value on acquisition date. After acquisition they are valued at that amount less accumulated depreciation and any accumulated impairment losses. The useful life of intangible assets may be limited or unlimited. The cost of intangible assets with a limited useful life is depreciated over the estimated useful life using the straight-line method. Intangible assets are depreciated from the date they become available for use.

Intangible assets with unlimited useful life are not depreciated but are subject periodically (at least annually) to an estimate of any impairment based on the provisions of IAS 36 "Impairment of Assets". Residual values are not recognized. The useful life of intangible assets is evaluated on an annual basis. Intangible assets are tested for impairment at least annually individually or at cash-generating unit level.

Software licences are valued at acquisition cost less accumulated depreciation and any accumulated impairment. Depreciation is recorded using the straight-line method over the useful life of the assets which ranges from 3 to 5 years.

Expenses required to develop and maintain software are posted as expenses in the income statement during the year they incur.

4.8 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognized in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to the retained earnings.

4.9 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. Acquisition cost is determined by applying the annual average weighted cost method and includes the cost to buy, produce or manufacture and other expenses so as to acquire its current condition and location and the ratio of production expenses. The cost may include any transfer from the cash flow hedging reserve. Net realisable value is assessed based on current sale prices of inventories in the course of ordinary activities less any termination and sales expenses which apply to the case.

4.10 Impairment

(a) Non-derivative financial assets

The carrying values of Group financial assets not recognized at fair value through profit or loss, including investments accounted for by the equity method, are examined in each reporting period to determine whether there is objective evidence of impairment.

Objective evidence that a financial asset is impaired include:

- bankruptcy of a debtor or designation as insusceptible to recovery
- amount of debt adjustment because of changing conditions of payment,
- evidence that due to adverse economic conditions, the borrower or issuer will go into bankruptcy,
- adverse developments in the method of payment of borrowers or issuers.
- the disappearance of an active market for a share or

- observable data indicating that there is a measurable decrease in the estimated future cash flows of a group offinancial assets.

Assigned financial assets at amortized cost

The Group recognizes an indication of impairment of these assets both at independent asset and at entire. All individually significant assets reviewed individually for impairment. Whatever is not impaired individually, is collectively evaluated for impairment. Assets that are not individually significant, are collectively evaluated for impairment. Collective assessment results from the aggregation of assets with common risk characteristics.

An impairment loss is recognized as the difference between the carrying amount of the asset and the present value of expected future cash flows at the effective interest rate. The loss is recognized in the income statement as a provision. Where the Group decides that there is no realistic reason to restore the carrying amount of the asset, the provision deleted. If the amount of the impairment loss decreases and the decrease is linked to an objective event occurring after the impairment, then the original impairment loss was reversed and recognized in the Income Statement.

Financial assets available for sale

Impairment on financial assets available for sale is recognized by transferring the cumulative loss of the reserve "Fair value" in the results. The amount transferred to the results is the difference between the acquisition cost and the current fair value, less any impairment loss previously recognized in profit or loss. If the fair value of a share depicted as a financial asset available for sale subsequently increases and the increase is related to an objective event occurring after the impairment then the original impairment loss is reversed and recognized in the Income Statement. Otherwise, the impairment is reversed in the Statement of Comprehensive Income.

Investments accounted for by the equity method

Impairment loss on investments accounted for by the equity method is measured by comparing the recoverable amount of the investment with its carrying value. Impairment is recognized in profit and loss and is reversed if there is a favorable reversal in the estimates used to determine the recoverable amount of the investment.

(b) Non-financial assets

For non-financial assets other than investment property, inventories and deferred tax asset, the value of accounting is examined at each balance sheet date for impairment. Goodwill and intangible assets with indefinite life are examined annually for impairment in a mandatory basis.

The recoverable amount of the asset or cash-generating unit is the higher of value in use and fair value less any costs to sell. The value in use is based on expected future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk directly associated with the asset or cash-generating units.

Impairment is recognized if the carrying amount exceeds the estimated recoverable amount.

Impairment is recognized in the Income Statement.

The impairment of goodwill is not reversed. The impairment loss is reversed by restoring the carrying value of the asset to its recoverable amount to the extent it does not exceed the carrying amount of the asset (net of depreciation) that would have been determined if he had not registered the loss.

4.11 Employee benefits

(a) Short-term benefits

Short-term benefits to staff in cash and kind are posted as expenses when accrued. A liability is recognized for the amount expected to be paid as benefit to the staff and its executives if there is a legal or contractual obligation to pay this amount as a result of employee services and insofar as such liability can be reliably measured.

(b) Defined-contribution Plans

Defined-contribution plans are plans for the period after the employee has ceased to work during which the Company pays a defined amount to a third legal entity without any other obligation. Obligations for contributions to defined-contribution plans are recognized as expense in profit or loss at the time they are due.

(c) Defined-Benefit Plans

Defined-benefit plans are any other retirement plans excluding defined-contribution plans. The obligation posted to the balance sheet for defined-benefit plans is the current value of the future benefit of the employee for his services for the defined benefit less the fair value of the plan assets and changes arising from the non-posted actuarial gains and losses and the past service cost. The discount rate corresponds to the rate of the index applying to the European bonds "iBoxx – AA-rated Euro corporate bond 10+ year". Independent actuaries using the projected unit credit method calculate the defined benefit obligation.

The past service cost is recorded directly in the income statement with the exception of the case where changes in the plan depend on the remaining service lives of employees. In this case the past service cost is recorded in the income statement using the straight-line method within the maturity period.

Actuarial gains and losses arising from historical data adjustments exceeding 10% of the accumulated liability

(d) Benefits for employment termination

The benefits due to termination of the employment relationship are paid when employees depart before their retirement date. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed programme for which there is no departure possibility, or when it provides such benefits as an incentive for voluntary departure. Employment termination benefits that are due in 12 months after the balance sheet date are discounted. In the case of termination where it is impossible to determine the number of employees that will make use of such benefits, these will not be accounted for but will be disclosed as a contingent liability.

(e) Plans for participation in profits and benefits

The Group records a liability and a corresponding expense for benefits and profit participation. This amount is included in post-tax profits less any reserves stipulated by law.

4.12 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation which will probably demand an outflow of resources for its settlement. In addition, the amount of this obligation should be reliably measurable. Provisions are re-examined on each balance sheet date and, if it is likely that there will no longer be an outflow of resources to settle the obligations, the provisions are reversed. Provisions are used only for the purpose for which they were originally created. No provisions are recognized for future losses. Contingent assets and contingent liabilities are not recognized in the financial statements.

4.13 Income

(a) Sales of goods

Income from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the purchaser, the collection of the price is reasonably secured, the relevant expenses and eventual returns of goods can be reliably measured and no continuous involvement in goods management applies. Any returns or turnover-related discounts are deducted from the income from sales of goods. The time at which the risk and rewards are transferred varies per product.

(b) Services

Revenue from the sale of services is recognised in the period in which the services are rendered, on the basis of the stage in completion of the actual service to the services as a whole.

(c) Income from interest

Income from interest is recognised when the interest becomes accrued (based on the effective interest rate method).

(d) Income from dividends

Dividends are recognised as income when the right of the Group to receive payment is established.

(e) Income from rents

Rents are recognized as revenue on a straight course in the lease.

(f) Contracts for projects under construction

The Group is engaged in execution of contracts which mainly cover construction and installation of high voltage cables terrestrial and submarine. A construction contract is a contract made specifically for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

The costs relating to the contract are recognized when incurred.

When the outcome of a construction contract cannot be estimated reliably, as income from the contract is recognized only the cost incurred and expected to be collected.

When the outcome of a construction contract can be estimated reliably, revenue and expenses of the contract is recognized over the term of the contract, respectively, as revenue and expense. The Group uses the percentage of completion method to determine the appropriate amount of income and expense to be recognized in a given period. The stage of completion is measured based on the costs incurred up to the balance sheet date in relation to the total estimated costs for each contract. The criteria which define the stage of completion of each project objective are as follows:

- During the production stage of the cables, the estimation for completion, depending upon the type of contract, based on either a) the relationship between the number of hours on realized production and total budgeted hours or b) the quantity of produced and tested cable lengths compared to the total amount of lengths provided the contract.
- During the stage of installation of cables, the percentage of completion is based on the schedules of the contracts depending on the works, such as the transfer of cables, metres that have been installed and their connection with the network.

When it is probable that total contract costs will exceed total revenue, the expected loss is recognized immediately in the income statement as an expense.

To determine the cost incurred by the end of the period, expenses related to future work regarding the contract are excluded and shown as work in progress. The cost of works in progress during the production process includes the direct cost of borrowing. All the costs incurred and the profit / loss recognized on each contract are compared to the invoiced part until the end.

When realized expenses plus net profits (less loss) recognized exceed the invoiced, the difference appears as a receivable from contract customers in the account "Trade and other receivables". Where progress billings exceed costs incurred plus net earnings (net of losses), the balance is shown as amounts due to customers in the account "Suppliers and other liabilities".

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

4.14 Government grants

Government grants for investments in assets are recognised as accrued income where there is a reasonable assurance that the grant will be received and the Group will comply with all relevant conditions. Government grants relating to the purchase of fixed assets are credited to the income statement on a straight-line basis over the expected useful lives of the related assets.

Government grants compensating the Group for expenses are recognized in the results so that these will match the expenses that they will cover.

4.15 Leases

Leases of property, plant and equipment, which the Group substantially maintains all the risks and benefits of ownership are classified as financial leasing. Financial leasing is capitalised from the moment the lease begins at the lower amount between the fixed asset's fair value and the present value of the minimum lease payments. Financial leases net of financial expenses are classified on 'Liabilities'. The part of financial expenses that concerns financial leasing is recorded in profit and loss during the term of the lease. Items of property, plant and equipment that were acquired through financial leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease.

Leases where substantially all the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized in a straight line basis over the lease term.

Operating lease payments are allocated as an expense in the income statement under the direct method over the lease. The lease grants received are recognized in the income statement as an integral part of the cost during the lease.

4.16 Income tax

The income tax of the year includes both current and deferred tax. Income tax is posted in profit or loss save any cases concerning items directly posted to Equity, in which case it is recognized in Equity.

Current income tax is the tax expected to be paid on the taxable income for the year, based on enacted tax rates on the balance sheet date, and any adjustment to prior-period payable tax.

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities. Deferred income tax is not calculated (a) if it is clear from initial recognition of an asset or liability in a transaction apart from business combinations in which the transaction occurred that it did not affect either the book or tax profits or losses, (b) for investments in subsidiaries to the extent that the temporary difference will not be reversed, (c) the initial recognition of goodwill. Deferred tax is determined using the tax rates that are expected to apply to the period in which the asset will be liquidated or the liability will be settled. The determination of future tax rates is based on laws passed on the date the financial statements are prepared.

Deferred tax assets are recognised only to the extent that there will be a future taxable profit for use of the temporary difference generating the deferred tax assets. Deferred tax assets are reduced when the relevant tax benefit is realized.

Additional income taxes arising from the allocation of dividends are posted in the same year with the obligation to pay the relevant dividend.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

4.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker which is considered to be the Board of Directors that is responsible for measuring the business performance of the segments.

4.18 Earnings per share

The Group presents both basic and diluted earnings per share for its common shares. The basic earnings per share are calculated by dividing the profits or loss attributable to holders of common shares by the average weighted number of outstanding common shares during the period. Diluted earnings per share are determined by adjusting the profit or loss attributable to holders of common shares and the average weighted number of outstanding common shares by the effect of all diluted eventual common shares consisting of convertible notes and shares with options granted to the staff.

4.19. Borrowing Cost

The borrowing cost that is directly linked with the purchase, construction or production of fixed assets for which a considerable amount of time is required so they can be completed for use or sale, is added to the cost of those assets until the time when this assets will be available for use or sale. The proceeds from the interests from amounts collected as to be used for the purpose of the construction of the asset as well as the amount of grants reduces the borrowing cost that is capitalized. In all other case the cost of borrowing is affecting the Income statement of the fiscal year. To the extent that general borrowing is used for the construction of an asset, the cost of borrowing for capitalization can be estimated using a capitalization rate.

5. Operating segments

An operating segment is based on the structure of the information to the Group's management and internal reporting system. The Group is organized into business centers and business units based on the production of copper and copper alloys. In particular, it has three reportable operating segments and the third sector has resulted from aggregation of smaller operating segments. The operating segments of the Group are as follows:

- Copper products: this sector produces and sells copper and copper alloys rolled and extruded products
- Cables: cables sector produces and sells a wide range of cables, enameled wires and plastic compounds
- Other services: this sector includes the areas of marketing, research and development and various departments of administration and organization to achieve synergies

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Results per sector for the 12 months until 31st of December 2014

	Copper	Cables	Other	Total
EUR				
12 months until 31 December 2014				
Total gross sales per sector	**851,872,976**	**361,862,477**	**34,834,833**	**1,248,570,285**
Inter-company sales	(143,791,576)	(19,869,696)	(5,035,628)	**(168,696,900)**
Net sales	**708,081,399**	**341,992,781**	**29,799,205**	**1,079,873,385**
Operating profit / (loss)	(9,549,665)	(20,039,796)	835,625	**(28,753,836)**
Financial income		94,879	1,659	**96,538**
Financial expenses	(27,964,899)	(16,738,656)	(19,566)	**(44,723,121)**
Share in the results of affiliated companies	-	-	371,434	**371,434**
Profit / (Loss) before taxes	**(37,514,564)**	**(36,683,573)**	**1,189,152**	**(73,008,985)**
Income tax	6,211,602	7,588,728	(261,416)	**13,538,914**
Net profit / (loss)	**(31,302,961)**	**(29,094,845)**	**927,736**	**(59,470,070)**
31/12/2014				
Assets	521,440,172	436,551,161	7,088,770	**965,080,103**
Liabilities	472,873,348	342,392,632	2,473,808	**817,739,788**
Investments in tangible, intangible fixed assets and investments in real estate fixed assets	16,509,279	31,176,877	40,434	**47,726,590**

	Copper	Cables	Other	Total
12 months until 31 December 2014				
Depreciation of tangible fixed assets	(13,974,242)	(8,938,308)	(160,341)	(23,072,891)
Depreciation of intangible assets	(376,324)	(659,367)	-	(1,035,691)
Revaluation of Assets to Fair Value	(11,999,397)	(11,377,098)	(54,809)	(23,431,304)

Results per sector for the 12 months until 31st December 2015

	Copper	Cables	Other	Total
EUR				
12 months until 31 December 2015				
Total gross sales per sector	**886,713,883**	**494,893,347**	**42,992,524**	**1,424,599,754**
Inter-company sales	(156,140,033)	(34,060,509)	(4,296,100)	**(194,496,642)**
Net sales	**730,573,850**	**460,832,837**	**38,696,424**	**1,230,103,112**
Operating profits	(4,946,405)	23,774,601	698,486	**19,526,682**
Financial income	31,227	22,168	4,901	**58,295**
Financial expenses	(27,404,278)	(21,556,431)	(287,656)	**(49,248,365)**
Share in the results of affiliated companies	(154,761)	-	-	**(154,761)**
Profit / (Loss) before taxes	**(32,474,217)**	**2,240,338**	**415,731**	**(29,818,148)**
Income tax	(414,088)	(2,491,805)	(103,357)	**(3,009,250)**
Net profit / (loss)	**(32,888,305)**	**(251,467)**	**312,374**	**(32,827,398)**

	Copper	Cables	Other	Total
31/12/2015				
Assets	501,886,523	485,392,567	13,036,114	**1,000,315,203**
Total liabilities	478,631,321	404,437,426	9,579,232	**892,647,979**
Investments in tangible, intangible fixed assets and investments in real estate fixed assets	12,310,489	11,478,595	113,092	**23,902,175**

	Copper	Cables	Other	Total
12 months until 31 December 2015				
Depreciation of tangible fixed assets	(18,329,695)	(13,616,557)	(85,520)	**(32,031,773)**
Depreciation of intangible assets	(639,720)	(758,431)	(648)	**(1,398,799)**
Revaluation of Assets to Fair Value	(876,000)	-	-	**(876,000)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The operating segments are managed mostly centrally but the bulk of sales are overseas. Sales and non-current assets of the Group based on their geographical allocation are briefly presented as follows:

EUR	GROUP		COMPANY	
Sales	**2015**	**2014**	**2015**	**2014**
Greece	213,444,729	79,952,059	56,756,048	47,665,337
European Union	797,903,694	779,810,395	288,384,120	257,018,721
Other European countries	104,235,115	96,620,023	63,457,785	58,171,655
Asia	49,132,025	46,357,138	15,053,314	13,049,335
America	37,654,550	54,037,390	15,874,842	11,021,551
Africa	26,131,819	20,377,726	12,164,120	9,088,292
Oceania	1,601,180	2,718,655	-	-
Total	**1,230,103,111**	**1,079,873,385**	**451,690,228**	**396,014,891**

EUR	GROUP		COMPANY	
Total Assets	**2015**	**2014**	**2015**	**2014**
Greece	604,801,436	583,161,537	438,188,373	440,953,166
International	395,513,767	381,918,566	-	-
Total	**1,000,315,203**	**965,080,103**	**438,188,373**	**440,953,166**

Investments in PPE	**2015**	**2014**	**2015**	**2014**
Greece	10,003,452	33,237,537	6,877,417	5,223,622
International	14,152,382	14,489,053	-	-
Total	**24,155,834**	**47,726,590**	**6,877,417**	**5,223,622**

6. Income

Analysis of sales per category	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Sale of merchandise & products	1,117,018,061	1,009,445,750	433,044,348	373,266,817
Income from services	62,045,308	29,941,224	1,527,211	1,505,132
Other	51,039,743	40,486,411	17,118,670	21,242,942
Total	**1,230,103,112**	**1,079,873,385**	**451,690,228**	**396,014,891**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

7. Other operating income and expenses

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Other Income				
Grants of the Fiscal Year	15,323	76,422	-	72,638
Income from other activities	334,694	1,732,706	1,254,172	1,707,378
Depreciation of Grants	1,137,619	576,895	111,367	111,102
Income from Rent	747,739	618,423	-	-
Foreign Exchange Differences	11,852,659	7,921,048	1,576,342	817,587
Damage Compensation	918,302	37,758	157,465	23,192
Profit / (Loss) from sale of Fixed Assets	-	19,269	-	2,080
Commissions	493,285	-	-	-
Reversal of Revaluation to Fair Value	169,064	-	37,227	-
Other Income	2,991,451	3,467,490	205,012	472,035
Total	**18,660,138**	**14,450,012**	**3,341,585**	**3,206,013**
Other Expense				
Revaluation to Fair Value	(62,051)	-	(62,051)	-
Foreign Exchange Differences	(13,665,149)	(8,029,443)	(1,431,244)	(1,081,646)
Bad debt Provisions	(1,718,578)	(947,244)	-	(68,434)
Other taxes	(199,472)	-	-	-
Other Expense	(4,178,005)	(6,262,440)	(329,673)	(598,947)
Total	**(19,823,256)**	**(15,239,127)**	**(1,822,968)**	**(1,749,028)**
Other income and expense (net)	**(1,163,118)**	**(789,116)**	**1,518,616**	**1,456,985**

8. Expenses by nature

The breakdown of expenses by nature was as follows:

	GROUP		COMPANY	
EUR	**2015**	**2014 ***	**2015**	**2014 ***
Cost of inventories recognized as an expense	953,151,097	891,268,778	388,101,364	339,837,241
Employee benefits	67,604,318	64,177,159	17,902,341	17,083,868
Energy	19,425,540	15,009,144	4,370,259	3,992,092
Depreciation and amortisation	33,406,391	24,075,730	6,828,195	5,029,720
Taxes - duties	2,028,348	1,031,993	964,408	-
Insurance premiums	4,984,573	2,720,141	1,012,652	343,878
Rental fees	3,019,718	2,911,836	702,792	778,516
Transportation	15,828,955	14,263,310	1,164,671	1,145,689
Promotion & advertising	441,567	-	256,416	434,210
Third party fees and benefits	67,020,445	35,019,937	13,977,044	12,049,343
Provisions	2,889,847	200,107	130,073	157,344
Interest	25,128	16,799	-	-
Other expenses	39,587,385	33,701,868	10,251,442	9,742,623
Total	**1,209,413,312**	**1,084,396,801**	**445,661,658**	**390,594,524**

* 2014 figures have been adjusted for comparability reasons

The cost of benefits to employees can be broken down as follows:

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Employee remuneration & expenses	53,450,183	50,407,176	13,306,648	13,220,640
Social security expenses	12,102,659	12,201,609	3,289,783	3,274,689
Defined benefit contribution plan	764,774	940,854	294,346	316,454
Other staff expenses	1,305,189	627,519	1,011,564	272,085
Total	**67,622,806**	**64,177,159**	**17,902,341**	**17,083,868**

The number of staff employed by the Company at the end of the current year was: 427 (2014: 416) and as for the Group: 2,447 (2014: 2,413).

9. Finance income and cost

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Income				
Interest	58,295	96,538	25,287	25,201
Total	**58,295**	**96,538**	**25,287**	**25,201**
Expense				
Interest	(49,248,364)	(44,723,121)	(17,242,935)	(17,593,396)
Total	**(49,248,364)**	**(44,723,121)**	**(17,242,935)**	**(17,593,396)**
Financial Income & Cost (Net)	**(49,190,069)**	**(44,626,583)**	**(17,217,648)**	**(17,568,195)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

10. Property, plant and equipment

GROUP	Landplot	Buildings measured at Fair Value	Machinery	Machinery measured at Fair Value	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
EUR								
Cost or fair value								
Balance as at 1 January 2014	**45,041,886**	**114,806,414**	**25,437,361**	**383,666,192**	**5,124,850**	**19,739,973**	**57,785,748**	**651,602,424**
Foreign exchange differences	(99,197)	41,808	(168,371)	314,403	13,070	23,987	(5,620)	**120,081**
Additions	529,232	605,281	1,306,636	9,307,998	124,593	606,769	33,277,798	**45,758,306**
Sales	-	-	-	-	(72,006)	(3,758)	-	**(75,764)**
Write offs	-	(321,890)	(88,218)	(148,731)	(45,750)	(180,689)	(190,105)	**(975,382)**
Revaluation	21,990,220	40,797,972	-	77,235,592	-	-	(54,809)	**139,968,975**
Reclassification to Investment property	(450,197)	(223,005)	-	-	-	-	-	**(673,202)**
Liquidation of Subsidiaries	(58,820)	(400,814)	(468,337)	-	(6,236)	(42,998)	-	**(977,205)**
Reclassifications	-	10,657,225	6,487,567	61,083,068	277,115	(888,886)	(79,781,988)	**(2,165,900)**
Revaluation to Fair Value	-	(50,364,437)	-	(200,354,055)	-	-	-	**(250,718,492)**
Sale of subsidiary companies	-	-	-	-	-	(151,666)	115,224	**(36,442)**
Balance as at 31 December 2014	**66,953,123**	**115,598,554**	**32,506,638**	**331,104,467**	**5,415,637**	**19,102,732**	**11,146,247**	**581,827,398**
Accumulated depreciation								
Balance as at 1 January 2014	-	**(47,786,092)**	**(12,197,320)**	**(182,429,333)**	**(4,074,298)**	**(16,016,360)**	-	**(262,503,404)**
Foreign exchange differences	-	(112,261)	205,119	(401,378)	44	(12,641)	-	**(321,117)**
Depreciations of the period	-	(3,468,841)	(1,721,617)	(16,534,309)	(266,774)	(1,081,350)	-	**(23,072,891)**
Sales	-	-	-	-	68,632	3,549	-	**72,181**
Write offs	-	65,903	73,690	72,626	39,489	166,218	-	**417,926**
Liquidation of Subsidiaries	-	400,813	450,995	-	(716)	40,771	-	**891,863**
Reclassification to Investment property	-	37,759	-	-	-	-	-	**37,759**
Reclassifications	-	(41,263)	-	(1,266,779)	-	1,308,042	-	-
Adjustment to Revaluation to Fair Value	-	50,364,437	-	200,354,055	-	-	-	**250,718,492**
Sale of subsidiary companies	-	-	-	-	-	138,687	-	**138,687**
Balance as at 31 December 2014	-	**(539,545)**	**(13,189,135)**	**(205,118)**	**(4,233,623)**	**(15,453,083)**	-	**(33,620,504)**
Book Value as at 31 December 2014	**66,953,123**	**115,059,010**	**19,317,504**	**330,899,349**	**1,182,014**	**3,649,649**	**11,146,247**	**548,206,894**

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VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

EUR	Landplot	Buildings measured at Fair Value	Buildings	Machinery	Machinery measured at Fair Value	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost or fair value									-
Balance as at 1 January 2015	**66,953,123**	**115,405,604**	**297,482**	**32,711,757**	**330,899,349**	**5,415,637**	**19,102,732**	**11,146,247**	**581,931,930**
Foreign exchange differences	(126,654)	(99,266)	-	-	(225,050)	12,540	(3,532)	317,561	**(124,401)**
Additions	289,363	142,065	-	967,243	3,484,366	159,140	449,117	17,769,643	**23,260,937**
Sales	-	(696)	(62,000)	(10,750)	(153,026)	(57,141)	(202,169)	(1,296,030)	**(1,781,812)**
Write offs	-	(29,037)	-	(332,001)	-	(20,345)	(31,765)	(16,687)	**(429,835)**
Reclassifications	(1,969,951)	(508,451)	-	946,282	8,385,182	-	256,615	(12,572,679)	**(5,463,002)**
Revaluation to Fair Value	87,216	313,425	-	-	-	-	-	-	**400,641**
Balance as at 31 December 2015	**65,233,097**	**115,223,644**	**235,482**	**34,282,531**	**342,390,821**	**5,509,831**	**19,570,998**	**15,348,055**	**597,794,457**
Accumulated depreciation									
Balance as at 1 January 2015	**-**	**(539,545)**	**(104,532)**	**(13,189,134)**	**(205,118)**	**(4,233,623)**	**(15,453,083)**	**-**	**(33,725,036)**
Foreign exchange differences	-	21,062	-	(1,852)	38,126	(7,271)	5,938	-	**56,002**
Depreciations of the period	-	(6,778,175)	(8,086)	(2,762,021)	(21,154,628)	(281,130)	(1,047,733)	-	**(32,031,773)**
Sales	-	-	28,291	-	4,074	56,917	200,563	-	**289,845**
Write offs	-	-	-	138,495	5,106	20,345	32,228	-	**196,174**
Acquisition of subsidiary companies	-	83,415	-	-	-	-	-	-	**83,415**
Reclassifications	-	-	-	-	707	-	138	-	**845**
Balance as at 31 December 2015	**-**	**(7,213,243)**	**(84,327)**	**(15,814,512)**	**(21,311,733)**	**(4,444,763)**	**(16,261,949)**	**-**	**(65,130,528)**
Book Value as at 31 December 2015	**65,233,097**	**108,010,401**	**151,155**	**18,468,019**	**321,079,087**	**1,065,068**	**3,309,049**	**15,348,055**	**532,663,930**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

COMPANY	Landplot	Buildings	Machinery	Machinery measured at Fair Value	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
EUR								
Cost or fair value								
Balance as at 1 January 2014	**22,219,386**	**32,532,709**	**2,201,271**	**106,332,575**	**1,531,110**	**6,121,225**	**4,558,510**	**175,496,786**
Foreign exchange differences								**-**
Additions	-	70,179	54,951	3,284,902	-	122,928	1,388,770	**4,921,730**
Sales	-	-	-	-	(17,285)	(2,996)	-	**(20,281)**
Write offs	-	-	-	(122,365)	-	-	-	**(122,365)**
Revaluation	(10,401,902)	8,700,603	-	46,043,577	-	-	-	**44,342,278**
Reclassifications	-	109,037	-	276,199	-	2,663	(387,898)	**1**
Revaluation to Fair Value	-	(14,810,912)	-	(63,984,322)	-	-	-	**(78,795,234)**
Balance as at 31 December 2014	**11,817,484**	**26,601,616**	**2,256,222**	**91,830,566**	**1,513,825**	**6,243,820**	**5,559,382**	**145,822,915**
Accumulated depreciation								
Balance as at 1 January 2014	**-**	**(13,669,153)**	**(1,578,852)**	**(60,659,568)**	**(1,524,806)**	**(5,827,919)**	**-**	**(83,260,298)**
Depreciations of the period	-	(1,141,759)	(141,795)	(3,371,014)	(4,381)	(199,967)	-	**(4,858,916)**
Sales	-	-	-	-	17,285	2,996	-	**20,281**
Impairment	-	-	-	46,260	-	-	-	**46,260**
Adjustment to Revaluation to Fair Value	-	14,810,912	-	63,984,322	-	-	-	**78,795,234**
Balance as at 31 December 2014	**-**	**0**	**(1,720,647)**	**-**	**(1,511,902)**	**(6,024,890)**	**-**	**(9,257,439)**
Book Value as at 31 December 2014	**11,817,484**	**26,601,616**	**535,575**	**91,830,566**	**1,923**	**218,930**	**5,559,382**	**136,565,476**

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VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

EUR	Landplot	Buildings measured at Fair Value	Buildings	Machinery	Machinery measured at Fair Value	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost or fair value									-
Balance as at 1 January 2015	**11,817,484**	**26,408,666**	**297,482**	**2,256,222**	**91,830,566**	**1,513,825**	**6,243,819**	**5,559,382**	**145,927,447**
Additions	76,266	61,339	-	67,947	2,062,375	124,846	97,933	4,177,094	**6,667,801**
Sales	-	-	(62,000)	-	(153,026)	-	(200,565)	(1,221,101)	**(1,636,691)**
Revaluation	87,216	313,425	-	-	-	-	-	-	**400,641**
Reclassifications	(1,969,951)	(1,443,639)	-	-	594,229	-	1,643	(1,072,127)	**(3,889,845)**
Balance as at 31 December 2015	**10,011,015**	**25,339,792**	**235,482**	**2,324,170**	**94,334,143**	**1,638,671**	**6,142,831**	**7,443,249**	**147,469,353**
Accumulated depreciation									
Balance as at 1 January 2015	-	-	**(104,532)**	**(1,720,647)**	-	**(1,511,902)**	**(6,024,890)**		**(9,361,971)**
Depreciations of the period	-	(1,713,865)	(8,086)	(130,938)	(4,576,920)	(5,539)	(167,198)	-	**(6,602,546)**
Sales	-	-	28,291	-	4,074	-	200,563	-	**232,928**
Reclassifications	-	83,415	-	-	707	-	-	-	**84,122**
Balance as at 31 December 2015	-	**(1,630,450)**	**(84,327)**	**(1,851,585)**	**(4,572,138)**	**(1,517,441)**	**(5,991,525)**	-	**(15,647,466)**
Book Value as at 31 December 2015	**10,011,015**	**23,709,342**	**151,155**	**472,585**	**89,762,005**	**121,230**	**151,306**	**7,443,249**	**131,821,887**

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VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

(a) Change of accounting policy

At the end of 2014, Halcor Group changed its accounting policy for valuating property, plant and equipment by adopting the revaluation model. Management takes the view that this policy provides reliable and more relevant information because it presents more accurately with the components of property, plant and equipment and is based on up-to-date values. The policy has been applied prospectively from 2014.

(b) Measurement of Fair Value of fixed assets

Land, buildings and machinery for Group and the Company are presented at fair value as the date of revaluation less the accumulated depreciation and the subsequent impairment. The measurement of fair value regarding Land, building and machinery for the Group and the Company has been performed by independent certified valuators that are not affiliated with the Group. The independent valuators are members of accredited unions and institutions and have the necessary experience and knowledge regarding the fair value approach on land, building and production machinery.

The fair value of land has been determined using the market approach, which reflects on the recent prices of transactions for comparable land in the area where the land of Group and the Company in located. The observable data have been adjusted for certain characteristics of each landplot.

The fair value of buildings has been determined using the cost approach, which reflects the cost that a participant in an active market would have to pay to construct a comparable asset, adjusted for impairment. The main parameters that were considered for the determination of the value of buildings include the estimated construction cost, additional expenses required and the impairment factor on the total estimated cost of construction.

The fair value of production machinery was determined using the cost approach, which reflects the cost that a participant in an active market would have to pay to acquire a comparable asset adjusted for impairment through use and technological advancements. The main parameters considered in the determination of the value of production machinery include the estimated cost of replacement, the residual value and the impairment factor on the total cost of construction.

As a consequence of the revaluation that took place in 31/12/2014, the Group and the Company perform a test for the revaluation of the assets. For 2015 and taking into consideration the following:

1. There was no change in the use of any of the assets.
2. There was no destruction or damages that would result in impairment of the cash generating ability of the assets of the Group or the Company.
3. During the year 2015 there was no significant external factors that have affected the value of the assets.

Therefore, the Group and the Company did not proceed to new measurements

As of 1st of January 2015 the useful life of buildings and technical equipment was changed for the assets held by the Company and other subsidiaries; this affected the depreciation by Euro 2.4 million for the Company and Euro 3.1 million for the Group respectively.

In case that the land, buildings and machinery were presented in the historical cost, the respective amounts for the year ended December 31, 2015 and the comparable fiscal year of 2014 would be as follows:

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

EUR	*31/12/2014*		
GROUP	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Landplot	45,058,839	-	45,058,839
Buildings	125,128,269	(50,795,896)	74,332,373
Production Machinery	454,054,558	(200,354,052)	253,700,505

EUR	*31/12/2015*		
GROUP	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Landplot	42,861,252	-	42,861,252
Buildings	124,401,137	(53,520,558)	70,880,578
Production Machinery	419,772,027	(215,481,446)	204,290,581

EUR	*31/12/2014*		
COMPANY	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Landplot	22,219,386	-	22,219,386
Buildings	32,711,925	(14,810,912)	17,901,013
Production Machinery	109,771,311	(63,984,322)	45,786,989

EUR	*31/12/2015*		
COMPANY	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Landplot	19,828,800	-	19,828,800
Buildings	31,138,796	(15,099,842)	16,038,954
Production Machinery	111,859,999	(1,767,258)	110,092,741

(c) Pledges on Fixed Assets

There are pledges related to payment of loans for the fixed assets of the Group and the Company (see note 22).

(d) Assets under Construction

The account "Assets under construction" includes machinery the installation of which has not been completed as at December 31, 2015.

(e) Transfer to Investment Property

During 2015, real estate property of the Group have been transferred to Investment Property (see note 12), because they were no longer used by the Group. As a result, real estate of net book value of Euro 3,742 thousand was transferred to Investment Property.

(f) Capitalization of Borrowing costs

The Group accounted in the Fixed Assets the amount of Euro 121,766 which reflects borrowing costs of debt that has been assumed with the purpose of financing the construction or acquisition of specific assets. The respective amount of interest that was capitalized by the Company is Euro 118,815 that reflects the part of general borrowing cost associated with the construction and acquisition of fixed assets.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

11. Intangible assets

GROUP	Brandname/ Port operation license	Cost of development	Trademarks and licenses	Software	Other	Total
EUR						
Cost or Fair Value						
Balance as at 1 January 2014	**9,675,449**	**37,434**	**5,045,997**	**9,901,775**	**357,752**	25,018,406
Foreign Exchange Differences	-	23	-	(101)	-	(78)
Additions	-	-	101,389	331,411	-	432,800
Write-offs	-	-	-	(42,655)	-	(42,655)
Reclassifications	-	-	1,026,140	1,139,771	-	2,165,911
Balance as at 31 December 2014	**9,675,449**	**37,456**	**6,173,526**	**11,330,201**	**357,752**	**27,574,384**
Accumulated depreciation						
Balance as at 1 January 2014	**-**	**(37,434)**	**(2,012,420)**	**(8,376,818)**	**(135,982)**	**(10,562,654)**
Foreign Exchange Differences	-	(22)	-	384	-	**362**
Depreciation for the period	-	-	(371,962)	(632,340)	(31,388)	**(1,035,691)**
Write-off	-	-	-	40,495	-	**40,495**
Balance as at 31 December 2014	**-**	**(37,455)**	**(2,384,382)**	**(8,968,279)**	**(167,370)**	**(11,557,487)**
Book Value as at 31 December 2014	**9,675,449**	**1**	**3,789,144**	**2,361,922**	**190,382**	**16,016,897**

	Brandname/ Port operation license	Cost of development	Trademarks and licenses	Software	Other	Total
EUR						
Cost or Fair Value						
Balance as at 1 January 2015	**9,675,449**	**37,456**	**6,173,526**	**11,330,201**	**357,752**	**27,574,384**
Foreign Exchange Differences	-	-		(17,210)	-	(17,210)
Additions	-	-	173,298	467,940	-	641,238
M&A Effects	-	-	-	-	3,006	3,006
Reclassifications	-	(37,456)	1,083,420	474,212	-	1,520,176
Balance as at 31 December 2015	**9,675,449**	**0**	**7,430,244**	**12,255,143**	**360,758**	**29,721,593**
Accumulated depreciation						
Balance as at 1 January 2015	**-**	**(37,455)**	**(2,384,382)**	**(8,968,279)**	**(167,370)**	**(11,557,487)**
Foreign Exchange Differences	-	-	3	14,912	-	14,915
Depreciation for the period	-	-	(495,569)	(875,838)	(27,392)	(1,398,799)
Sales	-	-	-	-	(2,029)	(2,029)
Impairement	-	37,455	-	-	-	37,455
Balance as at 31 December 2015	**-**	**(0)**	**(2,879,948)**	**(9,829,205)**	**(196,791)**	**(12,905,945)**
Book Value as at 31 December 2015	**9,675,449**	**(0)**	**4,550,296**	**2,425,938**	**163,967**	**16,815,649**

Impairment of intangible assets

In the last quarter of each year, the Group performs impairment testing of intangible assets with an indefinite useful life.

The two intangible assets, which cover the provisions set forth by the IAS 38 for the recognition of those assets in the consolidated financial statements by the Group, stemmed from the acquisition of the subsidiary Fulgor.

As intangible assets recognized the following:

a) Trade Name "Fulgor"

It relates to the sector of medium voltage submarine cables and terrestrial high voltage cables that the company was operating at the past and which reveals significant economic benefits. Based on the analysis of relevant factors (knowledge, no longstanding engagement with a wide range of clientele, future development of the sector), there is no planned end of the period in which the asset is expected to generate net cash inflows. The useful life of the brand was considered indeterminate. For this reason, the value of this intangible asset was determined in perpetuity.

b) Licence of Port use in Sousaki, Corinth

Fulgor holds license for permanent and exclusive use of port situated within the premises of the factory in Sousaki Corinth. The port is necessary for the production activity of submarine cables of medium and high voltage. The company during the years 2012-2015 invested the amount of Euro 91 million in the modernization and expansion of production capacity in producing high-voltage submarine cables. Usage of port facilities related to production and sale of high-voltage submarine cables and the significant development of the sector is the reasons why the useful of the asset is considered indefinite.

c) Impairment test

As these intangible assets do not generate independent cash inflows from their continuing use that could be largely independent of those assets which manufacture medium and high voltage submarine cables and high voltage terrestrial cables, it was selected that the impairment test be based in the production plant of Fulgor SA as the cash-generating unit (CGU - Cash Generating Unit). In calculating the value in use of intangible assets, cash flow projections based on estimates by management covering a period of five years were used. The estimates include contracts that the company has already assumed as well as contracts that are expected to be announce in Greece and abroad.

Cash flows after the first five years occurred using an estimated growth rate of 0.5%, which mainly reflects Management's estimates for the growth prospects of the high voltage submarine cable.

The rate used to discount the cash flows arising from the implementation of this method is floating from 8.4 % to 10.9% for the five year period and 8.5% for the perpetuity. And was based on the following:

- Risk free rated was determined according to AAA Eurozone rates and is fluctuating from 0.1% for the five years and 1.4% for the perpetuity.
- The country risk for operating in Greece determined at 3.1%-5.0% for the five years and 2.7% for the perpetuity.
- The additional market risk premium for an investment in a market at 5.8%

The results of this method showed that the total recoverable amount of assets as at December 31 2015 far exceeds their book values at Euro 121 million. The amount by which the total recoverable amount of the asset group exceeds book value amounts to Euro 55.4 million.

A sensitivity analysis was carried out on the key assumptions of the model (discount rates and growth in perpetuity) so as to examine the adequacy of the margin value. The result of the sensitivity analysis was that the recoverable amount far exceeds the carrying value of the asset group units.

The result of the sensitivity analysis between book value and Value in Use is as follows:

CGU - FULGOR – Cables Sector

	Assumptions used	*Change in rates used in order the recoverable amount to equal the carrying amount*
Discount Rate	*8.4% through 10.9%*	*+2.8%*
Terminal growth	*0.5%*	*-4.4%*

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

COMPANY	**Software**
EUR	
Cost	
Balance as at 1 January 2014	**3,906,897**
Additions	301,891
Balance as at 31 December 2014	**4,208,788**
Accumulated depreciation	
Balance as at 1 January 2014	**(3,629,573)**
Depreciation for the period	(170,803)
Balance as at 31 December 2014	**(3,800,376)**
Book Value as at 31 December 2014	**408,412**

	Software
EUR	
Cost	
Balance as at 1 January 2015	**4,208,788**
Additions	273,172
Balance as at 31 December 2015	**4,481,960**
Accumulated depreciation	
Balance as at 1 January 2015	**(3,800,376)**
Depreciation for the Period	(225,650)
Balance as at 31 December 2015	**(4,026,026)**
Book Value as at 31 December 2015	**455,934**

12. Investment property

EUR	**GROUP**		**COMPANY**	
Cost or fair value	**2015**	**2014**	**2015**	**2014**
Balance at the beginning of the period - net	**2,552,265**	**383,271**	**-**	**-**
Additions	131,837	1,535,473	-	-
Revaluation	400,641	(1,922)	400,641	-
Reclassifications	3,341,525	635,443	3,341,525	-
Balance as at period end	**6,426,268**	**2,552,265**	**3,742,166**	**-**

Investment property include buildings and land that the Group intends to lease or sell to third parties in the near future. The Group reviews the fair value in an annual basis.

The measurement of Fair Value is performed on December 31, 2015 by independent, certified valuators that are not affiliated with the Group. The independent valuators are members of accredited unions and institutions and have the necessary experience and knowledge regarding the fair value approach on land and buildings.

The valuation of the fair value is classified as Level 2 for the land and buildings according to the assumptions used for valuating the assets. The valuation method that has been applied for the fair value reflect the most efficient use as estimated by the Management of the Group.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The fair value of the land and buildings was estimated with the market approach which reflects the prices of assets for comparable property in the area where the assets of the Group and the Company are located. The observable data were adapted to the specific characteristics of each landplot.

The property investments on land at the date of transition to IFRS, were valuated at fair value which was considered as the deemed cost. The Group is reviewing the carrying value of the assets regularly.

13. Investments

Investments in Subsidiaries:

	COMPANY	
EUR	**2015**	**2014**
Balance as at 1 January	**174,346,714**	**174,900,421**
Additions	10,802,449	-
Impairment	-	(54,578)
Merger Effects	-	(45,512)
Reclassification to other investements	-	(205,617)
Return of Capital	-	(248,000)
Balance as at 31 December	**185,149,163**	**174,346,714**

Halcor's participation in the subsidiaries Hellenic Cables, Sofia Med SA and Fitco SA has been tested for impairment using the discounted cash-flows method of the company or the group. The impairment indications were taken into consideration from the financial performance of each company or group during the year 2014. The Cash flows used were based on projections provided by the companies that cover a five year period. The result of the calculation shown that the valuation is exceeding the value of Halcor's participation in the aforementioned companies at December 31, 2015.

In 2015 the Company participated equally with Cantas A.S. (Turkey) in the establishment of Joint Venture HC Isitma A.S. (Turkey) by paying Euro 745 thousand.

In addition, during the first half of 2015 the liquidation of Belantel LTD (Cyprus) was completed with the return of capital € 95 thousand.

Halcor R&D (Greece) is not included in the consolidated financial statements of the Group. The company was under liquidation, but on the 1st of October 2015 it was decided to revive the company because no action of liquidation was performed and the distribution of the assets to the shareholders had not started. The financial position of Halcor R&D is not expected to have significant influence on the financial position of the Group due to immaterial size of the company's financial statements.

On 24/9/2015 the Company acquired the 100% of the shares of the subsidiary Techor S.A. by purchasing 90,000 shares from Viohalco SA for the amount of Euro 803 thous. The historical acquisition price in the books of the seller Viohalco SA is Euro 802,500 i.e. Euro 8.9167 per share, while the face value of the share is Euro 0.76 per share.

On the 8th of July, Diapem SA, in which the Company participates with 33.33% having 9,085 shares, proceeded with to share capital reduction by reducing the face value per share from Euro 29.35 per share to Euro 18.35 per share due to lack of business activity. Consequently there was a return of capital to the shareholders and the amount attributed to the company stood at Euro 100 thous.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The Group on 15th of April proceeded with the capital increase of the subsidiary Fulgor S.A. at the amount of Euro 14,400,000. At the date, 900,000 new shares were issued at the face value of Euro 2.94 per share and price Euro 16.00 per share, ie with share premium of Euro 13.06 per share.

The Group acquired the 100% of the shares of SYMM.EP. SA for the amount of Euro 60,000.

The Company on December of 2015 moved to the capital increase in the 100% subsidiary Sofia Med SA for the total amount of Euro 9,999,949. With the increase 176,200 new shares were issued with nominal value of Euro 41.93 per share and issue price of Euro 56.75 per share, i.e. with premium Euro 14.83 per share.

More information on subsidiaries with significant non-controlling interests in the following page.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

EUR

31/12/2014	STEELMET S.A.	HELLENIC CABLES S.A.	Other	Total
Percentage of Non-Controlling Interest	49.00%	27.47%		
Non-Current Assets	554,219	260,444,221		
Current Assets	4,363,713	177,208,842		
Long-term Liabilities	945,907	151,185,607		
Short-tem Liabilities	2,549,279	198,026,203		
Total Equity	1,422,746	88,441,253		
Non-Controlling Interests	**697,131**	**24,291,275**	**1,524,805**	**26,513,210**
Sales	13,637,349	359,418,262		
Profit / (Loss)	485,965	(30,338,499)		
Other Comprehensive Income	(266,612)	36,360,537		
Total Comprehensive Income	**219,353**	**6,022,038**		
Non-Controlling Interest in Profit / (Loss)	**238,118**	**(8,332,772)**	**(140,079)**	**(8,234,733)**
Non-Controlling Interest in Comprehensive Income	**(130,637)**	**9,986,785**	**358,263**	**10,214,411**
Cash-Flows from Operating Activities	107,815	(11,175,432)		
Cash-Flows from Investing Activities	(104,032)	(32,841,588)		
Cash-Flows from Financing Activities	165,903	30,957,577		
Effect on Cash and Cash equivalents	**169,686**	**(13,059,443)**		

EUR

31/12/2015	STEELMET S.A.	HELLENIC CABLES S.A.	Other	Total
Percentage of Non-Controlling Interest	49.00%	27.47%		
Non-Current Assets	562,423	256,438,123		
Current Assets	4,048,509	232,143,475		
Long-term Liabilities	850,321	164,716,764		
Short-tem Liabilities	2,528,244	238,160,106		
Total Equity	1,232,367	85,704,729		
Non-Controlling Interests	**603,847**	**23,539,661**	**914,088**	**25,057,595**
Sales	14,046,269	479,747,231		
Profit / (Loss)	279,619	(1,847,383)		
Other Comprehensive Income	102,403	(865,586)		
Total Comprehensive Income	382,022	(2,712,969)		
Non-Controlling Interest in Profit / (Loss)	**137,010**	**(507,402)**	**52,065**	**(318,327)**
Non-Controlling Interest in Comprehensive Income	**50,176**	**(237,742)**	**(44,784)**	**(232,350)**
Cash-Flows from Operating Activities	356,292	7,706,145		
Cash-Flows from Investing Activities	(51,785)	(11,343,717)		
Cash-Flows from Financing Activities	(475,503)	17,193,155		
Effect on Cash and Cash equivalents	**(170,996)**	**13,555,583**		

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The movement in the account of the companies consolidated using the equity method is as follows:

	GROUP		COMPANY	
EUR	2015	2014	2015	2014
Balance as at 1 January	**9,013,674**	**6,557,951**	**5,321,082**	**4,264,103**
Share in profit / (loss) after taxes	(154,761)	371,434	-	-
Dividends received (-)	(79,458)	(60,250)	-	-
Foreign exchange differences	(13,654)	4,197	-	-
Additions	744,984	2,004,000	744,984	1,002,000
Reclassifications	-	136,342	-	54,979
Other changes	(128,045)	-	(99,935)	-
Balance as at 31 December	**9,382,740**	**9,013,674**	**5,966,131**	**5,321,082**

The main financial assets of these associated companies can be broken down as follows:

Company Name	Country	Assets	Liabilities	Revenue	Profit / (Loss) after tax	% of participation
31/12/2014						
DIAPEM SA - Commercial	Greece	666,137	15,665	-	28,071	33.33%
ELKEME SA - Metal. Research	Greece	1,902,336	181,083	1,561,596	(73,303)	30.44%
S.C. STEELMET ROMANIA S.A - Commercial	Romania	6,822,740	1,953,696	17,849,992	(90,788)	40.00%
TEPRO METALL AG -Commerical	Germany	28,075,605	16,717,180	114,049,726	974,625	36.21%
VIEXAL SA - Services	Greece	1,263,507	1,103,898	8,168,449	335,345	26.67%
GENECOS - Commercial	France	11,409,000	3,320,000	8,597,000	4,000	24.78%
		50,139,325	**23,291,522**	**150,226,763**	**1,177,950**	

Company Name	Country	Assets	Liabilities	Revenue	Profit / (Loss) after tax	% of participation
31/12/2015						
DIAPEM SA - Commercial	Greece	361,872	6,468	-	5,681	33.33%
ELKEME SA - Metal. Research	Greece	1,881,247	250,517	1,592,950	(90,523)	30.44%
S.C. STEELMET ROMANIA S.A - Commercial	Romania	7,719,820	2,803,719	17,667,230	93,049	40.00%
TEPRO METALL AG -Commerical	Germany	25,948,889	14,390,847	111,834,837	335,259	36.21%
VIEXAL SA - Services	Greece	942,019	665,465	7,262,052	145,013	26.67%
GENECOS - Commercial	France	27,984,216	18,285,945	75,806,010	(712,373)	24.78%
		64,838,063	**36,402,961**	**214,163,079**	**(223,894)**	

14. Other investments

Other investments include the following:

EUR	GROUP		COMPANY	
Unlisted Titles	2015	2014	2015	2014
-Domestic Participating Titles	2,984,051	3,873,160	2,448,190	3,324,190
-International Participating Titles	395,512	395,512	395,512	395,512
Bonds	-	-	-	-
Other	16,604	16,604	11,069	11,069
	3,396,167	**4,285,276**	**2,854,771**	**3,730,771**

Other investments, classified as financial assets available for sale, relate to investments in domestic and foreign companies with holding percentages below 20% and are valued at fair value, the difference from the revaluation is posted in the Statement of Comprehensive income or are valued at historical cost if the fair value cannot be estimated.

Halcor’s participations are tested for impairment using the discounted cash-flows method. There were no signs of impairment in Halcor’s participation in the equity of these companies. For this measurement cash-flows used were covering estimates in a five-year period (level of measurement 3).

The movement in Available-for-Sale was as follows:

EUR	GROUP	COMPANY
Balance as at 1 January 2014	**4,115,478**	**3,615,618**
Additions	27,641	27,641
Reductions through sale of subsidiary	(42,000)	-
Merger effects	45,512	45,512
Reclassifications	138,645	42,000
Balance as at 31 December 2014	**4,285,276**	**3,730,771**
Balance as at 1 January 2015	**4,285,276**	**3,730,771**
Sales	(13,108)	-
Revaluation directly in Equity	(876,000)	(876,000)
Balance as at 31 December 2015	**3,396,168**	**2,854,771**

The valuation technique, as well as the significant observable inputs used are depicted in the following table:

Valuation Technique	*Significant observable inputs*	*Inter-relationship between key unobservable inputs and fair value measurement*
Discounted Cash Flows: The valuation model considers the present value of net cash flows to be generated from the CGU. The expected net cash flows are discounted using risk-adjusted discount rates.	• Risk-free rate: 0.58% • Market risk premium: 6.00% • Selected asset beta: 0.63 • Expected income tax rate: 29% • Relevered beta: 0.92 • WACC (rounded): 9.90%	**The estimated fair value would increase (decrease) if:** • the expected market growth rate increase (decrease) • the estimated cash flows increase (decrease) • the risk-adjusted discount rate were lower (higher)

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

15. Income tax

Income tax that is charged or has reduced the results is as follows:

Amounts recognised in profit or loss	GROUP		COMPANY	
	2015	2014	2015	2014
EUR				
Current tax expense	(203,942)	(465,971)	-	(142,841)
Deferred tax	(2,805,309)	14,004,885	(1,803,928)	5,421,042
Tax expense on continuing operations	**(3,009,250)**	**13,538,914**	**(1,803,928)**	**5,278,201**

Reconciliation of tax expense	GROUP				COMPANY			
	2015		2014		2015		2014	
EUR								
Accounting Profit/loss (-) before income tax		**(29,818,148)**		**(73,008,985)**		**(9,421,801)**		**(21,390,219)**
Atstatutory income tax rate of 2015:29% & 2014:26%	-17.0%	5,057,815	-26.0%	18,982,336	-29.0%	2,732,322	-26.0%	5,561,457
Non-deductible expenses for tax purposes	9.8%	(2,932,628)	-0.7%	503,217	21.0%	(1,974,801)	1.7%	(365,937)
Tax-exempt income	-1.0%	310,754	0.0%	-	0.0%	-	0.0%	-
temporary differences of a prior period	-1.5%	454,107	3.9%	(2,858,794)	0.0%	-	0.0%	-
Effect of tax rates in foreign jurisdictions	0.6%	(168,425)	0.0%	-	0.0%	-	0.0%	-
Temporary differences in tax base of property, plant and equipment	2.4%	(709,726)	-0.2%	157,221	0.0%	-	0.0%	-
Tax-exempt reserves recognition	-0.9%	262,404	0.0%	-	0.0%	-	0.0%	-
Withholding tax on international dividends	-0.1%	22,143	0.0%	-	0.0%	-	0.0%	-
Change in tax rate or composition of new tax	11.1%	(3,313,789)	0.0%	-	26.9%	(2,533,946)	0.0%	-
Other taxes	0.0%	(10,682)	-0.5%	360,232	0.0%	-	0.0%	-
Permanent Diferrences	0.0%	(9,871)	0.8%	(583,967)	0.3%	(27,503)	-0.4%	82,681
Reversal of deferred tax assets	6.6%	(1,971,351)	4.1%	(3,021,331)	0.0%	-	0.0%	-
	10%	**(3,009,250)**	**-19%**	**13,538,914**	**19%**	**(1,803,928)**	**-25%**	**5,278,201**
Income tax expense reported in the statement of profit or loss		**(3,009,250)**		**13,538,914**		**(1,803,928)**		**5,278,201**

During 2015 the tax audit of the Hellenic Cables SA, Fulgor SA, Steelmet SA and Fitco SA was completed by the auditor according to article 82, paragraph 5 of Law.2238/1994, for the fiscal year 2014 and the certificate was issued without qualification remarks.

The unadited fiscal years until 2010 according to applicable laws will be audited by the tax authorities according to the applicable rules and procedures until the application of the aforementioned law.

The deferred tax assets that derive from unused tax losses to be settled in the future fiscal years are only recognized if it is expected by to be settled with future tax profit according to the business plan of the Group. From the accumulated tax losses of the Group, a deferred tax asset has been recognized totaling Euro 15.1 million that corresponds to losses of Euro 52.3 million.

In 2015 and 2014, the provisions of article 49 of Law 4172, concerning thin capitalization, were applicable for the first time according to which the limit of the additional interest expense is set to 60% of the EBITDA of each company. These amounts can be settled with future tax profits.

For the fiscal year 2015, the Company and its subsidiaries, Fitco SA, Hellenic Cables SA, Fulgor SA, Steelmet SA are under the audit of the Certified Auditors according to the provisions of article 65A fo L. 4174/2013. This audit is on-going and the relative report of tax compliance is expected to be issued after the publication of the financial statements for the year ended in 31st December 2015. The result of the audit is not expected to significantly affect the financial statements.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The movement in deferred tax assets and liabilities can be presented as follows:

GROUP

Movement in deferred tax balances

2015	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Effect of Change of Tax rate	Balance at 31 December: Net	Balance at 31 December: Deferred tax assets	Balance at 31 December: Deferred tax liabilities
EUR								
Property, plant and equipment	(50,895,853)	3,763,474	(1,759,139)	26,020	(5,349,629)	**(54,215,126)**	1,803,758	(56,018,884)
Intangible assets	(1,944,712)	22,421	-	-	(246,520)	**(2,168,811)**	-	(2,168,811)
Investment property	(106,896)	(927,456)	-	-	(126,490)	**(1,160,842)**	-	(1,160,842)
Available-for-sale financial assets	-	-	254,040	-	-	**254,040**	-	254,040
Derivatives	(234,094)	(118,329)	487,444	143	16,827	**151,991**	121,769	30,222
Inventories	(61,558)	289,552	-	-	(38,454)	**189,539**	559,821	(370,282)
Loans and borrowings	(3,527,287)	373,706	-	-	(402,137)	**(3,555,718)**	-	(3,555,718)
Employee benefits	359,648	11,249	(101,663)	(4,270)	111,666	**376,629**	232,462	144,168
Provisions	2,219,806	1,093,293	(12,094)	-	143,139	**3,444,144**	22,317	3,421,827
Other items	(44,277)	(1,543,447)	(243,650)	-	541,254	**(1,290,121)**	81,921	(1,372,042)
Carryforward tax loss	16,199,353	(2,454,231)	-	-	1,398,313	**15,143,435**	1,048,135	14,095,300
Tax assets/liabilities (-) before set-off	**(38,035,870)**	**510,231**	**(1,375,062)**	**21,894**	**(3,952,031)**	**(42,830,839)**	**3,870,184**	**(46,701,023)**
Set-off tax							-	-
Net tax assets/liabilities (-)						**(42,830,839)**	**3,870,184**	**(46,701,023)**

-

2014	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Other	Balance at 31 December: Net	Balance at 31 December: Deferred tax assets	Balance at 31 December: Deferred tax liabilities
EUR								
Property, plant and equipment	(26,058,076)	7,244,115	(32,103,645)	21,753	-	**(50,895,853)**	948,097	(51,843,950)
Intangible assets	(1,922,654)	(22,058)	-	-	-	**(1,944,712)**	-	(1,944,712)
Investment property	-	(106,896)	-	-	-	**(106,896)**	-	(106,896)
Available-for-sale financial assets	-	-	-	-	-	-	-	-
Derivatives	(230,751)	47,587	(50,930)	-	-	**(234,094)**	(57,876)	(176,219)
Inventories	(453,456)	391,898	-	-	-	**(61,558)**	-	(61,558)
Loans and borrowings	(4,031,590)	504,303	-	-	-	**(3,527,287)**	-	(3,527,287)
Employee benefits	(115,813)	118,511	356,950	-	-	**359,648**	312,765	46,884
Provisions	1,789,708	430,098	-	-	-	**2,219,806**	2,855	2,216,951
Other items	242,587	(53,511)	-	-	(233,353)	**(44,277)**	(232,908)	188,631
Carryforward tax loss	10,748,515	5,450,838	-	-	-	**16,199,353**	872,179	15,327,174
Tax assets/liabilities (-) before set-off	**(20,031,530)**	**14,004,885**	**(31,797,625)**	**21,753**	**(233,353)**	**(38,035,870)**	**1,845,112**	**(39,880,982)**
Set-off tax						-		-
Net tax assets/liabilities (-)						**(38,035,870)**	**1,845,112**	**(39,880,982)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

COMPANY

Movement in deferred tax balances

					Balance at 31 December		
2015	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Effect of Change of Tax rate**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
EUR							
Property, plant and equipment	(27,107,276)	1,394,285	(1,759,139)	(2,966,883)	**(30,439,013)**	-	(30,439,013)
Intangible assets	401,716	(29,407)	-	42,959	**415,268**	-	415,268
Investment property	-	(631,561)	-	(72,872)	**(704,434)**	-	(704,434)
Available-for-sale financial assets	-		254,040	-	**254,040**	-	254,040
Derivatives	(132,412)	(4,129)	305,758	-	**169,217**	-	169,217
Inventories	(65,857)	(267,414)	-	(38,454)	**(371,726)**	-	(371,726)
Loans and borrowings	(335,898)	85,432	-	(28,900)	**(279,365)**	-	(279,365)
Employee benefits	454,604	5,816	(62,755)	42,202	**439,867**	-	439,867
Provisions	316,822	94,987	-	47,516	**459,326**	-	459,326
Other items	(14,524)	4,009	-	(1,313)	**(11,828)**	-	(11,828)
Carryforward tax loss	2,117,470	78,000	-	441,800	**2,637,270**	-	2,637,270
Tax assets/liabilities (-) before set-off	**(24,365,355)**	**730,019**	**(1,262,096)**	**(2,533,946)**	**(27,431,379)**	-	**(27,431,379)**
Set-off tax					-		-
Net tax assets/liabilities (-)					**(27,431,379)**	-	**(27,431,379)**

					Balance at 31 December		
2014	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Effect of Change of Tax rate**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
EUR							
Property, plant and equipment	(15,852,288)	3,081,284	(14,336,272)	-	**(27,107,276)**	-	(27,107,276)
Intangible assets	432,806	(31,090)	-	-	**401,716**	-	401,716
Investment property	-	-	-	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-
Derivatives	38,351	(3,923)	(166,840)	-	**(132,412)**	-	(132,412)
Inventories	(209,477)	143,620	-	-	**(65,857)**	-	(65,857)
Loans and borrowings	(421,330)	85,432	-	-	**(335,898)**	-	(335,898)
Employee benefits	364,317	(4,384)	94,671	-	**454,604**	-	454,604
Provisions	272,382	44,440	-	-	**316,822**	-	316,822
Other items	(2,715)	(11,809)	-	-	**(14,524)**	-	(14,524)
Carryforward tax loss	-	2,117,470	-	-	**2,117,470**	-	2,117,470
Tax assets/liabilities (-) before set-off	**(15,377,954)**	**5,421,040**	**(14,408,441)**	-	**(24,365,355)**	-	**(24,365,355)**
Set-off tax					-		-
Net tax assets/liabilities (-)	-	-	-	-	**(24,365,355)**	-	**(24,365,355)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The movement of deferred tax in Other comprehensive Income was as follows:

Amounts recognized in the OCI	GROUP					
	2015			2014		
EUR	Before Tax	Tax (expense) / Benefit	After Tax	Before Tax	Tax (expense) / Benefit	After Tax
Profit from Revaluation of Fixed Assets to Fair Value	361,910	(2,445,591)	**(2,083,681)**	163,071,988	(32,103,645)	**130,968,343**
Remeasurements of defined benefit liability (asset)	512,100	(148,509)	**363,591**	(1,372,887)	356,950	**(1,015,937)**
Foreign currency translation differences	(952,230)	-	**(952,230)**	491,021	-	**491,021**
Gain / (Loss) of changes in fair value of Available-for-sale - net change in fair value	(876,000)	254,040	**(621,960)**	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(3,274,455)	280,006	**(2,994,449)**	287,908	(50,931)	**236,977**
	(4,228,675)	**(2,060,055)**	**(6,288,729)**	**162,478,030**	**(31,797,626)**	**130,680,404**

	COMPANY					
	2015			2014		
	Before Tax	Tax (expense) / Benefit	After Tax	Before Tax	Tax (expense) / Benefit	After Tax
Profit from Revaluation of Fixed Assets to Fair Value	361,910	(1,759,139)	**(1,397,229)**	55,139,506	(14,336,271)	**40,803,235**
Remeasurements of defined benefit liability (asset)	216,397	(62,755)	**153,642**	(364,121)	94,671	**(269,450)**
Gain / (Loss) of changes in fair value of Available-for-sale - net change in fair value	(876,000)	254,040	**(621,960)**	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(1,130,854)	327,948	**(802,906)**	641,691	(166,840)	**474,851**
	(1,428,547)	**(1,239,907)**	**(2,668,454)**	**55,417,076**	**(14,408,440)**	**41,008,636**

16. Inventories

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Merchandise	5,185,838	4,595,267	1,881,501	1,936,404
Finished goods	56,937,096	62,689,083	14,335,907	17,346,699
Semi-finished goods	45,727,102	52,732,610	10,707,884	15,406,734
By-products & scrap	2,510,161	1,850,353	62,918	25,711
Work in progress	27,859,615	32,712,848	1,250,365	3,709,913
Raw and auxiliary materials, consumables, spare parts and packaging	71,445,016	72,989,134	17,784,181	20,332,235
Down payments for purchase of inventory	11,698,951	6,914,779	4,898,739	-
Total	**221,363,780**	**234,484,076**	**50,921,495**	**58,757,697**
Less: Provision for Devaluation of Inventory	**(11,426,678)**	**(648,491)**	**(2,123,035)**	**-**
Total net realizable value	**209,937,102**	**233,835,584**	**48,798,460**	**58,757,697**

Inventories are recognized in the net realizable value which reflects the estimated value of sale less expenses for sale.

In 2015 a provision was posted for devaluation of inventory to the net realizable value, amount to Euro 11.4 million for the Group and Euro 2.1 million for the Company due to the falling prices of metals, and mostly copper in the LME.

The amount for devaluation of inventories has been recognized in the "Income statement" as an expense for the period and included in the cost of sales.

17. Trade and other receivables

Current Assets	GROUP		COMPANY	
EUR	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Clients	132,373,994	78,640,729	9,981,580	8,288,118
Less: Devaluation allowances	(8,864,763)	(7,197,019)	(1,739,763)	(1,728,878)
Net receivables from clients	**123,509,230**	**71,443,710**	**8,241,818**	**6,559,240**
Other down payments	556,680	682,659	171,044	147,242
Bills-cheques receivables & noted	1,875,248	2,822,474	57,346	85,875
Receivables from affiliated entities	19,534,589	16,344,707	36,282,798	40,172,216
Receivables from other holding companies	440,670	440,536	8,500	8,500
Current tax claims	7,206,152	11,075,459	1,057,522	1,498,975
Sundry debtors	27,708,809	23,887,290	994,650	5,057,675
Less: Devaluation allowances	(257,025)	(289,365)	(51,000)	(51,000)
Total	**180,574,353**	**126,407,470**	**46,762,678**	**53,478,723**
Non-current assets				
Long-term receivables against affiliated companies	445,093	540,530	445,093	540,530
Long-term receivables against other holding companies	1,580	1,580	1,580	1,580
Other long-term receivables	1,748,295	2,138,802	380,697	383,326
Total	**2,194,969**	**2,680,913**	**827,370**	**925,436**
Total receivables	**182,769,322**	**129,088,383**	**47,590,048**	**54,404,159**

The provision for doubtful debts is raised for specific balances of customers that the Management considers to be doubtful in terms of collection, less the expected indemnity received from insurance companies.

The account "Other debtors" includes mainly purchases of stock under delivery by certain Group companies.

18. Derivatives

Derivatives	GROUP		COMPANY	
	2015	2014	2015	2014
EUR				
Forward foreign exchange contracts	73,000	322,345	-	281,061
Future contracts	194,462	1,334,882	-	310,933
Total	**267,462**	**1,657,227**	**-**	**591,994**
Forward foreign exchange contracts	113,689	515,809	107,785	35,270
Future contracts	2,479,260	620,807	475,724	31,569
Total	**2,592,949**	**1,136,616**	**583,509**	**66,839**
Amounts that were recorded in the results as income or (expense)	3,234,753	(1,534,159)	2,548,954	306,936

For the Group and the Company results from settled financial risk management operations recorded in the Income Statement during years 2015 and 2014 are included in Sales and Cost of Goods Sold for results from metal and exchange rate derivatives and in other income-expenses for results derived from swaps and forwards contracts.

19. Cash and cash equivalents

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Cash in hand and Cash in bank	1,636,491	1,227,022	7,219	11,080
Short-term bank deposits	33,149,889	17,351,815	11,802,592	6,815,779
Total	**34,786,380**	**18,578,837**	**11,809,811**	**6,826,859**

Bank deposits are set at variable interest rates according to the applicable rates of interbank market.

In Note 27.c that is referred to currency risk of the Group, an analysis of cash per foreign currency is presented.

20. Share capital and reserves

a) Share capital and premium

Company's share capital stands at Euro 38,486,258 (2014: 38,486,258) divided into 101,279,627 (2014: 101,279,627) common unregistered shares with a nominal value of Euro 0.38 each, which are traded in Athens Stock Exchange.

The share premium of Euro 67,138,064 is considered as a complement of the share capital resulting from the issuance of shares for cash at a value higher than their nominal value.

b) Reserves

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Statutory Reserves	9,147,330	9,139,078	8,556,630	8,556,630
Fair Value Reserves	(862,933)	1,782,336	(414,292)	388,615
Reserves for Revaluation of Fixed Assets to Fair Value	113,013,558	120,553,816	37,689,396	40,803,235
Special Reseves	5,195,415	4,777,711	4,009,668	4,009,668
Special law untaxed reserves	63,433,723	64,093,510	59,807,890	59,807,890
Other reserves	(4,471,499)	(3,849,539)	(4,496,816)	(3,874,856)
Foreign exchange from Consolidation	(6,909,206)	(6,336,214)	-	-
Total	**178,546,388**	**190,160,697**	**105,152,475**	**109,691,181**

Statutory Reserve

Under Greek trade law, companies must transfer at least 5% of their annual net profits to a statutory reserve until that reserve is equal to 1/3 of the paid-up share capital. Distribution of Statutory Reserve is prohibited. No statutory reserve will be set aside during this year due to losses.

Untaxed and special reserves

Untaxed and special reserves concern non-distributed profits that are exempt from taxation pursuant to special provisions of incentive laws (under the condition that companies have sufficient profits to form these reserves). Reserves from income exempt from taxation and reserves taxed pursuant to special laws concern income from interest for which a tax has been withheld at the source. In addition to any prepaid taxes, these reserves are subject to taxation in case they are distributed. No deferred taxes have been accounted for as regards the above untaxed reserves in case they are distributed.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

On 31st December, 2015, the subsidiary Hellenic Cables had made investments of approximately Euro 1.8 million, pursuant to developmental law 3299/2004. On this basis, Hellenic Cables has the right to form from the accounting profits of the following years a tax-free reserve equal to 100% of these investments. This right will expire in 2018.

On 31st December, 2015, the subsidiary Fulgor SA had made investments of approximately Euro 33 million, pursuant to developmental law 3908/2011. On this basis, Fulgor has the right to form from the accounting profits of the following years a tax-free reserve equal to Euro 1.98 million. This right will expire in 2025.

Exchange rate differences on consolidation

Exchange rate differences on consolidation arise from translating the financial statements of subsidiaries which are denominated in foreign currency, to the currency of the Parent Company which is in Euro.

Reserves from revaluation at fair value

This reserve is accounted after the positive effect of the revaluation of Land, buildings and machinery to fair value. This reserve cannot be distributed to shareholders until it is moved to results carried forward account through depreciation or after the recognition of profit through the sale of an asset.

21. Earnings per share

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Profits that correspond to the shareholders of the parent company	(32,509,070)	(51,235,338)	(11,225,729)	(16,112,019)
Weighted average number of shares	101,279,627	101,279,627	101,279,627	101,279,627
Basic profits per share (EUR per share)	**(0.3210)**	**(0.5059)**	**(0.1108)**	**(0.1591)**

Basic earnings per share are calculated by dividing the net profits (losses) attributable to the parent company’s shareholders by the weighted average number of common shares, save the average number of common shares acquired by the Group and held as own shares.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

22. Loans and obligations from financial leasing

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Long-term lending				
Secured Bank borrowings	87,271,835	95,287,780	-	-
Unsecured Bank borrowings	3,382,872	-	-	-
Secured Bond loans	286,868,347	299,925,930	174,512,842	179,239,255
Unsecured Bond loans	16,986,086	-	-	-
Total long-term loans	**394,509,140**	**395,213,711**	**174,512,842**	**179,239,255**
Short-term loans				
Secured Overdrafts	9,624,045	-	-	-
Secured Bank borrowings	9,918,976	-	-	-
Unsecured Bank borrowings	183,587,661	194,915,488	68,055,267	71,572,606
Secured Bonds	27,137,751	-	18,156,289	-
Unsecured Bonds	762,536	14,086,350	-	10,000,000
Other Unsecured loans	5,149,479	-	-	-
Total short-term loans	**236,180,448**	**209,001,838**	**86,211,556**	**81,572,606**
Total loans	**630,689,588**	**604,215,549**	**260,724,397**	**260,811,861**

The maturity dates of long-term loans are:

EUR				
Between 1 and 2 years	61,483,237	42,972,575	19,169,200	18,055,000
Between 2 and 5 years	300,802,367	321,005,069	155,343,642	161,184,255
Beyond 5 years	32,223,536	31,236,066	-	-
	394,509,140	**395,213,711**	**174,512,842**	**179,239,255**

Other Unsecured loans is a loan granted from the parent company Viohalco SA/NV to Icme Ecab of Euro 5,000,000 in market rates and maturity in June 2016. The accrued interest on this loan on 31st of December was Euro 149,479. There is no collateral for this short-term loan from the parent company.

The company drew loans of Euro 13,000,000 while paid-off loans total amount of Euro 13,087,463. At Group level during the fiscal year the funds drown rose to 46,453,496 while total loans of Euro 23,683,719 were paid.

The company issued a Bond loan of Euro 13,000,000 with Alpha bank of maturity 10/1/2020, Euribor 6M plus margin. Moreover, the Group issued two Bond loans of Euro 9,291,963 and Euro 3,500,000 with Alpha Bank of maturity 10/1/2020, Euribor 6M plus margin. The issue was refinance existing lines.

Obligations under financial leasing are as follows:

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Finance Lease Obligations-minimum leases				0
Up to 1 year	75,844	-	-	-
Between 1 and 5 years	720,584	-	-	-
Total	**796,428**	-	-	-
The present value of finance lease obligations is analysed as follows:				
Up to 1 year	75,844	-	-	-
Between 1 and 5 years	720,584	-	-	-
Present Value Finance Lease Obligations	**796,428**	-	-	-

The actual weighted average interest rates (both short and long term) at the balance sheet date were:

	GROUP		COMPANY	
	2015	2014	2015	2014
Short-term	5.64%	6.02%	5.47%	6.18%
Long-term	4.95%	4.99%	5.51%	5.72%

For the Group’s bank loans, mortgages on properties totaling Euro 379 million were set up (Euro 217 million is the amount for parent company).

For the bond loans the Group tests for impairment according to market interest rates. The loans have floating rates that follow the market trends. For the year 2015 there was no reason for impairment or additional liability compared to the book value. The Group’s carrying value of loans is denominated in Euro.

For the bank loans of the Group and the Company that have been assumed from banks, there are clauses of change of control that provide the lenders with an early redemption clause.

There was no incident in 2015 which could lead to a breach of the terms of the loans of the Group.

23. Liabilities for employee’s retirement benefits

The Group has fulfilled its obligations for pension plans set out by law. According to the Greek labor law, employees are entitled to compensation in case of dismissal or retirement, the amount of which varies depending on salary, years of service and the manner of termination (dismissal or retirement).Employees who resign are not entitled to compensation. The compensation payable in case of retirement equals 40 % of the compensation which would be payable in case of unjustified dismissal. The Group believes this is a defined benefit and it charges the accrued benefits in each period with a corresponding increase in the pension liability. Any payments made to retirees each year are charged against this liability. The displayed personal benefit obligation of the Company and the Group as at 31 December 2015 and 2014 is as follows:

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Balance at 1 January	**5,465,990**	**4,218,081**	**1,748,478**	**1,454,591**
Included in profit or loss				
Current service cost	280,636	537,372	76,471	58,154
Settlement/curtailment/termination loss	396,462	212,721	191,648	212,534
Interest cost/income (-)	87,678	125,661	26,227	45,766
	764,775	**875,754**	**294,346**	**316,454**
Included in OCI				
-Actuarial loss/gain (-) arising from:				
-Demographic assumptions	32,340			
-Financial assumptions	(263,107)	590,646	(114,285)	388,128
-Experience adjustements	(281,331)	33,827	(102,112)	(24,007)
	(512,098)	**624,473**	**(216,397)**	**364,121**
Other				
Benefits paid	(667,866)	(252,318)	(271,977)	(386,688)
	(667,866)	**(252,318)**	**(271,977)**	**(386,688)**
Balance at 31 December	**5,050,801**	**5,465,990**	**1,554,450**	**1,748,478**

The assumptions on which the actuarial study was based for the calculation of provision are the following:

	GROUP		COMPANY	
	2015	**2014**	**2015**	**2014**
Discount interest rate	2.00%	1.50%	2.00%	1.50%
Future salary increases	1.75%	1.75%	1.75%	1,75%

The aforementioned results depend on assumptions (financial and demographic) of the actuarial study. Therefore, if a discount rate less by 50 basis points was used then the liability would be 7.3% lower and if an assumption of a future salary increase of 50 basis points annualy was used (instead of 1.75% annually), then the liability would be higher by 7.01%.

24. Grants

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Balance as at 1st January	**15,576,764**	**7,939,339**	**1,480,427**	**1,591,529**
Collection of grants	1,743,070	8,030,422	-	-
Transfer of a grants to receivables	4,539,428	183,897	-	-
Amortisation of grans	(1,153,446)	(576,895)	(111,367)	(111,102)
Other	(1,897)	-	-	-
Closing Balance as at 31 December	**20,703,918**	**15,576,764**	**1,369,060**	**1,480,427**

In 2015, the Group recognized amount of Euro 4.6 million, as receivable from Grants provided that the Group and the Company have fulfilled all the significant and formal terms that are related to the specific grants. The aforementioned amounts are expected to be collected in the following fiscal year.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Depreciation of grants corresponding to fixed assets depreciation is posted in the account "Other income" of the income statement.

Grants have been provided for the purchase of tangible assets.

25. Provisions

Until fiscal year 2015, the Group has raised provision for un-audited fiscal years which amounts to Euro 239,984. In addition, there are other provisions for Group Euro 90,000 and the Company Euro 90,000.

26. Trade payables and other liabilities

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Trade liabilitties	85,258,103	73,406,999	9,768,207	9,978,950
Commercial Paper payable	57,423,193	42,186,115	20,197,241	16,263,483
Cheques payable	1,204	-	-	-
Advance payments from clients	10,818,739	8,787,086	2,463,098	1,345,302
Social Security	2,271,790	2,216,455	733,552	699,165
Amounts due to related parties	14,883,874	10,642,660	5,287,461	2,569,823
Liabilities to other participating companies	7,932	-	-	-
Other creditors	2,743,224	2,821,426	243,692	223,385
Deffered Income	-	11,659	159,853	185,093
Accrued expenses	4,867,766	3,162,216	-	-
Other accruals	436,399	1,459,347	-	-
Other liabilities (please clarify)	-	-	602,924	710,158
total	**178,712,224**	**144,693,963**	**39,456,027**	**31,975,361**

The balance of the trade payables and other liabilities according to the maturity of the debt can be classified as follows:

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Long-term Liabilities	10,233,541	11,918,006	-	-
Short-term liabilities	168,478,683	132,775,957	39,456,027	31,975,361
Total liabilities	**178,712,224**	**144,693,963**	**39,456,027**	**31,975,361**

27. Financial assets

The Board of Directors of the Group in conjunction with the parent Group has set rules and procedures for measuring the following risks:

- Credit risk
- Liquidity risk
- Exchange rate risk
- Interest rate risk

Below there were presented analytically the evidence of the size of each risk.

Credit Risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterizing the specific market and the country in which customers are active, affect less the credit risk since no geographical concentration of credit risk is noticed. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of receivability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must receive in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding necessary cash and adequate credit limits from cooperating banks, that it will always have adequate liquidity to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. Note that on 31 December 2014, the Group had an amount of Euro 18.6 million as cash and the necessary credit lines that are approved but are not used so as to meet its short-term and medium-term obligations easily.

To avoid liquidity risk the Group makes a cash flow provision for one year when preparing the annual budget as well as a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs, including fulfillment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly the Euro. The currencies in which these transactions are held are mainly the Euro, the USD, the GBP and other currencies of S/E Europe.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The objectives, policies, risk management processes and measurement methods of risk have not changed compared to the previous year.

Capital management

The Groups' policy is to maintain a strong capital base to ensure investor, creditor and market trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.

The Group does not have a specific plan for own shares purchase.

There were no changes in the approach adopted by the Group in how capital was managed during the financial year.

a) Credit risk

The Financial assets subject to credit risk are as follows

The financial assets entailing credit risk are as follows:	GROUP		COMPANY	
	2015	2014	2015	2014
EUR				
Trade & Other receivables - Short term	150,409,099	126,299,116	46,762,678	53,478,723
Subtotal	**150,409,099**	**126,299,116**	**46,762,678**	**53,478,723**
Debt securities - available for sale	2,282,447	4,285,276	2,282,447	3,730,772
Equity securities - available for sale	2,976,980	-	-	-
Cash and cash equivalents	34,786,380	18,578,837	11,809,811	6,826,859
Derivatives	267,462	1,657,027	-	591,994
	40,313,269	**24,521,140**	**14,092,257**	**11,149,625**

The balances include in Receivables according to maturity can be classified as follows:

Ageing of Trade receivables not impaired	GROUP		COMPANY	
EUR	2015	2014	2015	2014
Neither past due nor impaired	132,997,213	116,815,485	45,690,237	52,820,341
Past due				
- Up to 6 months	14,132,756	5,467,840	273,708	474,286
- Over 6 months	3,279,131	4,015,791	798,733	184,096
	150,409,099	**126,299,116**	**46,762,678**	**53,478,723**

The movement in the account of provision for impairment was as follows:

	GROUP		COMPANY	
EUR	2015	2014	2015	2014
Balance as at 1 January	7,197,018	7,488,119	1,728,877	1,660,443
Impairment loss recognized	1,848,011	947,244	11,387	68,434
Amounts written off	(33,469)	(1,095,297)	(503)	-
Impairment loss reversed	(134,197)	(143,490)	-	-
Foreign exchange differences	(12,600)	443	-	-
Balance as at 31 December	**8,864,763**	**7,197,019**	**1,739,762**	**1,728,877**

The Group insures the bigger part of its receivables in order to be secured in case of failure to collect.

b) Liquidity risk

GROUP

2015

EUR

Liabilities	Value of Balance Sheet	<1 year	1-2 years	2-5 years	> 5 years	Total
Bank lending	189,459,646	98,666,689	16,515,946	75,454,697	-	**190,637,332**
Bond loans	369,622,450	35,903,503	53,711,704	235,726,400	50,146,782	**375,488,388**
Finance lease obligations	720,584	-	720,584	-	-	**720,584**
Open bank accounts	106,895,161	106,895,161	-	-	-	**106,895,161**
Derivatives	2,592,949	2,592,949	-	-	-	**2,592,949**
Suppliers and other liabilities	168,478,683	168,478,683	-	-	-	**168,478,683**
	837,769,474	**412,536,985**	**70,948,234**	**311,181,097**	**50,146,782**	**844,813,098**

GROUP

2014

EUR

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	188,504,417	92,143,860	15,673,358	81,936,874	-	**189,754,092**
Bond loans	312,939,604	14,086,350	27,299,217	260,578,120	31,236,066	**333,199,753**
Finance lease obligations	-	-	-	-	-	-
Open bank accounts	102,771,528	102,771,528	-	-	-	**102,771,528**
Derivatives	-	-	-	-	-	-
Suppliers and other liabilities	132,775,957	117,896,754	2,782,143	7,067,978	5,029,184	**132,776,059**
	736,991,506	**326,898,492**	**45,754,718**	**349,582,972**	**36,265,250**	**758,501,432**

COMPANY

2015

EUR

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	68,055,267	68,055,267	-	-	-	**68,055,267**
Bond loans	192,669,131	19,523,147	20,437,039	156,868,327	-	**196,828,513**
Derivatives	583,509	-	-	-	-	-
Suppliers and other liabilities	38,853,103	38,853,103	-	-	-	**38,853,103**
	300,161,009	**126,431,517**	**20,437,039**	**156,868,327**	-	**303,736,883**

COMPANY

2014

EUR

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	71,572,606	71,572,606	-	-	-	**71,572,606**
Bond loans	189,239,255	10,000,000	19,128,678	161,184,255	-	**190,312,933**
Derivatives	66,839	66,839	-	-	-	**66,839**
Suppliers and other liabilities	31,975,361	31,975,361	-	-	-	**31,975,361**
	292,854,060	**113,614,805**	**19,128,678**	**161,184,255**	-	**293,927,738**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

c) Exchange rate risk

GROUP

	2015						
EUR	**EURO**	**USD**	**GBP**	**BGN**	**RON**	**OTHER**	**TOTAL**
Trade and other receivables	144,795,731	5,663,690	20,345,385	2,140,884	7,663,158	(34,496)	**180,574,353**
Loans and Borrowings	(605,141,157)	(8,546,002)	(15,474,752)	-	(1,441,511)	(86,165)	**(630,689,588)**
Trade and other payables	(132,629,877)	(3,474,245)	(17,852,676)	(2,201,161)	(12,458,603)	137,879	**(168,478,683)**
Cash & cash equivalents	29,049,617	2,231,641	3,221,037	74,621	173,724	35,740	**34,786,380**
	(563,925,687)	(4,124,916)	(9,761,006)	14,345	(6,063,232)	52,958	**(583,807,538)**
Derivatives for risk hedging (Nominal Value)	(1,410,437)	9,182,194	(6,320,614)	-	-	22,553	**1,473,695**
Total risk	**(565,336,124)**	**5,057,278**	**(16,081,620)**	**14,345**	**(6,063,232)**	**75,511**	**(582,333,842)**

	2014						
EUR	**EURO**	**USD**	**GBP**	**BGN**	**RON**	**OTHER**	**TOTAL**
Trade and other receivables	76,480,047	14,616,519	25,188,920	1,298,798	8,810,816	12,323	**126,407,423**
Loans and Borrowings	(590,752,506)	(1,155,928)	(9,295,000)	(3,551)	(2,981,421)	(27,144)	**(604,215,549)**
Trade and other payables	(101,854,143)	(1,403,755)	(16,888,863)	(5,091,823)	(7,499,159)	(38,215)	**(132,775,957)**
Cash & cash equivalents	15,927,983	468,986	1,379,532	379,709	198,876	223,750	**18,578,837**
	(600,198,618)	12,525,822	384,589	(3,416,867)	(1,470,887)	170,715	**(592,005,246)**
Derivatives for risk hedging (Nominal Value)	327,599	(3,116,073)	(13,530,738)	-	-	(627,542)	**(16,946,754)**
Total risk	**(599,871,019)**	**9,409,749**	**(13,146,149)**	**(3,416,867)**	**(1,470,887)**	**(456,827)**	**(608,952,000)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

COMPANY

	2015				
EUR	**EURO**	**USD**	**GBP**	**OTHER**	**TOTAL**
Trade and other receivables	43,480,279	470,338	2,812,061	-	**46,762,678**
Loans and Borrowings	(257,116,037)	(613,081)	(2,995,280)	-	**(260,724,397)**
Trade and other payables	(38,395,942)	(961,337)	(88,986)	(9,761)	**(39,456,027)**
Cash & cash equivalents	10,323,397	1,486,407	7	-	**11,809,811**
	(241,708,303)	382,327	(272,198)	(9,761)	**(241,607,935)**
Derivatives for risk hedging (Nominal Value)	-	3,072,834	530,675	-	**3,603,509**
Total risk	**(241,708,303)**	**3,455,161**	**258,477**	**(9,761)**	**(238,004,426)**

	2014				
EUR	**EURO**	**USD**	**GBP**	**OTHER**	**TOTAL**
Trade and other receivables	47,622,590	1,921,883	3,934,251		**53,478,724**
Loans and Borrowings	(259,714,320)	(1,090,423)	(7,118)		**(260,811,861)**
Trade and other payables	(31,042,357)	(805,376)	(121,183)	(6,445)	**(31,975,361)**
Cash & cash equivalents	6,823,896	2,524	439		**6,826,859**
	(236,310,191)	28,608	3,806,389	(6,445)	**(232,481,639)**
Derivatives for risk hedging (Nominal Value)		9,196,713	1,203,842		**10,400,555**
Total risk	**(236,310,191)**	**9,225,321**	**5,010,231**	**(6,445)**	**(222,081,084)**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

The rates that were applied for the foreign exchange translation were:

	Average exchange rate		Year end spot rate	
	2015	2014	2015	2014
USD	1.1095	1.3285	1.0887	1.2141
GBP	0.7258	0.8061	0.7340	0.7789
BGN	1.9558	1.9558	1.9558	1.9558
RON	4.4454	4.4437	4.5240	4.4828

Sensitivity analysis

A change in the price of Euro against other currencies that the Group trades would have corresponding impact on the income statement and in equity as follows:

GROUP	Profit or loss		Equity, net of tax	
EUR	Strengthening	Weakening	Strengthening	Weakening
2015				
USD (10% movement in relation to EUR)	(561,111)	561,111	(437,667)	437,667
GBP (10% movement in relation to EUR)	1,167,261	(1,167,261)	910,464	(910,464)
BGN (10% movement in relation to EUR)	-	-	-	-
RON (10% movement in relation to EUR)	2,695,358	(2,695,358)	2,102,379	(2,102,379)
2014				
USD (10% movement in relation to EUR)	(1,138,711)	1,138,711	(14,897)	14,897
GBP (10% movement in relation to EUR)	(96,032)	96,032	956,450	(956,450)
BGN (10% movement in relation to EUR)	-	-	-	-
RON (10% movement in relation to EUR)	112,587	(112,587)	94,573	(94,573)

COMPANY	Profit or loss		Equity, net of tax	
EUR	Strengthening	Weakening	Strengthening	Weakening
2015				
USD (10% movement in relation to EUR)	(42,481)	42,481	(30,161)	30,161
GBP (10% movement in relation to EUR)	(28,720)	28,720	(20,391)	20,391
BGN (10% movement in relation to EUR)	-	-	-	-
RON (10% movement in relation to EUR)	-	-	-	-
2014				
USD (10% movement in relation to EUR)	3,179	(3,179)	1,021,857	(1,021,857)
GBP (10% movement in relation to EUR)	556,692	(556,692)	133,760	(133,760)
BGN (10% movement in relation to EUR)	-	-	-	-
RON (10% movement in relation to EUR)	-	-	-	

d) Interest rate risk

	GROUP	
EUR	2015	2014
Fixed-rate instruments		
Financial liabilities	44,811,964	39,065,917
	44,811,964	**39,065,917**
Variable-rate instruments		
Financial liabilities	585,953,468	604,215,549
	585,953,468	**604,215,549**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

	COMPANY	
EUR	**2015**	**2014**
Fixed-rate instruments		
Financial liabilities	-	-
	-	-
Variable-rate instruments		
Financial liabilities	260,724,397	260,811,861
	260,724,397	**260,811,861**

Sensitivity analysis

The effects of an increase in the interest rates of 25 basis points in the Income statement and the Equity can be depicted as follows:

GROUP

	Profit or loss		Equity, net of tax	
EUR	**0.25% increase**	**0.25% decrease**	**0.25% increase**	**0.25% decrease**
2015				
Financial liabilities	(1,466,496)	1,466,496	(1,129,202)	1,129,202
Cash flow sensitivity (net)	(1,466,496)	1,466,496	(1,129,202)	1,129,202
2014				
Financial liabilities	(1,510,539)	1,510,539	(1,154,266)	1,154,266
Cash flow sensitivity (net)	(1,510,539)	1,510,539	(1,154,266)	1,154,266

COMPANY

	Profit or loss		Equity, net of tax	
EUR	**0.25% increase**	**0.25% decrease**	**0.25% increase**	**0.25% decrease**
2015				
Financial liabilities	(849,958)	849,958	(603,470)	603,470
Cash flow sensitivity (net)	(849,958)	849,958	(603,470)	603,470
2014				
Financial liabilities	(652,030)	652,030	(482,502)	482,502
Cash flow sensitivity (net)	(652,030)	652,030	(482,502)	482,502

Macroeconomic environment

In the context of the aforementioned analysis, the Group and the Company have evaluated the consequences that might exist in the management of financial risks due to the current macroeconomic and business environment in Greece.

The developments in the first half of 2015 and the negotiations in national as well as international level regarding the re-evaluation of the terms of the funding program for Greece, led to the imposition of the capital controls on 28th of June 2015. As a result, during the second half of 2015 the negative growth returned to the domestic economic activity in spite the recapitalization of the banks, the domestic market remained weak until the closing of the year. In the beginning of 2016, the negotiation with the institutions is continuing with the aim to close the evaluation of the current program.

The return to economic stability is largely dependent to the actions and decisions of the institutional members both domestic and abroad. Considering, however, the nature of activities of Halcor Group, as exporting in the greater part, as well as the financial condition of the Company and the Group, any negative developments in the Greek economy are not expected to significantly affect the normal operations. In spite of that, the Management assesses constantly the situation and its possible ramifications, in order to ensure that all proper and possible measures are taken in time, in order to minimize the effects to the activities of the Company and the Group.

Especially, regarding liquidity, the greater part of the loans is long-term loans for which the average maturity is three years. Furthermore, the fact that the Group as well as the Company export the greater part of their production, secures that the cash-flows from operational activities will not be affected significantly for the current situation in Greece.

Moreover, the production capacity of the units is not expected to face any problems considering that the exports, for which no negative consequences are expected, create sufficient cash-flows to cover the imports of raw materials that are necessary for the production. The availability and the prices of the basic raw materials follow and are determined in the international market and thusly are not affected by the domestic situation in Greece. The domestic cost of production has not been affected by the capital controls, while potential shortage in raw materials can be dealt with direct imports.

28. Fair value of financial assets

The different levels have been defined as follows:

- Level 1: consists of exchange traded derivatives which are based on market prices.
- Level 2: consists of OTC derivatives that are based on prices from brokers.
- Level 3: Includes unlisted shares. They come from estimates of the Company as there are no observable market data.

The financial information concerning Level 3 refers to holdings in domestic and foreign companies with a stake of less than 20%. These holdings which are not quoted and the fair value cannot be reliably measured, they are valued at cost and are subject to impairment testing (see Note 14).

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Fair Value by valuation method

Carrying Value on Statement of Fianancial Position

GROUP	2015 (EUR)					2014					2015 (EUR)			2014		
	Hedging Instrunments	Receivables & Cash Items	Available for Sale	Other Financial Liabilities	**Total**	Hedging Instrunments	Receivables & Cash Items	Available for Sale	Other Financial Liabilities	**Total**	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets in Fair Value																
Derivative financial assets	267,462	-		-	**267,462**	1,657,227	-		-	**1,657,227**	194,462	73,000	-	641,114	1,016,113	-
Available for sale financial assets	-	-	3,396,168	-	**3,396,168**	-	-	4,285,276	-	**4,285,276**	-	-	3,396,168	-	-	4,285,276
Total	**267,462**	**-**	**3,396,168**	**-**	**3,663,630**	**1,657,227**	**-**	**4,285,276**	**-**	**5,942,503**	**194,462**	**73,000**	**3,396,168**	**641,114**	**1,016,113**	**4,285,276**
Financial Assets NOT in Fair Value																
Trade and other receivables	-	180,574,353	-	-	**180,574,353**	-	126,299,164	-	-	**126,299,164**						
Cash and cash equivalents	-	34,786,380	-	-	**34,786,380**	-	18,578,837	-	-	**18,578,837**						
Total	**-**	**215,360,733**	**-**	**-**	**215,360,733**	**-**	**144,878,001**	**-**	**-**	**144,878,001**						
Financial Liabilities in Fair Value																
Derivative financial liabilities	(2,592,949)	-	-	-	**(2,592,949)**	(1,136,616)	-	-	-	**(1,136,616)**	(2,479,260)	(113,689)	-	(143,919)	(992,697)	-
Total	**(2,592,949)**	**-**	**-**	**-**	**(2,592,949)**	**(1,136,616)**	**-**	**-**	**-**	**(1,136,616)**	**(2,479,260)**	**(113,689)**	**-**	**(143,919)**	**(992,697)**	**-**
Financial Liabilities NOT in Fair Value																
Suppliers and other liabilities	-	-	-	(168,554,527)	**(168,554,527)**	-	-	-	(132,667,620)	**(132,667,620)**						
Loans & Borrowings	-	-	-	(630,613,744)	**(630,613,744)**	-	-	-	(604,215,549)	**(604,215,549)**						
Total	**-**	**-**	**-**	**(168,554,527)**	**(168,554,527)**	**-**	**-**	**-**	**(736,883,169)**	**(736,883,169)**						

Carrying Value on Statement of Fianancial Position

COMPANY	2015 (EUR)					2014					2015 (EUR)			2014		
	Hedging Instrunments	Receivables & Cash Items	Available for Sale	Other Financial Liabilities	**Total**	Hedging Instrunments	Receivables & Cash Items	Available for Sale	Other Financial Liabilities	**Total**	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets in Fair Value																
Derivative financial assets	-	-	-	-	-	591,994	-	-	-	**591,994**	-	-		310,933	281,061	-
Available for sale financial assets	-	-	2,854,772	-	**2,854,772**	-	-	3,730,772	-	**3,730,772**	-	-	2,854,772	-	-	3,730,772
Total	**-**	**-**	**2,854,772**	**-**	**2,854,772**	**591,994**	**-**	**3,730,772**	**-**	**4,322,766**	**-**	**-**	**2,854,772**	**310,933**	**281,061**	**3,730,772**
Financial Assets NOT in Fair Value																
Trade and other receivables	-	46,762,678	-	-	**46,762,678**	-	53,478,723	-	-	**53,478,723**						
Cash and cash equivalents	-	11,809,811	-	-	**11,809,811**	-	6,826,859	-	-	**6,826,859**						
Total	**-**	**58,572,489**	**-**	**-**	**58,572,489**	**-**	**60,305,582**	**-**	**-**	**60,305,582**						
Financial Liabilities in Fair Value																
Derivative financial liabilities	(583,509)	-	-	-	**(583,509)**	(66,839)	-	-	-	**(66,839)**	(475,724)	(107,785)	-	(31,569)	(35,270)	-
Total	**(583,509)**	**-**	**-**	**-**	**(583,509)**	**(66,839)**	**-**	**-**	**-**	**(66,839)**	**(475,724)**	**(107,785)**	**-**	**(31,569)**	**(35,270)**	**-**
Financial Liabilities NOT in Fair Value																
Suppliers and other liabilities	-	-	-	(39,456,027)	**(39,456,027)**	-	-	-	(31,975,361)	**(31,975,361)**						
Loans & Borrowings	-	-	-	(260,724,397)	**(260,724,397)**	-	-	-	(260,811,861)	**(260,811,861)**						
Total	**-**	**-**	**-**	**(39,456,027)**	**(39,456,027)**	**-**	**-**	**-**	**(292,787,222)**	**(292,787,222)**						

The carrying value of short-term loans approximates the fair value because the effect of the discount to present value according to the market interest rate in immaterial (see note 23).

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

(b) Fair Value in Level 3

The movement in Level 3 was as follows:

	GROUP	COMPANY
EUR	Available-for-sale financial assets	Available-for-sale financial assets
Balance at 1 January 2014	**4,115,478**	**3,615,618**
Additions	27,641	27,641
(Impairment) / Reversal of impairment	-	-
Sales	(42,000)	-
Reclassification	184,157	87,512
Balance at 31 December 2014	**4,285,276**	**3,730,771**
Balance at 1 January 2015	**4,285,276**	**3,730,771**
Additions	-	-
Revaluation	(876,000)	(876,000)
Sales	(13,108)	-
(Impairment) / Reversal of impairment	-	-
Reclassification	-	-
Balance at 31 December 2015	**3,396,168**	**2,854,771**

During 2015, there were no reclassifications of financial assets between levels.

29. Commitments

The contractual obligations are:

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Tangible assets	486,502	1,277,448	-	-
	486,502	**1,277,448**	**-**	**-**

The future payments from operational leases are as follows:

EUR	GROUP		COMPANY	
	2015	**2014**	**2015**	**2014**
Up to 1 year	1,102,791	1,071,324	240,028	233,838
Between 1 and 5 years	2,115,247	2,331,501	646,302	628,741
More than 5 years	-	41,726	-	-
	3,218,039	**3,444,551**	**886,331**	**862,579**
Charged in P&L	**1,280,648**	**1,392,723**	**263,162**	**333,566**

30. Contingent liabilities / assets

The tax liabilities of the Company and its subsidiaries for certain financial years have not been audited by taxation authorities and thus are not finalized yet for such years.

The table below presents unaudited tax years of the companies consolidated by Halcor SA by applying either full consolidation or equity method.

HALCOR

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Company Name		County of Incorporation	Principal Activity	Consolidation Method	2015 Direct Participation	2015 Indirect Participation	2014 Direct Participation	2014 Indirect Participation	Unadited years
HALCOR SA		GREECE	Manufacturing	-	-	-	-	-	2009-2010 & 2015
HELLENIC CABLES SA	(1)	GREECE	Manufacturing	Full Consolidation	72.53%	0.00%	72.53%	0.00%	2009 -2010 & 2015
STEELMET SA	(1)	GREECE	Services	Full Consolidation	29.56%	21.44%	29.56%	21.44%	2010 & 2015
SOFIA MED S.A.	(1)	BULGARIA	Manufacturing	Full Consolidation	100.00%	0.00%	100.00%	0.00%	2011-2015
METAL AGENCIES L.T.D.	(1)	UK	Commercial	Full Consolidation	35.00%	14.51%	35.00%	14.51%	-
FITCO A.E.	(1)	GREECE	Manufacturing	Full Consolidation	100.00%	0.00%	100.00%	0.00%	2015
TECHOR SA	(1)	GREECE	Manufacturing	Full Consolidation	100.00%	0.00%	68.97%	0.00%	2010 & 2015
DIAPEM SA	(2)	GREECE	Commercial	Equity Method	33.33%	0.00%	33.33%	0.00%	2010-2015
ELKEME SA	(2)	GREECE	Metalourgical research	Equity Method	25.00%	5.44%	25.00%	5.44%	2010 & 2015
BIEXAL SA		GREECE	Services	Equity Method	26.67%	0.00%	26.67%	0.00%	2010-2015
S.C. STEELMET ROMANIA S.A		ROMANIA	Commercial	Equity Method	40.00%	0.00%	40.00%	0.00%	-
TEPRO METALL AG	(2)	GERMANY	Commercial	Equity Method	27.01%	9.20%	27.01%	9.20%	-
GENECOS S.A		FRANCE	Commercial	Equity Method	13.80%	10.98%	13.80%	10.98%	-
HC ISITMA		TURKEY	Manufacturing	Equity Method	50.00%	0.00%	0.00%	0.00%	-
TECHOR PIPE SYSTEMS	(3)	ROMANIA	Manufacturing	Full Consolidation	0.00%	100.00%	0.00%	100.00%	-
FULGOR AE	(4)	GREECE	Manufacturing	Full Consolidation	0.00%	72.53%	0.00%	72.53%	2,015
ICME ECAB SA	(4)	ROMANIA	Manufacturing	Full Consolidation	0.00%	71.51%	0.00%	71.51%	2010-2015
LESCO OOD	(4)	BULGARIA	Manufacturing	Full Consolidation	0.00%	72.53%	0.00%	72.53%	2008-2015
LESCO ROMANIA	(4)	ROMANIA	Manufacturing	Full Consolidation	0.00%	47.14%	0.00%	47.14%	2003-2015
DELAIRE LTD	(4)	CYPRUS	Commercial	Full Consolidation	0.00%	72.53%	0.00%	0.00%	2007-2015
SYMME.EP. A.E	(4)	GREECE	Manufacturing	Full Consolidation	0.00%	72.53%	0.00%	72.53%	2012-2015
ERGOSTEEL SA	(5)	GREECE	Services	Full Consolidation	0.00%	30.60%	0.00%	30.60%	2010-2015
STEELMET (CYPRUS) LIMITED	(5)	CYPRUS	Services	Full Consolidation	0.00%	51.00%	0.00%	51.00%	-

(1) Subsidiary of Halcor SA
(2) Subsidiary of Viohalco SA
(3) Subsidiary of Techor SA
(4) Subsidiary of Hellenic Cables SA
(5) Subsidiary of Steelmet SA

In the Management's opinion, the Group has raised adequate provisions for any tax differences that may arise for Hellenic Cables SA and Steelmet SA. It has not set up any provisions for the other companies believing that the differences that may arise are not significant.

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

31. Related parties

Affiliated parties shall mean all companies and natural persons with whom direct (subsidiaries, associated companies, joint ventures, collaborating companies, shareholders or management with executive tasks) or indirect relation (entities controlled by shareholders, employees performing administrative tasks or close relatives of the latter) is established.

	GROUP		COMPANY	
EUR	**2015**	**2014**	**2015**	**2014**
Sale of goods				
Subsidiaries	-	-	118,966,823	102,072,582
Other related parties	79,068,370	81,616,411	68,644,566	41,085,442
Joint Ventures	171,159	-	171,159	-
Other	50,341,390	28,109,307	1,920,932	2,931,043
Parent	2,700	180,117	-	130,053
	129,583,619	**109,905,835**	**189,703,480**	**146,219,120**
Sale of services				
Subsidiary companies	-	-	844,795	4,988,971
Other related parties	387,852	311,954	15,456	102,951
Joint Ventures	-	-	-	-
Other	8,050,285	1,253,925	253,470	751,973
Parent	152,552	-	134,137	-
	8,590,688	**1,565,879**	**1,247,858**	**5,843,895**
Sale of fixed assets				
Subsidiary companies	-	-	138,000	2,050
Other related parties	100	-	100	-
Joint Ventures	1,253,680	-	1,253,680	-
Other	9,062	20	9,062	20
Parent	-	-	-	-
	1,262,842	**20**	**1,400,842**	**2,070**
Purchase of goods				
Subsidiary companies	-	-	25,709,320	14,773,272
Other related parties	10,106,394	5,372,543	1,269,042	54,977
Joint Ventures	-	-	-	-
Other	145,780,833	117,692,630	19,449,445	13,131,751
Parent	4,101	-	-	-
	155,891,328	**123,065,173**	**46,427,807**	**27,960,000**
Purchase of services				
Subsidiary companies	-	-	1,757,241	2,623,558
Other related parties	959,405	2,003,828	261,121	940,629
Joint Ventures	-	-	-	-
Other	3,266,319	19,552,237	531,107	3,312,295
Parent	442,263	459,650	173,223	197,990
	4,667,987	**22,015,715**	**2,722,692**	**7,074,472**
Purchase of fixed assets				
Subsidiary companies	-	-	50,300	522,849
Other related parties	103,214	99,917	72,263	6,448
Joint Ventures	-	-	-	-
Other	3,151,859	2,862,889	1,798,959	677,346
Parent	3,099	-	-	-
	3,258,171	**2,962,806**	**1,921,523**	**1,206,643**

VI. NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

End-of-year balances from sale / purchase of goods, services, fixed assets, etc.

	GROUP		COMPANY	
EUR	2015	2014	2015	2014
Receivables from related parties:				
Subsidiary companies	-	-	26,291,162	30,361,063
Other related parties	10,119,832	10,147,453	7,720,738	8,874,794
Joint Ventures	141,353	-	141,353	-
Other	9,667,420	6,610,265	2,091,391	917,334
Parent	46,654	27,525	46,654	27,525
	19,975,259	16,785,243	36,291,297	40,180,716
Liabilities to related parties:				
Subsidiary companies	-	-	1,164,053	1,027,359
Other related parties	3,641,391	5,701,947	1,261,953	193,899
Joint Ventures	-	-	-	-
Other	11,224,235	4,940,713	2,861,455	1,348,565
Parent	18,249	-	-	-
	14,883,874	10,642,660	5,287,461	2,569,823

Services towards and from affiliated parties, as well as sales and purchases of goods, are realized in accordance with the fee schedules, which apply for non-affiliates.

	GROUP		COMPANY	
EUR	2015	2014	2015	2014
Fees - benefits to the members of the Board of Directors and executives	4,723,829	4,114,968	1,709,574	1,480,503
	4,723,829	**4,114,968**	**1,709,574**	**1,480,503**

In 2015, the subsidiary Icme Ecab received a loan of Euro 5 million from the parent company Viohalco S.A/NV, the movement of the loan and the balance for the fiscal year 2015 was as follows:

EUR	**GROUP**
Loans from Parent:	**2015**
Balance as at 1st January	-
Loans that were granted during the fiscal year	5,000,000
Interest that was charged	149,479
Balance as at 31st December	**5,149,479**

32. Auditor's fees

The fees of the Group's and the Company's auditors (KPMG SA) for the year 2015 amounted to Euro 141,100 and Euro 126,000 respectively.

33. Contracts for projects under construction

The Group is dealing with project contracts which mainly cover construction and installation of high voltage terrestrial and submarine cables.

	GROUP	
EUR	**2015**	**2014**
Construction contracts in progress		
Amount of contract revenue recognised	33,186,827	4,836,915
Gross amount due from customers for contract work	33,186,827	4,836,915
Gross amount due to customers for contract work		
For contracts in progress at the balance sheet date:		
Aggregate of costs incurred		
Aggregate of profits (less recognized losses)recognised	103,771,713	20,734,710
Amount of advances received	4,410,225	5,496,215
Amount of retentions	3,607,966	859,030

There are no contingent liabilities relating to projects under construction as at the Balance Sheet date.

34. Subsequent events

Halcor S.A. following the completion of the cross-border merger of “Viohalco SA/NV” (absorbing company) by absorption of “ELVAL ET. Symmetoxon SA”, “DIATOUR SA”, “ALCOMET SA” and “EUFINA SA” that took place on 26/2/2016, “Viohalco SA/NV” now holds out of the total voting rights (101,279,627) of Halcor S.A. a direct number of voting rights of 69,149,516; i.e. percentage of 68.28%.

HALCOR

FACTS AND INFORMATION FOR THE FINANCIAL YEAR 2015

HALCOR

G.C.Reg.: 303401000
Company's No in the Reg. of SA: 2836/06/86/48
Address: Athens Tower, Building B, 2-4, Messoghion Avenue, 11527, Athens
FINANCIAL DATA AND INFORMATION for the fiscal year from January 1, 2015 to December 31, 2015
(According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

The figures illustrated below aim to give general information about the financial position and results of HALCOR, S.A. and the Group HALCOR. The reader, wishing to be familiar with the company's financial position and results, should have access to the Company's Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the auditor-accountant whenever it is required. Indicatively, he can visit the company's web site, where the information and data in question are presented.

Supervising Authority: Ministry of Development and Competitiveness, Department of Societe Anonyme companies and Credit
Website of the Company: www.halcor.gr
Board of Directors: T. Papageorgopoulos (Chairman, Executive member), N. Koudounis (Vice Chairman, Executive member), P. Sapountzis, E. Kotsambasakis, T. Kassapoglou (Executive members), G. Passas, K. Bakouris, C.A. Komninos, A. Katsanos (Non-executive members), A. Kiriazis and N. Galetas (Independent, non-executive members)
Date of approval of the financial statements: March 11, 2016
Certified Auditor : Nick Vouniseas (Reg.No. SOEL 18701)
Audit firm : KPMG Certified Auditors, S.A.
Review type: Unqualified opinion

DATA FROM STATEMENT OF FINANCIAL POSITION (amounts in €)

	GROUP		COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
ASSETS				
Property, Plant, Equipment	532,663,929	548,206,894	131,821,887	136,565,476
Investment property	6,426,268	2,552,265	3,742,166	-
Intangible Assets	16,815,649	16,016,897	455,934	408,412
Other non current assets	18,844,060	17,824,975	194,797,436	184,324,006
Inventories	209,937,102	233,835,584	48,798,460	58,757,697
Trade receivables	145,359,737	91,051,427	44,590,462	46,825,831
Other current assets	35,482,078	37,013,223	2,172,217	7,244,885
Cash and cash equivalents	34,786,380	18,578,837	11,809,811	6,826,859
TOTAL ASSETS	1,000,315,203	965,080,103	438,188,372	440,953,166
EQUITY AND LIABILITIES		-		-
Share capital (101.279,627 of € 0.38)	38,486,258	38,486,258	38,486,258	38,486,258
Other shareholders equity	44,123,371	82,340,847	67,285,093	81,179,276
Total shareholders equity (a)	82,609,629	120,827,105	105,771,351	119,665,534
Non-controlling interests (b)	25,057,595	26,513,210	-	-
Total equity (c) = (a) + (b)	107,667,225	147,340,315	105,771,351	119,665,534
Long term borrowings	394,509,140	395,213,711	174,512,842	179,239,255
Provisions / Other long term liabilities	83,739,847	73,171,725	30,444,888	27,684,258
Short term borrowings	236,180,448	209,001,838	86,211,556	81,572,606
Other short term liabilities	178,218,544	140,352,515	41,247,736	32,791,514
Total liabilities (d)	892,647,979	817,739,788	332,417,022	321,287,633
TOTAL EQUITY AND LIABILITIES (c) + (d)	1,000,315,203	965,080,103	438,188,372	440,953,166

DATA FROM STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	GROUP		COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Net Total equity at the beginning of the Period (1/1/2015 and 1/1/2014 respectively)	147,340,315	76,241,466	119,665,534	94,768,916
Total comprehensive income after taxes	(39,116,127)	71,210,335	(13,894,183)	24,896,619
	108,224,188	147,451,801	105,771,351	119,665,534
Dividends distributed	(230,760)	(62,328)	-	-
Acquisition of company	-	-	-	-
Subsidiary absorption	-	-	-	-
Increase / (decrease) of participation in subsidiaries	(326,201)	(49,155)	-	-
Net Total equity at the end of the period (31/12/2015 and 31/12/2014 respectively)	107,667,225	147,340,315	105,771,351	119,665,534

DATA FROM CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Operating activities				
Profits / (Loss) before tax	(29,818,148)	(73,008,985)	(9,421,801)	(21,390,219)
Plus / minus adjustments for:				
Depreciation of tangible assets	31,836,221	23,072,891	6,602,546	4,858,916
Amortization of intangible assets	1,398,151	1,035,691	225,650	170,803
Amortization of Government Grants	(1,153,446)	(576,895)	(111,367)	(111,102)
Provisions	11,471,022	463,538	2,133,920	(610,661)
Results (income, expenses, profits, losses) from investing activities	(171,893)	(551,933)	-	(68,473)
(Profit)/loss from Revaluation of Fixed Assets to Fair Value	24,824	23,441,304	24,824	10,797,228
Interest Expenses	48,920,375	44,723,121	17,217,648	17,568,195
(Profit)/loss from the sale of fixed assets	219,689	(19,269)	2,823	(2,080)
(Profit)/loss from the sale of investments	-	-	-	-
(Profit)/loss on derivatives	(361,960)	(105,379)	-	(15,087)
Income from participations	-	146,081	(248,658)	-
Impairment of investments	-	-	-	-
Plus / Minus movements in working capital or related to operating activities:				
Decrease / (increase) of inventories	13,120,296	(25,599,390)	7,836,202	(3,803,809)
Decrease / (increase) of receivables	(52,531,478)	4,348,855	6,803,226	10,039,896
(Decrease) / Increase of obligations (except banks)	36,496,529	33,315,198	7,466,078	4,934,237
Less:				
Interest and related expenses paid	(44,155,555)	(51,295,415)	(16,747,092)	(18,500,877)
Taxes paid	(154,858)	(216,109)	-	-
Total cash (used in) / generated from operating activities (a)	**15,139,768**	**(20,826,694)**	**21,784,000**	**3,866,966**
Investing activities				
Acquisition-sale of subsidiaries, affiliated com., and other investments	(1,515,991)	(2,031,641)	(11,447,498)	(781,641)
Purchase of tangible and intangible fixed assets	(24,034,012)	(47,726,590)	(6,940,973)	(5,223,622)
Proceeds from sale of tangible and intangible fixed assets	1,408,947	22,853	1,400,941	2,080
Interest received	53,394	96,538	25,287	25,201
Dividends received	-	-	248,658	97,850
Total cash (used in) / generated from investing activities (b)	**(24,087,662)**	**(49,638,840)**	**(16,713,585)**	**(5,880,132)**
Financing activities				
Proceeds from issued / assumed borrowings	46,453,496	60,098,328	13,000,000	23,313,642
Loans paid up	(23,683,719)	(27,902,880)	(13,087,463)	(17,522,500)
Repayments of financial leasing liabilities (capital installments)	796,428	(166,641)	-	-
Proceeds from goverment grants	1,743,070	8,030,422	-	-
Dividends paid	(176,897)	(151,598)	-	(3,813)
Total cash (used in) generated from financing activities (c)	**25,132,378**	**39,907,632**	**(87,463)**	**5,787,329**
Net increase / (decrease) in cash and cash equivalents for the year (a)+(b)+(c)	**16,184,484**	**(30,557,903)**	**4,982,951**	**3,774,163**
Cash and cash equivalents at the beginning of the year	18,578,837	49,125,244	6,826,859	3,052,697
Foreign Exchange effect in Cash and equivalents	23,058	11,497	-	-
Cash and cash equivalents at year end	**34,786,380**	**18,578,838**	**11,809,810**	**6,826,859**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME (Amounts in €)

	GROUP		COMPANY	
	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
Total turnover	1,230,103,112	1,079,873,385	451,690,228	396,014,891
Gross Profit / (loss)	55,744,506	29,932,316	19,257,027	18,899,206
before revaluation	19,526,682	(5,312,532)	7,547,189	6,877,353
Loss from Revaluation of Fixed Assets to Fair Value	-	(23,441,304)	-	(10,797,227)
Profit / (loss) before taxes, financing and investing results	19,526,682	(28,753,836)	7,547,189	(3,919,874)
Profit / (loss) before taxes	(29,818,148)	(73,008,985)	(9,421,801)	(21,390,219)
Less: Taxes	(3,009,250)	13,538,914	(1,803,928)	5,278,201
Profit / (loss) after taxes (A)	(32,827,398)	(59,470,070)	(11,225,729)	(16,112,018)
Distributed to :				
Shareholders of the parent	(32,509,070)	(51,235,338)	(11,225,729)	(16,112,018)
Non-controlling interests	(318,327)	(8,234,733)	-	-
Other comprehensive income / (expenses) after taxes (B)	(6,288,729)	130,680,405	(2,668,454)	41,008,637
Total comprehensive income / (expenses) after taxes (A) + (B)	(39,116,127)	71,210,335	(13,894,183)	24,896,619
Distributed to :				
Shareholders of the parent	(38,565,450)	69,230,657	(13,894,183)	24,896,619
Non-controlling interests	(550,677)	1,979,678	-	-
Loss per share after taxes - basic (in €)	(0.3210)	(0.5059)	(0.1108)	(0.1591)
Proposed dividend per share (in €)	-	-	-	-
Profit / (loss) before taxes, financing and investing results & depreciation prior to Loss from revaluation	51,588,783	18,219,156	14,264,017	11,795,971
Profit / (loss) before taxes, financing and investing results & depreciation	51,588,783	(5,222,148)	14,264,017	998,744

Additional data and information :

1. The Group's companies and their locations, the percentage participation of their share capital that the Group owns as well as the consolidation method used to incorporate them in the consolidated financial statements of the fiscal year of 2015, are analytically presented in Note No. 30 of the financial statements.
2. The financial statements of the Company are included in the consolidated financial statements prepared by the following company:

Company	Country of the Reg.Office	Percentage holding	Consolidation method
VIOHALCO SA/NV	BELGIUM	66.34%	Full consolidation

3. There are no pending court decisions or claims under arbitration, which may have a significant effect on the financial position of the Company and the Group.
4. The number of the personnel at the end of the current year was: Company 427 (31/12/2014 : 416), Group 2,447 (31/12/2014: 2,413).
5. On the property of the Group, there are mortgages totaling Euro 379 million (Euro 217 million for the parent company) to secure long-term loans (See Note No.22 of Financial Statements).
6. There has been provision accounted for tax unaudited fiscal years of the Group: €239 thous., of the Company: € - thous (2014: € 239 thous. and - thous. respectively) Other provision accounted as at Decemeber 31 are for the Group € 90 thous. and for the Company € 90 thous. (see not No.25 of the Financial Statements).
7. The cumulative amounts of sales and purchases at the beginninmg of the financial year and the balances of receivables and obligations of the company at the end of the current year, resulting from its transactions with related parties following the IAS 24 are as follows:

	GROUP	COMPANY
i) Sales	139,437,149	192,352,180
ii) Purchases	163,817,487	51,072,021
iii) Receivables	19,975,259	36,291,297
iv) Obligations	20,033,353	5,287,461
v) Transactions & fees of higher executives and managers	4,723,829	1,709,574
vi) Receivables from higher executives and managers	-	-
vii) Liabilities to higher executives and managers	-	-

8. The income tax in the income statement is analysed as follows (amounts in €):

	GROUP		COMPANY	
	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
Income tax for the period	(203,942)	(465,971)	-	(142,841)
Deferred tax for the period	(2,805,308)	14,004,885	(1,803,928)	5,421,042

9. The unaudited tax years of the Company and the companies of the Group are analytically presented in note No 30 of the financial statements. For the fiscal year 2015 the Company is being audited by KPMG auditors pursuant to the issuance of the tax certificate, according to the provisions of article 82, sec. 5 of L.2238/1994 as ammended by the No.159/22-7-2011
10. The "Other Comprehensive Expenses" that was accounted directly at the Shareholders Equity without affecting the result of the period, concernes remeasurements of defined benefit liability (Group: € 512 thous. and Company: 216 thous.), foreign exchange differences from consolidation of foreign subsidiaries (Group: € -952 thous.) and derivatives valuation from cash flow hedging (Group: € -3274 thous. and Company: € -1131 thous.) and revaluation of Avaialble-for-sale Group: Euro: -876 thous. And Company: Euro -876 thous. (see Statement of Other Comprehensive income of the Financial Statements).
11. At the end of the current year, there are no shares of the parent Company owned either by the same or any of the subsidiaries and affiliated companies.
12. In February 25, 2015 the subsidiary Hellenic Cables participated in the capital increase of the 100% owned subsidiray FULGOR SA totalling Euro 4,112,000
13. Halcor Research and Development SA (Greece) is not included in the consolidated financial statements fo the Group. With date 1st of October 2015 was decided to revive the company because no action of liquidation was performed and the distribution of the company's assets did not start. The financial figures of Halcor Research and Develpment SA do not have
14. On 24/9/2015 the Company acquired the 100% of shares of the subsidiary Techor S.A. by buying 90,000 shares from Viohalco S.A. for the amount of € 803 thous. The value in the books of Viohalco SA is € 802,500 i.e. € 8.9167 per share, while the face value of the is € 0.76 per share. (see Note no. 13 of Financial Statements)
15. On the 8th of July of 2015 the company DIAPEM S.A. (Greece) in which the Company participates with 33.33% having 9,085 shares, proceeded to reduction of Paid-up Capital through reducing the face value per share from € 29.35 per share to € 18.35 per share due to lack of business activity. Consequently, there was a return of capital to the shareholders and the amount attributed to the Company stood at € 100 thous. (see Note no. 13 of Financial Statements)
16. The Group on 15 April 2015 proceeded to capital increase in the 100% subsidiary Fulgor A.E for the amount of Euro 14,4 mil. 900.000 new shares were issured for Euro 2.94 with price Euro 16.00, hence with premium of Euro 13.06 per share. (see Note no. 13 of Financial Statements)
17. The Group acquired the 100% of the shares of SYMM.EP. S.A. for the amount of € 60 thous. (see Note no. 13 of Financial Statements)
18. In 2015 the Company participated equally with Cantas A.S. (Turkey) in the establishment of Joint Venture HC Isitma A.S. (Turkey) by paying € 745 thous. (see Note no. 13 of Financial Statements)
19. In 2015 the liquidation of Belantel LTD (Cyprus) was completed with the return of capital € 95 thous.(see Note no. 13 of Financial Statements)
20. The Company in December 2015 proceeded to the capital increase of the 100% subsidiary Sofia Med SA. By a total of Euro 9,999,949. With the increase 176,200 new shares were issued with nominal value of Euro 41.93 per share and issuance price of Euro 56.75 per share, i.e. share premium of Euro 14.83 per share. (see Note no. 13 of Financial
21. During the fiscal year 2015 a provision for inventory devaluation was posted for the Group: Euro -11,427 thous. And for the Company: Euro -2,123 thous. (see Note no. 16 of Financial Statements)

Athens, March 11, 2016

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GROUP CHIEF FINANCIAL OFFICER
THEODOSSIOS PAPAGEORGOPOULOS	GEORGE PASSAS	SAPOUNTZIS PERIKLIS	SPYRIDON KOKKOLIS
Id.C.No. AE 135393	Id.C.No. Φ 020251	Id.C.No. AK 121106	Id.C.No. X 701209
			Reg. No. 20872 Class A'

Information under article 10 of Law 3401/2005

No	DESCRIPTION	WEBSITE ADDRESS	WEBSITE MAP
1.	Facts & Information Q1 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
2.	Interim Financial Statements Q1 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
3.	Facts & Information H1 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
4.	Interim Financial Statements H1 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
5.	Facts & Information Q3 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
6.	Interim Financial Statements Q3 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
7.	Facts & Information2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
8.	Annual Financial Report 2015	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2015
9.	Press releases during 2015	http://www.halcor.gr/en/investment-relations/announcements/press-release/	Home Page > Investor relations > Announcements – Publications > Press releases > 2015
10.	Announcements to the Stock Exchange during 2015	http://www.halcor.gr/en/investment-relations/announcements/announcements/	Home Page > Investor relations > Announcements – Publications > Announcements > 2015