SFAKIANAKIS

Commercial & Industrial Societe Anonyme for Cars, Constructions, Hotels & Tourism Business

G.C. Registry 240501000
(Companies Reg. No. 483/06/B/86/10)

ANNUAL FINANCIAL REPORT for the period: 01/01/2013 to 31/12/2013

(TRANSLATED FROM THE GREEK ORIGINAL)

in accordance with article 4 of Law 3556/2007 and the Decisions of the BoD of the Hellenic Capital Market Commission

The attached Annual Financial Report has been approved by the Board of Directors of SFAKIANAKIS S.A. on 26th March 2014 and has been posted with the Independent Auditor's Report and the Report of the Board of Directors on the website www.sfakianakis.gr

SFAKIANAKIS S.A.
G.C. Registy 240501000
5-7 Sidirokastrou St. & Pydnas St.,
Athens, GR-11855

CONTENTS

STATEMENTS BY THE MEMBERS OF THE BOARD OF DIRECTORS
(In accordance with article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors,

1. Stavros Taki, President of the Board & Chief Executive Officer
2. Dimitrios C. Hountas, Vice-President of the BoD
3. George C. Koukoumelis, Member of the BoD.

under their aforementioned capacity as Members of the Board, declare that to the best of their knowledge:

a) the Annual Financial Statements of the Company and the Group of SFAKIANAKIS S.A. for the period 1st January 2013 till 31st December 2013, which were compiled according to the International Accounting Standards, present in a truthful manner the figures pertaining to assets, liabilities, shareholders equity and financial results of the Company, as well as the companies' which are included in the consolidation as total, and

b) the Board of Directors Annual Report truly reflects the development, performance and the financial position of SFAKIANAKIS S.A. and its affiliates included in the consolidation as a whole, along with the description of the main uncertainties and risks they are faced with.

Athens, 26th March 2014

The President of the BoD & Chief Executive Officer	The Vice-President of the BoD	The Member of the BoD
Stavros P. Taki	Dimitrios C. Hountas	George C. Koukoumelis
ID No. AE-046850	ID No. Ξ-442023	ID No. AK-101669

ANNUAL REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL STATEMENTS OF THE FISCAL YEAR
1st January till 31st December 2013

To the Ordinary General Meeting of the Shareholders

Dear Shareholders,

On behalf of the Board of Directors of the SFAKIANAKIS S.A., we submit for approval the Annual Individual and Consolidated Financial Statements of the fiscal year from 1st January till 31st of December 2013. The fiscal year expired on the 31st of December 2013 is the fifty-third for the company and the twenty- third in the order for the consolidated financial statements.

The present Financial Statements, as the one of the previous fiscal year, are drawn up according to the International Financial Reporting Standards – IFRS, as adopted by EU.

The Consolidated Financial Statements include:

A) the subsidiary companies consolidated with the complete consolidation method:
1. SFAKIANAKIS S.A.
2. EXECUTIVE LEASE S.A.
3. EXECUTIVE INSURANCE BROKERS S.A.
4. MIRKAT OOD (situated in Bulgaria)
5. MIRKAT DOOEL SKOPJE (situated in Skopje)
6. ERGOTRAK S.A.
7. ERGOTRAK BULGARIA LTD (situated in Bulgaria)
8. ERGOTRAK ROMANIA (situated in Romania)
9. ERGOTRAK YU LTD (situated in Servia).

B) the subsidiary companies consolidated with the equity method:
1. SPEEDEX S.A.
2. ALPAN ELECTROLINE LTD (situated in Cyprus)
3. ATHONIKI TECHNIKI S.A.

The present Annual Report of the Board of Directors has been compiled in accordance with the relevant provisions of Article 107 of par.3 C.L. 2190/1920, the provisions of Article 4 of Law 3556/2007 and authorized by the same law decisions of the Hellenic Capital Market Commission.

A) PERFORMANCE AND FINANCIAL POSITION

The automotive market in 2013 shows a stabilizing trend giving some encouraging signs always in connection with the general adverse economic climate in our country.

Specifically, total car registrations in 2013 amounted to 58,694 units, recording a slight decrease of 0.4% compared with the respective registrations of the previous year 2012 which amounted to 58,482 units. SUZUKI in 2013, made 2,212 car registrations which represent a market share of 3.8% occupying the 10th position among car importers.

Total motorcycle registrations in 2013 amounted to 29,536 units, recording a decrease of 10.2% compared with the respective registrations of the previous year 2012 which amounted to 32,884 units. SUZUKI in 2013 made 352 motorcycle registrations which represent a market share of 1.2%.

Referring to the Group and the Company their financial figures for fiscal year 2013 are as follows:

Group's turnover for 2013 amounted to € 194.1 mil. presenting an increase of 6.3% compared with sales of € 182.6 mil. of 2012. Respectively, Company's turnover for 2013 amounted to € 146.3 mil., presenting a decrease of 8.7% compared with the sales of 134.6 mil. of 2012.

Gross profit for 2013 amounted to € 49.9 mil. for the Group and € 16.5 mil. for the Company compared with the corresponding figures of 2012 which amounted to € 45.4 mil. for the Group and to € 12.4 mil. for the Company, presenting a decrease of 10.0% for the Group and 33.1% for the Company.

Operating profit (EBITDA) of 2013 for the Group amounted to € 4.6 mil. while operating profit (EBITDA) for the Company amounted to € -7.0 mil. against € -4.4 mil. and € -15.6 mil. the relevant period of 2012.

Loss before tax for 2013 showed a significant improvement and reached € 29.7 mil. for the Group compared to € 43.6 mil. in 2012 and € 22.4 million for the Company compared to € 39.3 million in 2012.

During 2013 Management's effort to further reduce operating expenses continued having as a result their reduction at Group level by € 10.3 mil. and at Company level by € 6.6 mil. Total Group's operating expenses on 31.12.2013 amounted to € 58.7 mil., corresponding to a reduction of 14.9% compared to € 69.0 mil. on 31.12.2012. Respectively, total Company's operating expenses on 31.12.2013 amounted to € 35.4 mil. corresponding to a reduction of 15.7% compared to € 42.0 mil. on 31.12.2012.

Total debt at Group level decreased by € 6.7 mil. that is 2.2% from € 299.8 mil. on 31.12.2012 to € 293.1 mil. on 31.12.2013, while net debt at the Group level is raised at € 278.4 mil.

Group's management, under the policy set since fiscal year 2008, further reduced total Group's stock by € 13.4 mil., that is total stock on 31.12.2013 (including foreign orders) amounted to € 43.2 mil., representing a reduction of 23.0% compared to € 56.1 mil. on 31.12.2012.

For more comprehensive information on fiscal year 2013, basic ratios are presented concerning the development of economic figures of the Company.

BASIC RATIOS 2013				
	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
A. Evaluation ratios				
Turnover	6,28%	-25,40%	8,70%	-23,50%
The above ratios show the increase of turnover and earnings before and after tax of the current year year against prenious year.				
B. Profitability Ratios				
Net earnings before tax / Turnover	-22,46%	-23,87%	-15,30%	-29,21%
Net earnings after tax / Turnover	-14,71%	-25,37%	-15,96%	-30,04%
The above ratios present the final net profit before and after tax as a percentage tax as a percentage of turnover.				
Return on Equity	-153,04%	-8259,74%	-759,21%	-209,28%
This ratio reflects the net earnings before tx as a percentage of equity.				
Gross profit / Turnover	25,74%	24,87%	11,29%	9,21%
This ratio reflects the gross profit as percentage of turnover.				
C. Financial Leverage Ratios				
Debt / Equity (excluding minority rights)	-12,80	687,01	89,70	13,40
Bank Loans / Equity	-10,29	568,10	69,78	10,76
These ratios present dept and bank loans as a percentage of total shareholders equity.				
D. Financial Leverage Ratios				
Current Assets / Total Assets	40,46%	42,53%	26,39%	32,29%
This ratio shows the percentage of current assets over total assets.				
Total Liabilities / equity	-12,80	687,01	89,70	13,16
This ratio shows the unit's financial self-sufficiency.				
Tangible and Intangible Assets / Equity	-573,40	327,31	34,57	5,27
This ratio shows what percentage of company's own capital has been converted to assets.				
Current Assets / Short Term Liabilities	1,75	0,48	1,30	0,38
This ratio reflects company's general liquitidy ratio.				

B) IMPORTANT EVENTS

On June 2013 loan agreements were signed with the creditor banks on the restructuring of the terms of the syndicated loans of SFAKIANAKIS S.A. of initial amount € 200,0 mil. and the current balance of € 186,5 mil., Executive Lease S.A. of initial amount € 25,0 mil. and the current balance of € 21,8 mil. and Panergon S.A. of initial amount € 51,5 mil. and the current balance of € 34,0 mil. The maturities of the loans were extended until 2017. The completion of the agreement ensures the financial stability of the Group and strengthens its efforts to successfully meet the challenges of the adverse business environment.

According to the decision of the Ministry of Development and Competitiveness with registration number K2-4432/28-06-2013, the decisions made by the Board of Directors of SFAKIANAKIS S.A. and Personal Best S.A. concerning the merger with absorption of the second from the first were approved. All transactions made after the transformation balance sheet 31.12.2012 were counted on behalf of the acquiring company.

On 26.06.2013 the Board of Directors of the subsidiary companies Executive Lease S.A. and Panergon S.A. decided the beginning of the process of merging of the two companies, with absorption of the former by the latter, in accordance with the provisions of Articles 69-78 of Law 2190/1920 and Articles 1-5 of Law 2166/93, aiming to reduce the operating cost using the synergies and economies of scale that will arise and the more efficient management organisation. The transformation balance sheet date was appointed on 30.06.2013. On December 2013, the above merger was approved by the relevant authorities and the company name after the merger is changed to Executive Lease S.A.

The subsidiary Mirkat OOD increased its share capital by the capitalization of receivables of Sfakianakis S.A. from the above subsidiary amounting € 8.18 mil.

The subsidiary PANERGON S.A. proceeded to the reduction of its share capital by € 2.49 mil. with a corresponding decrease in the nominal value of each share from € 2.55 to € 1.95 and capital return with cash to SFAKIANAKIS S.A.

In November 2013, PANERGON S.A. transferred the delegation Landini tractors. The agreement provides for the sale of the stock of tractors and spare parts, as well as the participation in the profits of the Landini activity achieved by the new dealer for ten years. The financial statements do not include the above activity from the date of sale.

Company's Board of Directors decided the restructuring of retail sale points, as follows:

- The following stores were closed:
  1. 76 Kaliftaki, Kifisia
  2. Kifisou & Petrou Rally Avenue, Egaleo
  3. New Avenue Patra-Athens 99, Patra
  4. New Avenue Patra-Athens 101, Patra
  5. 76a Pireaus, Faliro
  6. 1st klm. Karditsa-Trikala, Karditsa
  7. 12th klm. Karditsa N.A. Athens-Lamia, Metamorfosi.
- The following stores opened:
  1. 438 Mesogeion Av., Ag. Paraskevi

Finally, there are no other important events both for the Parent Company and its subsidiaries which took place since the end of fiscal year 2013 till the date of writing this report.

C) RISK MANAGEMENT

α) Foreign exchange risk

Group's companies are active mainly within the Greek borders and thus their sales are made in Euro.

Purchases of goods (cars, motorcycles, spare parts) during 2012 were made at a percentage of 95% in Euro and 5% in JPY (imports from Japan).

Bank loans are entirely in Euro, so the foreign exchange risk for the Group is estimated as low.

In addition, Group's management constantly monitors the fluctuations and the tendency of foreign currencies, evaluates each case individually and takes the necessary measures if the risk is real and remarkable.

β) Credit Risk

Due to the economic crisis in the Greek market, Group's management in order to manage potential credit risks of the customers, has established specific credit policy for its operations.

Specifically, each type of transaction is covered:

- With letters of guarantee or other kind of collaterals
- With retention of ownership of the sold goods
- With sales through financial institutions, banks, leasing companies etc., which undertake the credit risk deriving from the customer

However, the unfavourable economic situation of the domestic market since the advent of the economic crisis poses risks for any bad debts and the creation of negative cash flow for the Group companies. Against the specific risks the management implements a series of measures, such as the exclusion of clients with clear indications of poverty, strict maintenance of the agreed credit time and the limiting of the credit amounts above the permitted limits set by the client.

c) Interest rate fluctuation risk

Group companies in order to cover their borrowing needs have signed bond loans which provide predetermined fixed margins. Any change in current interest rates will affect respectively the financial costs of the Group companies.

For Bond Loans restructureded of total current balance € 208.3 mil. margins have been agreed until 2017.

d) Liquidity risk

Liquidity risk for Group companies in the unstable economic environment is visible and Group's management as counterbalance continuously reduces the operating expenses, closes unprofitable selling points, reduces the inventories, the receivables by collecting more intensively amounts due and credit policy (reduction of days of credit), changes the trade policy of payment to the suppliers and thw restructuring of the paying terms of the current bank loans.

e) Other risks and uncertainties

Due to the ongoing negative economic situation, Company's management estimates that in the following months there may be a further shrinking of the car market with consequences to the reduction of sales for the Group companies.

f) Personnel

Group's companies have always been staffed with experienced and qualified manpower with full knowledge of the subject of its job. During the present economic situation despite the fact that there were several reductions in manpower all other employees in Group companies have demonstrated such professionalism and sensitivity that gives to the Company the optimism that they will support every effort in order to come out of the crisis.

The relations between the members of the Board of Directors and the managers of the Group companies with the personnel are excellent and no labour problems exist. The consequence of these relations is that there are no court cases involving labour issues.

In any case the infrastructure of the Company allows the immediate replacement of manpower, wherever necessary, with no impact on the continuation of the trade and business activities.

g) Social Responsibility

Group companies, reflecting the vision of the Management whose members are always innovative and with great sensitivity to environmental protection issues, believing that recycling is a key indicator for the culture of a country have introduced into the system of collective alternative management of waste electrical and electronic equipment and to the system of alternative recycling of packaging in order to prevent the creation of waste electrical equipment and their reuse and recycling and material recovery of packaging waste.

E) Information according to par. 7 of article 4 of Law 3556/2007 and Explanatory Report to the Annual General Meeting of the Shareholders

1. Structure of Company's share capital.

Company's share capital amounts to € 19,786,200 divided into 7,914,480 shares of a nominal value of € 2.50 each. Company's shares are listed for trading in the Securities Market of the Athens Stock Exchange, under the "Main Market" classification (Retail-Specialty Retailers). Company's shares are common registered with voting rights. The rights and obligations deriving from the shares are those stipulated by the Law 2190/1920 in conjunction with Law 3556/2007.

Company's shares are free for transfer and there are no restrictions pursuant to the Company's Articles of association and the Law concerning their transfer or possession.

Each share carries all the rights and obligations set out in law and in the Articles of Association of the Company which does not include stipulations more restricting than the Law. The possession of every share by each shareholder means de jure the acceptance of company's Articles of Association and the official decisions of shareholders' the General Meetings.

The liability of the shareholders is limited to the nominal value of the shares they hold. Shareholders participate to company's administration and earnings according to the law and the Articles of Association. The privileges and liabilities deriving from each share follow it to every universal or special successor of the shareholder. The shareholders exercise their rights in relation to the management of the company only by participating in the General Meetings.

2. Restrictions on the transfer of Company's shares.

The transfer of Company's shares is affected in accordance with the Law and there are no restrictions on their transfer pursuant to Company's Articles of association.

3. Significant direct or indirect participations in the sense of articles 9 till 11 of Law 3556/2007.

On 31.12.2013 the following shareholders possessed a percentage greater than 5% of total Company's voting rights:
1. SFAKIANAKIS HOLDING S.A. 49.39%,
2. Stavros Taki 15.66%,
3. Aikaterini Sfakianaki-Platia 8.33%,

4. Holders of any type of shares providing special auditing rights.

There are no shares of the Company that provide to their holders special rights of audit.

5. Restrictions on voting rights.

No restrictions on the voting rights deriving from the Company's shares are provided in its Articles.

6. Company Shareholders' agreements.

Company is aware of the signing of an agreement between its shareholders Mrs. Miranta-Efstratia Sfakianaki and Mrs. Aikaterini Sfakianaki-Platia dated 01.08.2007 according to which is regulated the right of preference in transferring shares, the exercise of the voting rights and the synergies for mayor Board of Directors' decisions.

7. Rules of appointment and replacement of Board members and amendment of Articles of association that deviate from those provided for in C.L. 2190/1920.

The rules provided in Company's Articles regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not deviate from those provided for in Codified Law 2190/1920.

8. Competency of the Board of Directors or some of its members to issue new shares or purchase owned shares.

According to the provisions of the article 5 of the Articles of the Company, and the decision of the General Meeting, which is subject to the publication requirements of article 7b of Codified Law 2190/1920 and within five years from its relevant decision, the Board of Directors of the Company is entitled by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total number of its members a) to increase the share capital of the Company through the issuance of new shares. In such case, the share capital may be increased only up to the amount of the capital which is paid-up on the date of adoption of the decision by the General Meeting and b) to issue syndicated bond loan for amount that cannot exceed half of the capital which is paid-up on the date of adoption of the decision by the General Meeting through the issuance of bonds convertible to shares. In that case provisions of paragraphs 2 and 3 of article 3a of Codified Law 2190/1920 are applied.

9. Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer and the results of this agreement.

There is no such an existing agreement apart from agreements of Syndicated Bonds that include usual terms for possible change of property control.

10. There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer. In case of termination of employment contracts of persons working in the company under contract labour employed, the compensation provided by law is applied.

E) STATEMENT OF CORPORATE GOVERNANCE (article 2, par. 2 of Law 3878/2010)

1. Code of Corporate Governance

The Company has adopted the Principles of Corporate Governance, as defined by the current Greek legislation and international practice, insofar as applicable based on its size and organization. Corporate Governance as a set of rules, principles and mechanisms by which organized and managed the Company aims at transparency to investors, as well as to safeguard the interests of shareholders and all those associated with the operation.

After the publication of Law 3873/2010 and the Code of Corporate Governance developed by the Association of Enterprises (SEV), the company to fully comply with the requirements of the Law, decided to apply this code for issues that concern it, as amended in its first revision of the Greek Council of Corporate Governance (ESED) in October 2013.

The ESED was founded in 2012 and is the result of collaboration between Greek Exchange and the SEV, commonly acknowledging the contribution of Corporate Governance in the continuous improvement of the competitiveness of Greek businesses and the continued growth of the credibility of the Greek market. This joint initiative is reflected in the Code which hereafter is called Greek Code of Corporate Governance and is hung on the website of the Greek Council of Corporate Governance: http://www.esed.org.gr.

An important addition to the new Code of Corporate Governance is the adoption of the standard explanation of non-compliance of the Company with certain specific practices of the Code. This means that the new Code follows the approach of 'comply or explain' and requiring listed companies choose to apply it to disclose their intention and either comply with all the specific practices of the Code, or explain why not compliance with certain specific practices.

The Company states that it implements the Corporate Governance Code (CGC) formed by the Greek Council of Corporate Governance (ESEDA) (available at http://www.helex.gr/el/esed), in which the Code states that is subject to the following deviations and exceptions.

Part A - The Board of Directors and its members

I. Role and responsibilities of the Board of Directors

The Board of Directors has not made a recommendation of a separate committee to be in head of the process of nominations for election to the Board of Directors and to prepare proposals to the Board of Directors regarding the remuneration of executive directors and basic executives given that Company's policy in relation to these fees is fixed and formed.

II. Size and Composition of the Board

The current Board of Directors consists at this time exclusively by men. This deviation from the policy of diversity, including gender balance on the Board members is justified by the impossibility of finding at this time that women executives that respond to the increased demands associated with this capacity due to the specific characteristics presented by the industry in which the Company operates.

Main concern of the Company in the future is the finding and adding representatives of the female sex among the members of the Board, not being able to determine with absolute accuracy the time the Company's compliance with the above practice established by the CGC, since this is a combination of relevant interest and of finding individuals who meet the above requirements.

III. Role and qualities required of the President of the BoD

The activities of the President are not distinguished from those of the CEO. The discrepancy is due to the fact that it is not necessary this distinction in view of the organizational structure and operation of the Company. If and when the needs of the company are differentiated it be will re-evaluated the need to establish clear distinction between the responsibilities of the Chairman and Chief Executive Officer.

IV. Duties and behaviour of members of the BoD

The BoD has not adopted, as part of the internal rules of the company policies, for managing conflicts of interest among members of the BoD or to persons to whom the Board has delegated some of its powers and the Company and its subsidiaries.

There is no process of analytical reporting of any business obligations of the members of the BoD (including executive or major commitments to companies and non-profit institutions) prior to their appointment to the BoD. The discrepancy is explained by the fact that the members of the Board are known for their professionalism, their high level of education and practical commitment to the Company and therefore despite the lack of statutory liability of any disclosure professional commitments of board members before the election at this, would proceed to give notice if they considered that there is any conflict of interest.

It is not required Board approval for the appointment of an executive member to a company that is not affiliated or associated.

V. Nomination of Board members

There is no committee for selecting candidates for the BoD. The deviation is justified by the size, structure and operation of Company's Board of Directors that at this time, no committee is required in order to be nominated. Besides, whenever a question of electing a new Board or a member is raised, Company's management ensures the existence and implementation of a transparent process, assesses the size and composition of the Election Board or member, examines the qualifications, knowledge, attitudes, skills, experience, ethics and integrity of character of candidates for membership and thus fully meets the work which plays the committee to nominate if it existed.

VI. Operation of the BoD

There is no specific regulation for the operation of the BoD, as the provisions of the Company are assessed as sufficient for its organization and operation. The Board of Directors in the beginning of each calendar year does not adopt calendar for meetings. When a need arises to call its members is easy, as all members are residents of Attica.

There is no provision for support of the Board by a competent, qualified and experienced corporate Secretary. This deviation is justified by the fact that there is potential for faithful recording of meetings of the Board. The Company will consider in the future if they need to appoint a position of corporate secretary.

The President does not have regular meetings with non-executive directors without the presence of executive members, to discuss the performance and remuneration of the latter, and other related issues as any matter is discussed in the presence of all members.

There is no provision for introductory information programs and professional training of board members as members of the Board have proven experience in matters relating to the purposes of the Company and have the appropriate organizational and administrative skills. Moreover, the training, the continuing education and updating of staff and managers at all levels through training seminars govern the philosophy of the Company and is not restricted within the membership of the Board.

There is no provision for providing adequate resources to the committees of the Board in order to fulfill their duties and engage external advisors to the extent needed. The hiring of external consultants is approved by the Board of Directors, which includes the amount of their fees in that case when business needs require.

VII. Assessment of the BoD

There is no institutionalized process for evaluating the effectiveness of the Board committees, nor is the performance of the President evaluated as the process is not considered necessary based on the organizational structure of the Company.

Also, members and non-executive directors do not convene without the presence of executive members, in order to assess the performance of executive directors and set their wages and the Governing Council outlines the annual corporate governance statement in the evaluation process itself and its committees as well there are no related evaluation.

Part B – Internal Audit

I. Internal audit system

There is no specific regulation for the assessment of the Audit Committee. The discrepancy is due to the fact that the essential functions and responsibilities of the Audit Committee are described adequately in current laws provisions and therefore the Company does not consider it necessary at this point in time the training more specific rules of operation of that committee, since what matters is the strict adherence and implementation of the existing regulatory framework.

No funds are available for use by the Audit Committee of external consultants as well as the composition of the Commission and specialized knowledge and experience of its members to ensure efficient operation. If deemed appropriate and necessary to use external consultants to improve the structure and functioning of the Commission, it is understood that the Company will make available all the necessary funds.

Part C – Remunerations

I. Level and structure of remunerations

There is no remuneration committee consisting solely of non-executive members, the majority of which independent, which has as its object the fixing of the remuneration of executive and non-executive directors and thus there are no settings for the functions of this committee, the frequency of its meetings and other matters relating to its operation. The recommendation of this committee, given the structure and function of the Company has not been considered necessary.

The contracts of executive directors not provide that the Board may require repayment of all or part of the bonus that is awarded because of misconduct or inaccurate financial statements from previous years or in general on the basis of incorrect financial data used for the calculation of this bonus.

The remuneration of each executive director is not approved by the BoD after proposal from the Remuneration Committee, without the presence of executive members. The discrepancy is due to the fact that there is no remuneration committee as referred to above. The nature of any compensation and benefits for the executive members of the Board shall be decided by the Board and in accordance with what is provided in the Law 2190/1920.

Part D –Relations with shareholders

I. Communication with shareholders

The Company has not adopted specific practices regarding communication with shareholders, which includes the Company's policy on interrogation by the shareholders to the Board. At the present time there is no specific statutory procedure for submitting questions from shareholders to the Board , since any of the shareholders has the ability to apply to the Shareholder submitting requests and questions, which, if considered as necessary, grouped transmitted to the Board for further processing and response update or forwarded without delay to the party concerned.

Furthermore, the provisions of article 39 of Codified Law 2190/1920 describe in detail the process of participation of minority shareholders in the General Meetings of shareholders, a process strictly adhered to each Ordinary or Extraordinary General Meeting, to ensure in this way adequate, accurate and timely information to shareholders regarding the state of corporate affairs.

Corporate governance practices in addition to the provisions of Law

The Company, concerning the Corporate Governance, implements faithfully the rules set by the relevant legislation and does not follow other practices beyond the provisions of the Law.

2. Operation of the BoD and other Committees

2.1 Board of Directors

The Company is managed by a Board of Directors which, in accordance with Article 11 of the Articles of Association shall consist of seven (7) at least up to eleven (11) Maximum members , who are elected by the General Meeting of shareholders and either outside. The members of the Board distinguished between executive and non-executive accordance with Law 3016/2002 as applicable. The term of office is three years starting from the day after the Annual General Meeting of the year of their election and ending on the day of entering in of the new members, which may not exceed four years. The election shall take place by a roll call vote and an absolute majority of the General Assembly votes represented. The outgoing members are eligible, always and at any time and freely revocable.

If, for any reason, seat is vacated by death, resignation or loss of membership in any other way, the remaining members may continue the management and representation of the Company, without replacing the missing members, provided that the number exceeds half of the members, as they had before the above events. In any case, these members may not be less than three (3).

In any event, the Board may elect a replacement result since the remaining members are at least three. The above election will be announced by the Board at the next General Meeting of shareholders, which may replace the elected, even if it is not relevant item on the agenda. The instruments currently elected councillors of the Board, and shall be deemed valid even if not ratified the election of these by the assembly of shareholders. As duty of those elected new Directors considered the remaining period of service of that which was called n replace. Filling vacancy Advisor is mandatory for the Board when the number of directors falls below five (5).

The Board of Directors was elected by the Annual General Meeting of Shareholders on 5th June 2013 for three years and expires on 06.05.2016. It consists of seven (7) members, of whom three (3) are non-executive and independent and two (2) are non-executive and was constituted as follows:

Members of the BoD

1. Stavros Taki, Rodopolis resident, Marcou Botsari impasse, with ID Num. AE-046850, President & CEO, Executive Member
2. George Koukoumelis, Ag. Paraskevi resident, 4 Kontopoulou, with ID Num. AK-101669, Executive Member
3. Athanasios Platias, Rodopolis resident, Marcou Botsari impasse, with ID Num. AK-060971, Non-executive Member
4. Dimitrios Hountas, Peania resident 13 Hounta St., with ID Num. Ξ-442023, Vice-president, Executive Member
5. Peter Leon, Politia resident 34 Palaiologou Str., with ID Num. P-093405, Independent Non-executive Member
6. Christophoros Katsambas, Psichico resident, 6 Vitsi Str., with ID Num. Ξ-317762, Independent Non-executive Member
7. George Taniskidis, P. Psichico resident, Kisavou 6 Str. with ID Num. X-606444, Independent Non-executive Member.

Brief CV's of BoD members are as follows:

1. Stavros Taki is a graduate of B.Sc.Economics/Accounting, London City University, holds a MBA Marketing, London City University, Business School and works to the Company since 1992, has many years of experience and knowledgeable of the market and the scope of the company. He holds the Administration and the Direction of the Company.
2. George Koukoumelis is a graduate of Mechanical Engineering from the National Technical University of Athens, holds degree from the Rotterdam School of Management and works in the Company as Group's Chief Financial Officer since January 2012.
3. Athanasios Platias, Professor at Panteion University, Graduate Public Administration and Political Sciences Faculty, University of Athens holds MA Ph.D. (Harvard, Cornell, MIT).

4. Dimitrios Hountas is a graduate of Athens University of Economics, worked for the Company from 1996 - 2000 and since 2004 until today.
5. Peter Leon, President & CEO of Leon & Partners Advertising S.A.
6. Christophoros Katsambas, Engineering - Mechanical, General Manager of TEOFERT S.A.
7.George Taniskidis, Lawyer, former CEO of MILLENNIUM BANK.

5.2 Audit Committee

The Company is fully compliant with the requirements of Article 37 of Law 3693/2008, has elected a three-member Audit Committee consisting of the following members of the Board of Directors:

a. Peter Leon, Non-executive Member

b. Christophoros Katsambas, Independent Non-executive Member

c. George Taniskidis, Independent Non-executive Member

Without changing or reducing the obligations of members of the management appointed by the General Meeting of the shareholders, the audit committee has the following obligations:

1. The monitoring of the process of financial reporting.

2. The monitoring of the effective operation of internal control and risk management system and monitoring of the proper functioning of the internal auditors of the company.

3. The monitoring of the progress of the statutory control of the individual and consolidated financial statements. Specifically, to examine the interim and final financial statements and ensure the proper application of accounting principles as well as the compliance of the company with the laws and the regulations of the ASE and the Hellenic Market Exchange Commission, before their adoption by the BoD.

4. The confirmation of the independence and objectivity of the auditors of the company.

5. The company's compliance with the Code of Conduct.

6. The recommendation to the General Meeting for the election of auditor.

7. The information from the nominal auditor on any matter relating to the progress and the outcome of the statutory audit on the service of a special report on any weaknesses in internal control, particularly the weaknesses of procedures for financial reporting and the preparation of financial statements.

3. General Meeting

The General Meeting of Shareholders of the Company is its supreme institution and is entitled to decide for every case involving the Company. Its legal decisions bind both the shareholders who are absent or disagree.

The General Meeting of the shareholders is convened by the Board of Directors and meets regularly at time and place designated by the BoD during the first six months from the end of each fiscal year. The convening of the General Meeting is made at least 20 days prior to its implementation with invitation which states clearly the location and the time of convening, the items of the agenda and the procedure followed by the shareholders in order to be entitled to participate and vote. The Invitation is published as required by law and posted on the website of the Company.

The General Meeting is in quorum and convenes validly on the agenda when it is represented with at least 1/5 of the outstanding share capital, except as provided quorum of 2/3 of share capital under the statute.

The General Assembly shall chair temporarily the Chairman of the Board, or when he prevented his legal deputy, and defines it as a Secretary of the shareholders or their representatives who are present, to be ratified by the General Assembly of the list of shareholders entitled to participate therein and elected the tactical officers. The Bureau consists of the President and the Secretary, who shall also act as scrutineer.

The discussions and decisions of the General Assembly limited to agenda items. The agenda is set by the Board and includes the recommendations of the Board to the Convention and any recommendations of the auditors or shareholders representing one twentieth (1/20) of the paid up share capital. The discussions and decisions of the General Meetings are recorded in a special book (practice) and the minutes signed by the Chairman and Secretary of the Meeting. At the beginning of practice recognized the list of shareholders present or represented at the General Assembly, which has been prepared in accordance with Article 23 of the Statute. Copies or extracts of the minutes of the General Meeting shall be certified by the Chairman of the Board or the lawful deputy. Summary of the decisions of the General Assembly made public immediately and posted on the Company's website.

The General Assembly is the only competent authority to be decided: a) Increase or decrease of share capital, other than increases of paragraph 2 of Article 5 of the Articles of Association, b) Approval of the annual financial statements and distribution of annual profits, c) Election of Board members, except in the case of Article 12 of the Articles of Association, d) Election of auditors, e) for the approval of the submitted questions on the activities and management of the Board, f) merge, split, convert, revival, extension of duration or dissolution of the company, g) Appointment of liquidators.

4. Rights of Shareholders

The shareholders exercise their rights in relation to management of the Company only in the General Assembly and in accordance with the provisions of the law and the Statute. Each share is entitled to one vote.

At the General Meeting are entitled to attend and vote any natural or legal persons shown as owners at the beginning of the fifth (5th) day before the date of the General Meeting (Record Date) on record shareholders of the Company held electronically in company" Greek Exchanges SA Holding, Clearing, Settlement & Registry" without having to block their shares. Proof of shareholder status is done by presenting the Company, on receipt, the relevant certification of the EHEA or, alternatively, through direct electronic connection of the Company files with the EHEA , as long as this is requested by the shareholders concerned. The relevant written certification or theelectronic verification of shareholder status must be received by the Company no later than the third (3rd) day before the meeting of the General Assembly.

For the Company entitled to attend and vote at the General Assembly only those who qualify as shareholders on the Record Date. In case of non-compliance with the provisions of article 28a of Codified Law 2190/1920, such shareholder may participate in the General Meeting only after permission. The Articles of Association do not provide for procedures for the participation and the exercise of voting rights in the General Assembly by correspondence or by electronic means.

Each shareholder entitled to attend the above, attend the General Meeting and voting in person or by proxy. Each shareholder may appoint up to three (3) representatives. However, if a shareholder holds shares of the Company, appearing in more than one securities account, such limitation shall not prevent the shareholder from appointing separate proxies for the shares appearing in each Account in relation to the General Assembly. Legal entities may participate in the General Meeting by appointing up to three (3) persons. Representative acting on behalf of several shareholders may cast votes differently for each shareholder. The proxy holder must disclose to the Company, before the commencement of the General Meeting, any fact which may be useful to the shareholders in assessing the risk of the proxy serving interests other than the interests of the shareholder. For the purposes of this paragraph , may be a conflict of interests, especially when the proxy: a) a shareholder who controls the Company or any other legal person or entity controlled by such shareholder, b) is a member of the board or of administration of the company or shareholder controls the Company or other legal person or entity controlled by a shareholder who controls the Company, c) is an employee or an auditor of the company or shareholder controls the company or other legal person or entity controlled by a shareholder who controls the Company, (d) is a spouse or first-degree relative with one of the natural persons referred to in subparagraphs (a) to (c). The appointment or revocation of a proxy shall be in writing and notified to the Company in the same form, at least three (3) days before the date of the General Meeting. The Company does not accept electronic notifications of appointment and revocation.

Shareholders representing at least one twentieth (1/20) of the share capital may request, which must be received by the Board fifteen (15) days before the General Assembly to request the Board to enter the agenda of the General Assembly, additional subjects. The application must be accompanied by a justification or a draft resolution to be adopted at the General Assembly. The revised agenda in the same manner as the previous agenda thirteen (13) days before the date of the General Meeting and will also be made available to shareholders at the Company's website, along with the justification or the draft decision has submitted by shareholders as provided in Article 27 paragraph 3 of CL 2190/1920, as amended and in force.

Shareholders representing at least one twentieth (1/20) of the share capital may request, which must be received by the Board seven (7) days before the General Assembly to request the Board to make available to shareholders by posting on the Company's website at least six (6) days before the date of the General Assembly, draft resolutions for items included in the initial or revised agenda. Noted that the Board is not obliged to include items on the agenda or the publication or disclosure thereof together with justification and draft resolutions submitted by shareholders during the above in (a) and (b) cases, respectively, if the content is obviously contrary to the law and morality.

At the request of any shareholder to the Company five (5) full days before the General Meeting , any shareholder may request the Board to provide the General Assembly requested specific information regarding the affairs of the Company , to the extent they are useful for the assessment of the items on the agenda. The Board may refuse to provide such information citing sufficient material grounds, which are recorded in the minutes. The Board may respond to requests of shareholders with the same content. Obligation to provide information does not apply when the information is already available on the Company's website.

The full text of documents, draft resolutions and other information provided for in paragraph 3 of Article 27 of CL2190/20 (including the convocation of the General Meeting, the proxy appointment form) are available in electronic form the Company's website. Interested shareholders may obtain copies of documents of paragraph 3 of Article 27 of the Law 2190/1920, as amended, the arriving at the offices of the Company.

Shareholders representing one fifth (1/5) of the paid up share capital may request, submitted to the Company at least five (5) full days before the General Assembly to request the Board to provide the General Assembly information on the state of corporate affairs and financial condition of the Company. The Board may refuse to provide such information citing sufficient material grounds, which are recorded in the minutes. In all the above mentioned cases the requesting shareholders must prove their shareholder status and the number of shares held by the exercise of the right. Such proof includes the attestation of the organization which keeps the securities or verification of shareholder status through direct electronic connection between the body and the Company, as long as this is requested by the shareholders concerned.

5. Internal audit and risk management

5.1 Main features of the internal control system

The Company, in accordance with the provisions of law 3016/2002, as it stands today, as well as the provisions of the Decision 5/204/2000 of the BoD of the Hellenic Capital Market Commission, as applicable after its amendment by decision No. 3/348/2005 of the Hellenic Capital Market Commission, audits by the Internal Audit Division of the company. The management of internal audit is an independent department, addressed to the Board of Directors.

During the exercise of its supervisory duties, the internal audit department has the cooperation of both the Management and the Executives of the company and has available all the information referring to books, to accounting records, bank accounts of the company, as well as in its portfolio so as to be able to prepare objective reports for each controlled area. The audit may propose changes to existing procedures and policies, if it finds that during the implementation of the project, these are outdated and pose risks for the company.

The object of control is to assess the general level and the operating procedures of the internal control system. In each test period selected certain areas - control fields, while a solid and permanent basis checked and examined firstly the function and organization of the Board of Directors of the Company and the other function of two basic services operating under the provisions of Law 3016 / 2002 of the Shareholder and Corporate Disclosure.

Noted , however, that the systems of internal control and risk management systems provide reasonable and not absolute safety, because it is designed to limit although the probability of realization of the risks involved, but they can ban them completely.

5.2. Risk management for the company in relation to the process of preparing financial statements

Company's management has invested in the application development and maintenance of computer systems, which in conjunction with internal operating procedures ensure the proper display of financial data at the company's books. Every month analysis of financial results for all activities is made by the senior executives of the Group, with a thorough comparison between the actual and budgeted financial data. An analytical and detailed processing and interpretation of significant differences is made and immediate measures are taken for the further progress of each activity.

6. Other managerial or supervisory bodies or committees of the Company

There are at the present time no other management or supervisory bodies or committees of the Company. In full conformity with the Greek Code of Corporate Governance is an ongoing process of establishing such a committee, which will help substantially and not typically the work of the Board

E) TRANSACTIONS WITH RELATED PARTIES

As related parties according to I.A.S. 24 are, subsidiaries, companies with common property arrangement and/or administration with the company, related companies as well as the members of the Board of Directors and the senior executives of the Group's companies. It is noted that all commercial transactions between the Group companies are made according to the price lists that are in effect for the non connected parties, and include revenue from sale of merchandises, purchase of assets, services and rents.

The parent company made transactions with related companies for fiscal year 2013 as presented in the following tables in aggregate and analytically by type of transaction:

Parent Company's transactions with related parties: 01/01/2013 - 31/12/2013				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
EXECUTIVE LEASE S.A.	8.388.740,52	3.206.755,16	38.940,75	5.754.326,03
ERGOTRAK S.A.	65.432,42	17.446,95	15.116,01	2.546,60
EXEC. INS. BROKERS S.A.	284.776,61	0,00	34.503,86	251.257,93
MIRKAT OOD	1.185.364,66	169.240,21	4.732.598,08	156.093,36
MIRKAT DOOEL SKOPJE	639.963,81	0,00	783.560,31	0,00
Total of Subsidiaries	**10.564.278,02**	**3.393.442,32**	**5.604.719,01**	**6.164.223,92**
Affiliates				
SPEEDEX S.A.	297.984,75	114.393,50	119.409,61	73.341,14
ATHONIKI TECHNIKI S.A.	1.604,91	0,00	26.551,36	0,00
ALPAN ELECTROLINE Ltd	0,00		0,00	0,00
Total of Affiliates	**299.589,66**	**114.393,50**	**145.960,97**	**73.341,14**
Grand Total	**10.863.867,68**	**3.507.835,82**	**5.750.679,98**	**6.237.565,06**

Parent Company's revenues from related parties: 01/01/2013 - 31/12/2013					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
EXECUTIVE LEASE S.A.	7.718.451,47	203.319,36	232.462,57	234.507,12	8.388.740,52
ERGOTRAK S.A.	1.453,40	489,36	11.769,66	51.720,00	65.432,42
EXECUTIVE INS. BROKERS S.A.	0,00	0,00	240.584,11	44.192,50	284.776,61
MIRKAT OOD	1.184.853,36	511,30	0,00	0,00	1.185.364,66
MIRKAT DOOEL SKOPJE	639.963,81	0,00	0,00	0,00	639.963,81
Total of Subsidiaries	**9.544.722,04**	**204.320,02**	**484.816,34**	**330.419,62**	**10.564.278,02**
Affiliates					
SPEEDEX S.A.	7.938,47	4.840,47	69.205,81	216.000,00	297.984,75
ATHONIKI TECHNIKI S.A.	1.150,71	454,20	0,00	0,00	1.604,91
ALPAN ELECTROLINE Ltd	0,00	0,00	0,00	0,00	0,00
Total of Affiliates	**9.089,18**	**5.294,67**	**69.205,81**	**216.000,00**	**299.589,66**
Grand Total	**9.553.811,22**	**209.614,69**	**554.022,15**	**546.419,62**	**10.863.867,68**

Parent Company's expenses from related parties: 01/01/2013 - 31/12/2013				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
EXECUTIVE LEASE S.A.	2.327.407,02	686.429,18	192.918,96	3.206.755,16
ERGOTRAK S.A.	11.071,23	6.375,72	0,00	17.446,95
EX. INSURANCE BROKERS S.A.	0,00	0,00	0,00	0,00
MIRKATOOD	167.706,31	1.533,90	0,00	
Total of Subsidiaries	**2.506.184,56**	**694.338,80**	**192.918,96**	**3.224.202,11**
Affiliates				
SPEEDEX S.A.	0,00	114.393,50	0,00	114.393,50
ALPAN ELECTROLINE Ltd	0,00	0,00	0,00	0,00
Total of Affiliates	**0,00**	**114.393,50**	**0,00**	**114.393,50**
Grand Total	**2.506.184,56**	**808.732,30**	**192.918,96**	**3.338.595,61**

The fees and benefits of the members of the Board of Directors and the senior executives for the Group and the Company are as follows:

BENEFITS	**Group**		**Company**	
	31/12/2013	**31/12/2012**	**31/12/2013**	**31/12/2012**
Other short-term benefits (salaries and fees, car expenses, travel expenses, etc.)	2.269.370,52	2.591.297,75	1.741.635,84	1.974.304,48
Provisions of the year for post-employment benefits	44.566,68	49.332,77	34.247,56	37.614,55
TOTAL	**2.313.937,20**	**2.640.630,52**	**1.775.883,40**	**2.011.919,03**

Athens, 26 March 2014

Stavros P. Taki
President of the BoD
and CEO

It is certify that the above report of the Board of Directors consisting of 19 pages, is the one mentioned in the audit report issued dated 27.03.2014.

Athens, 27 March 2014

KONSTANTINOS EVANGELINOS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 13151
SOL S.A. – Certified Public Accountants Auditors
Member of Crowe Horwath International
3, Fok. Negri Street – Athens 11257, Greece
Institute of CPA (SOEL) Reg. No. 125

INFORMATION OF ARTICLE 10 OF LAW 3401/2005

The Announcements published by the company during the fiscal year 2013, as part of the information investors and in accordance with applicable law, are presented in the tables below and are posted on the company's website (www.sfakianakis.gr) as well as at the Athens Stock Exchange website (www.ase.gr).

DATE	SUBJECT	WEBSITE
29/11/2013	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
28/11/2013	**Q1 2013 Financial Results**	www.sfakianakis.gr - www.ase.gr
28/11/2013	Press Release-Comments on 3Q 2013 Financial Results	www.sfakianakis.gr - www.ase.gr
25/11/2013	Announcement of publish Q3 2013 Financial Results	www.sfakianakis.gr - www.ase.gr
20/11/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
5/11/2013	Announcement of completion of share capital decrease of subsidiary company	www.sfakianakis.gr - www.ase.gr
8/10/2013	Announcement regarding write-off of the unclaimed dividend for the fiscal year 2007	www.sfakianakis.gr - www.ase.gr
30/9/2013	Tax audit certificate for fiscal year 2012	www.sfakianakis.gr - www.ase.gr
27/9/2013	Announcement-New Internal Auditor	www.sfakianakis.gr - www.ase.gr
23/9/2013	Announcement of management changes in the Company	www.sfakianakis.gr - www.ase.gr
23/9/2013	Common Press Release SFAKIANAKIS S.A.-PETROPOULOS S.A.	www.sfakianakis.gr - www.ase.gr
30/8/2013	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
29/8/2013	**Q2 2013 Financial Results**	www.sfakianakis.gr - www.ase.gr
29/8/2013	Press Release-Comments on 2Q 2013 Financial Results	www.sfakianakis.gr - www.ase.gr
27/8/2013	Announcement	www.sfakianakis.gr - www.ase.gr
27/8/2013	Announcement of publish Q2 2013 Financial Results	www.sfakianakis.gr - www.ase.gr
9/7/2013	Absorption of the subsidiary company Executive Lease S.A. by the subsidiary company Panergon S.A.	www.sfakianakis.gr - www.ase.gr
1/7/2013	Absorption of the subsidiary company	www.sfakianakis.gr - www.ase.gr
27/6/2013	Announcement of completion of Group's debt restructuring	www.sfakianakis.gr - www.ase.gr
20/6/2013	Composition of Board of Directors - correction	www.sfakianakis.gr - www.ase.gr
5/6/2013	Composition of Board of Directors	www.sfakianakis.gr - www.ase.gr
5/6/2013	Decisions of the Annual Ordinary General Meeting	www.sfakianakis.gr - www.ase.gr
31/5/2013	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
30/5/2013	**Q1 2013 Financial Results**	www.sfakianakis.gr - www.ase.gr
30/5/2013	Press Release-Comments on 1Q 2013 Financial Results	www.sfakianakis.gr - www.ase.gr
27/5/2013	Restructuring of Group's debt	www.sfakianakis.gr - www.ase.gr
10/5/2013	Invitation to the Annual General Meeting of the Shareholders	www.sfakianakis.gr - www.ase.gr
26/4/2013	Announcement of change of senior management	www.sfakianakis.gr - www.ase.gr

DATE	SUBJECT	WEBSITE
29/3/2013	Reply to the Hellenic Capital Market Commission letter	www.sfakianakis.gr - www.ase.gr
29/3/2013	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
28/3/2013	**2012 Annual Financial Statements**	www.sfakianakis.gr - www.ase.gr
28/3/2013	Press Release-Comments 2012 Financial Results	www.sfakianakis.gr - www.ase.gr
27/3/2013	Announcement - Agreement with banks	www.sfakianakis.gr - www.ase.gr
26/3/2013	Financial calendar 2013	www.sfakianakis.gr - www.ase.gr
21/3/2013	Announcement of change of senior management	www.sfakianakis.gr - www.ase.gr
19/3/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
15/3/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
11/3/2013	Announcement of management changes in the Group	www.sfakianakis.gr - www.ase.gr
8/2/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
4/2/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
28/1/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr
24/1/2013	Announcement of regulated Information according to the Law 3556/2007	www.sfakianakis.gr - www.ase.gr

THIS REPORT IS A FREE TRANSLATION OF THE GREEK ORIGINAL

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SFAKIANAKIS S.A.

Report on the Separate and Consolidated Financial Statements

We have reviewed the accompanying separate and consolidated financial statements of SFAKIANAKIS S.A. which comprise the separate and consolidated statement of financial position as of 31 December 2013, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company SFAKIANAKIS S.A. and its subsidiaries as of 31 December 2013 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Emphasis of Matter

We draw your attention to Note 2.2 "Going concern assumption" of the annual financial statements, where reference is made to the financial position of the Company and, in particular, to the completion of the restructuring of the existing debt, the increase in turnover and the significant reduction in operating losses. At the same time, Company's equity is less than half of the share capital and Group's have become negative, while some financial ratio remain negative, conditions which indicate the existence of material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.
Our opinion is not qualified in respect of this matter.

Report to Other Legal and Regulatory Requirements

a) The Report of the Board of Directors includes a corporate governance statement which provides all information set out in paragraph 3d of article 43a of c.L. 2190/1920.
b) We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of c.L. 2190/1920.

Athens, 27 March 2014

SOL
CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath

KONSTANTINOS EVANGELINOS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 13151
SOL S.A. – Certified Public Accountants Auditors
Member of Crowe Horwath International
3, Fok. Negri Street – Athens 11257, Greece
Institute of CPA (SOEL) Reg. No. 125

SFAKIANAKIS

Annual Financial Statements

For the period 01.01.2013 - 31.12.2013
prepared in accordance with
the International Financial Reporting Standards (IFRS)

SFAKIANAKIS S.A.

G.C. Registy 240501000

5-7 Sidirokastrou St. & Pydnas St.,

Athens, GR-11855

CONTENTS

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (Amounts in Euro)	Note	GROUP 31.12.2013	GROUP 31.12.2012(1)	COMPANY 31.12.2013	COMPANY 31.12.2012(1)
ASSETS					
Non-current assets					
Tangible Assets (Property, plant & equipment)	3.1	163.294.955,83	170.746.699,33	101.943.831,51	98.673.205,36
Intangible assets	3.2	1.340.742,23	1.959.232,83	1.270.703,58	1.898.804,68
Goodwill	3.3	8.238.596,29	8.238.596,29	6.134.000,00	6.134.000,00
Investments in subsidiaries	3.4.1	0,00	0,00	66.208.173,05	58.251.831,64
Investments in affiliates	3.4.2	5.803.479,73	7.576.175,69	10.498.657,54	11.749.167,07
Deferred income tax		9.466.659,07	4.192.099,33	7.072.944,75	2.944.898,63
Customers and other receivables		11.953.749,37	16.020.694,98	3.742.802,39	3.577.222,62
Total non-current assets		**200.098.182,53**	**208.733.498,45**	**196.871.112,81**	**183.229.130,00**
Current assets					
Inventories	3.5	35.366.553,64	49.485.102,57	27.616.657,57	34.064.686,95
Customers and other receivables	3.6	84.482.382,83	83.367.299,27	39.006.947,86	48.836.572,97
Available-for-sale financial assets		1.241.820,01	1.270.920,01	1.241.820,01	1.242.120,01
Cash and cash equivalents		14.661.622,00	20.286.289,20	2.730.335,84	3.180.634,52
		135.752.378,47	**154.409.611,05**	**70.595.761,28**	**87.324.014,45**
Total assets		**335.850.561,00**	**363.143.109,50**	**267.466.874,09**	**270.553.144,44**
EQUITY					
Capital and reserves attributed to parent company shareholders					
Share Capital		19.786.200,00	19.786.200,00	19.786.200,00	19.786.200,00
Premium on capital stock		10.601.614,09	10.601.614,09	10.601.614,09	10.601.614,09
Fair value reserves	3.7	(6.441.570,62)	(6.960.861,94)	(3.807.175,78)	(4.438.724,20)
Other reserves		36.717.232,68	36.717.232,69	38.137.177,15	36.139.946,41
Results carried forward		(89.141.277,70)	(60.074.718,35)	(69.383.148,28)	(43.305.971,27)
		(28.477.801,54)	**69.466,49**	**2.949.018,75**	**18.783.065,03**
Non controlling interest		89,09	3.271,60	0,00	0,00
Total equity		**(28.477.712,45)**	**72.738,09**	**2.949.018,75**	**18.783.065,03**
LIABILITIES					
Long-term liabilities					
Loans	3.8.1	263.825.579,32	18.523.376,50	190.388.000,00	3.888.000,00
Deferred income tax		19.909.375,03	16.131.359,27	18.376.256,29	13.978.432,83
Provisions for employee benefits		1.861.752,82	2.450.208,88	1.292.157,04	1.626.920,34
Other long-term liabilities		963.420,57	1.149.498,82	0,00	0,00
		286.560.127,74	**38.254.443,48**	**210.056.413,33**	**19.493.353,17**
Short-term liabilities					
Suppliers and other liabilities		48.434.159,76	43.585.083,55	39.077.604,88	30.641.885,64
Current Income tax		48.894,91	0,00	0,00	0,00
Short-term loans	3.8.2	29.285.091,05	281.230.844,39	15.383.837,13	201.634.840,60
		77.768.145,72	**324.815.927,94**	**54.461.442,01**	**232.276.726,24**
Total liabilities		**364.328.273,45**	**363.070.371,42**	**264.517.855,34**	**251.770.079,41**
Total Liabilities and Equity		**335.850.561,00**	**363.143.109,50**	**267.466.874,09**	**270.553.144,44**

(1)Adjusted amounts due to amended IAS 19 "Employee Benefits" (see Note 16)

On 31.12.2012 the application of revised IAS 19, "Employee Benefits" had as a result an increase in the account "Provision for Employee Benefits" by € 396,610.32 for the Company and € 572,723.01 for the Group, while the corresponding taxes recognized in "Deferred Tax Assets" are € 79,322.06 and 114,544.60 respectively. As a result, equity decreased by € 317,288.26 for the Company and € 458,178.41 for the Group. Moreover, ''Other Comprehensive income" has been charged with € 252.285,23 for the Company and € 409.057,47 for the Group.

COMPREHENSIVE INCOME STATEMENT				
		GROUP 1.1-31.12.2013		
	NOTE	Continuing Operations	Discontinuing Operations	TOTAL
Sales		**189.072.193,98**	**4.996.570,58**	**194.068.764,56**
Cost of sales		(138.952.804,84)	(5.161.687,21)	(144.114.492,05)
Gross Profit		**50.119.389,14**	**(165.116,63)**	**49.954.272,51**
Selling expenses	19.1	(66.431.178,37)	(1.398.353,58)	(67.829.531,96)
Administrative expenses	19.1	(16.607.794,59)	(349.588,40)	(16.957.382,99)
Other operating income	19.2	21.693.311,38	85.034,28	21.778.345,66
Operating income		**(11.226.272,44)**	**(1.828.024,34)**	**(13.054.296,78)**
Financial expenses	19.3	(14.793.947,07)	(0,00)	(14.793.947,07)
Financial income	19.3	1.065.419,35	136.857,40	1.202.276,75
Investing result	19.4	(3.094.795,43)	(0,00)	(3.094.795,43)
Profit/(Loss) before tax		**(28.049.595,59)**	**(1.691.166,94)**	**(29.740.762,53)**
Income tax	20.00	(702.669,78)	(0,00)	(702.669,78)
Profit/(Loss) for the period after tax (A)		**(27.346.925,81)**	**(1.691.166,94)**	**(29.038.092,75)**
Difference in fair value of available for sale financial assets		(48.000,00)	0,00	(48.000,00)
Difference in fair value of related consolidated		567.291,32	0,00	567.291,32
Other changes		(2.769,39)	0,00	(2.769,39)
Actuarial gains / losses		(28.879,71)	0,00	(28.879,71)
Other Comprehensive Income after tax (A)+(B)		**487.642,22**	**0,00**	**487.642,22**
Total Comprehensive Income (A)+(B)		**(26.859.283,59)**	**(1.691.166,94)**	**(28.550.450,53)**
Profit/(Loss) is attributable to:				
Company's Shareholders		**(27.346.512,69)**	**(1.691.166,94)**	**(29.037.679,63)**
Non controlling interest		(413,12)	0,00	(413,12)
		(27.346.925,81)	**(1.691.166,94)**	**(29.038.092,75)**
Other Comprehensive Income is attributable to:				
Company's Shareholders		**(26.858.870,47)**	**(1.691.166,94)**	**(28.550.037,41)**
Non controlling interest		(413,12)	(0,00)	(413,12)
		(26.859.283,59)	**(1.691.166,94)**	**(28.550.450,53)**
Profit/(Loss) per share after tax (in €)		(3,4553)	(0,2137)	(3,6689)
Average weighted No. of shares		7.914.480	7.914.480	7.914.480

TOTAL COMPREHENSIVE INCOME				
		GROUP 01.01.2012 - 31.12.2012(1)		
	NOTE	Continuing Operations	Discontinuing Operations	TOTAL
Sales		**179.956.271,61**	**2.644.215,61**	**182.600.487,22**
Cost of sales		(134.805.654,55)	(2.378.768,00)	(137.184.422,55)
Gross Profit		**45.150.617,05**	**265.447,61**	**45.416.064,66**
Selling expenses	19.1	(75.225.888,15)	(830.195,55)	(76.056.083,70)
Administrative expenses	19.1	(18.806.472,04)	(207.548,89)	(19.014.020,92)
Other operating income	19.2	25.286.882,18	136.504,63	25.423.386,81
Operating income		**(23.594.860,95)**	**(635.792,19)**	**(24.230.653,14)**
Financial expenses	19.3	(17.305.465,65)	(0,00)	(17.305.465,65)
Financial income	19.3	1.788.888,18	167.688,71	1.956.576,89
Investing result	19.4	(4.002.575,09)	(0,00)	(4.002.575,09)
Profit/(Loss) before tax		**(43.114.013,51)**	**(468.103,48)**	**(43.582.117,00)**
Income tax	20.00	(2.745.044,24)	(0,00)	(2.745.044,24)
Profit/(Loss) for the period after tax (A)		**(45.859.057,75)**	**(468.103,48)**	**(46.327.161,24)**
Difference in fair value of available for sale financial assets		2.174.836,76	0,00	2.174.836,76
Actuarial gains / losses		(409.057,47)	0,00	(409.057,47)
Other Comprehensive Income after tax (A)+(B)		**1.765.779,29**	**0,00**	**1.765.779,29**
Total Comprehensive Income (A)+(B)		**(44.093.278,46)**	**(468.103,48)**	**(44.561.381,95)**
Profit/(Loss) is attributable to:				
Company's Shareholders		**(45.858.469,32)**	**(468.103,48)**	**(46.326.572,81)**
Non controlling interest		(588,43)	0,00	(588,43)
		(45.859.057,75)	**(468.103,48)**	**(46.327.161,24)**
Other Comprehensive Income is attributable to:				
Company's Shareholders		**(44.092.690,03)**	**(468.103,48)**	**(44.560.793,52)**
Non controlling interest		(588,43)	(0,00)	(588,43)
		(44.093.278,46)	**(468.103,48)**	**(44.561.381,95)**
Profit/(Loss) per share after tax (in €)		(5,7942)	(0,0591)	(5,8534)
Average weighted No. of shares		7.914.480	7.914.480	7.914.480

TOTAL COMPREHENSIVE INCOME			
		COMPANY	
	NOTE	1.1-31.12.2013	1.1-31.12.2012(1)
Sales		**146.289.885,97**	**134.577.984,30**
Cost of sales		(129.779.160,79)	(122.177.701,60)
Gross Profit		**16.510.725,18**	**12.400.282,70**
Selling expenses	19.1	(35.167.259,18)	(40.837.362,58)
Administrative expenses	19.1	(8.791.814,80)	(10.209.340,64)
Other operating income	19.2	16.150.787,97	17.599.095,67
Operating income		**(11.297.560,83)**	**(21.047.324,85)**
Financial expenses	19.3	(10.305.780,19)	(11.695.204,38)
Financial income	19.3	40.609,06	96.763,50
Investing result	19.4	(826.535,79)	(6.662.775,77)
Profit/(Loss) before tax		**(22.389.267,75)**	**(39.308.541,50)**
Income tax	20.00	(957.927,17)	(1.116.674,48)
Profit/(Loss) for the period after tax (A)		**(23.347.194,91)**	**(40.425.215,98)**
Difference in fair value of available for sale financial assets		(48.000,00)	2.136.976,00
Difference in fair value of affiliates consolidated		6.745.711,31	7.655.082,52
Difference in fair value of related consolidated		(135.410,32)	2.384.877,11
Actuarial gains / losses		(8.282,54)	(252.285,23)
Other Comprehensive Income after tax (A)+(B)		**6.554.018,45**	**11.924.650,40**
Total Comprehensive Income (A)+(B)		**(16.793.176,46)**	**(28.500.565,58)**
Profit/(Loss) is attributable to:			
Company's Shareholders		**(23.347.194,91)**	**(40.425.215,98)**
Non controlling interest			
		(23.347.194,91)	**(40.425.215,98)**
Other Comprehensive Income is attributable to:			
Company's Shareholders		**(16.793.176,46)**	**(28.500.565,58)**
Non controlling interest		(0,00)	(0,00)
		(16.793.176,46)	**(28.500.565,58)**
Profit/(Loss) per share after tax (in €)		(2,9499)	(5,1078)
Average weighted No. of shares		7.914.480	7.914.480

STATEMENT OF CHANGES IN EQUITY

GROUP

2013	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	30.387.814,09	29.756.370,75	(60.074.718,35)	3.271,60	72.738,08
Net profit after tax (A)	0,00	0,00	(29.037.679,63)	(413,12)	(29.038.092,75)
Other comprehensive income (B)	0,00	519.291,32	(28.879,71)	(2.769,39)	(487.642,22)
Total comprehensive income (A)+(B)	0,00	519.291,32	(29.066.559,34)	(3.182,51)	(28.550.450,53)
Less : Dividends	0,00	0,00	0,00	0,00	0,00
Balance on 31 December	**30.387.814,09**	**30.275.662,07**	**(89.141.277,69)**	**89,09**	**(28.477.712,45)**

2012	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	30.387.814,09	27.581.533,99	(13.289.967,14)	3.860,03	44.683.240,96
IAS 19	0,00	0,00	(49.120,94)	0,00	(49.120,94)
Net profit after tax (A)	0,00	0,00	(46.326.572,80)	(588,43)	(46.327.161,23)
Other comprehensive income (B)	0,00	2.174.836,76	(409.057,47)	0,00	(1.765.779,29)
Total comprehensive income (A)+(B)	0,00	2.174.836,76	(46.784.751,21)	(588,43)	(44.610.502,88)
Less : Dividends	0,00	0,00	0,00	0,00	0,00
Balance on 31 December	**30.387.814,09**	**29.756.370,75**	**(60.074.718,35)**	**3.271,60**	**72.738,09**

COMPANY

2013	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	30.387.814,09	31.701.222,21	(43.305.971,27)	0,00	18.783.065,03
Personal Best		3.680.829,73	(2.721.699,56)		959.130,17
Net profit after tax (A)	0,00	0,00	(23.347.194,91)	0,00	(23.347.194,91)
Other comprehensive income (B)	0,00	6.562.301,00	(8.282,54)	0,00	6.554.018,46
Total comprehensive income (A)+(B)	0,00	10.243.130,73	(26.077.177,01)	0,00	(15.834.046,28)
Less : Dividends	0,00	0,00	0,00	0,00	0,00
Balance on 31 December	**30.387.814,09**	**41.944.352,94**	**(69.383.148,28)**	**0,00**	**2.949.018,75**

2012	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	30.387.814,09	19.524.286,58	(2.563.467,03)	0,00	47.348.633,64
IAS 19	0,00	0,00	(65.003,03)		(65.003,03)
Net profit after tax (A)	0,00	0,00	(40.425.215,98)	0,00	(40.425.215,98)
Other comprehensive income (B)	0,00	12.176.935,63	(252.285,23)	0,00	(11.924.650,40)
Total comprehensive income (A)+(B)	0,00	12.176.935,63	(40.742.504,24)	0,00	(28.565.568,61)
Less : Dividends	0,00	0,00	0,00	0,00	0,00
Balance on 31 December	**30.387.814,09**	**31.701.222,21**	**(43.305.971,27)**	**0,00**	**18.783.065,03**

CASH FLOW STATEMENT (Amounts in €)				
	GROUP		**COMPANY**	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Operating activities				
Profit/Loss before tax (Continuing operations)	**(28.049.595,59)**	**(43.114.013,51)**	**(22.389.267,75)**	**(39.308.541,50)**
Profit/Loss before tax (Discontinuing operations)	**(1.691.166,94)**	**(468.103,48)**	**0,00**	**0,00**
Plus/Minus adjustments for:				
Depreciation	17.663.625,79	19.829.202,15	4.334.425,72	5.450.010,40
Provisions	5.231.438,99	3.268.873,77	1.848.891,11	991.851,87
Income from unused provisions	0,00	0,00	0,00	0,00
Exchange rate results	4.376,72	1.102,83	4.376,72	1.102,83
Results (income, expenses, profits & losses) from investing activities	2.029.366,09	2.213.686,91	774.976,73	6.566.012,27
Interest charges and related expenses	14.793.947,07	17.305.465,65	10.305.780,19	11.695.204,38
Plus / minus adjustments for changes in working capital accounts or related to operating activities :				
Decrease/ (increase) in stocks	(2.691.513,41)	26.358.636,22	(1.251.470,13)	7.639.708,03
Decrease/ (increase) in receivables	8.675.173,28	14.092.824,20	6.166.841,41	8.472.328,43
(Decrease)/Increase in liabilities (save banks)	11.152.502,60	(6.508.005,29)	9.525.814,53	5.173.715,11
Less:				
Interest charges and related expenses paid	(16.592.209,18)	(15.442.172,44)	(11.835.719,21)	(10.987.357,50)
Tax paid	(397.754,43)	(326.568,41)	(259.394,43)	(143.437,94)
Operating activities from discontinuing operation	2.071.086,28	2.519.124,38	0,00	0,00
Total input/(output) from operating activities (a)	**12.199.277,25**	**19.730.052,98**	**(2.774.745,11)**	**(4.449.403,62)**
Investing Activities:				
Acquisition of subsidiaries, affiliates, joint ventures and other investments	0,00	0,00	2.490.000,00	3.000.000,00
Purchase of intangible and tangible assets	(14.007.615,61)	(14.163.322,60)	(2.334.654,69)	(3.646.924,43)
Proceeds on sale of intangible and tangible assets	2.556.017,04	3.328.960,20	1.940.000,85	2.332.703,58
Interest received	338.507,15	108.494,07	39.405,40	117.271,47
Investing activities from discontinuing operation	136.847,40	167.688,71	0,00	0,00
Total input/(output) from investing activities (b)	**(10.976.244,02)**	**(10.558.179,62)**	**2.134.751,56**	**1.803.050,62**
Financing Activities				
Loan repayment	(5.807.486,54)	(9.783.533,08)	(2.429,64)	(3.484.370,19)
Leasing arrangement liabilities paid (instalments)	(1.040.213,90)	(1.955.263,25)	0,00	0,00
Financing activities from discontinuing operation	0,00	0,00	0,00	0,00
Total input/ (output) from financing activities (c)	**(6.847.700,43)**	**(11.738.796,32)**	**(2.429,64)**	**(3.484.370,19)**
Net increase/ (decrease) in cash and cash equivalents (a)+(b)+(c)	**(5.624.667,20)**	**(2.566.922,96)**	**(642.423,19)**	**(6.130.723,19)**
Cash and cash equivalents at the beginning of the period[1]	**20.286.289,20**	**22.853.212,16**	**3.372.759,02**	**9.311.357,71**
Cash and cash equivalents at the end of the period	**14.661.622,00**	**20.286.289,20**	**2.730.335,83**	**3.180.634,52**

[1]Cash and cash equivalents at the beginning of the period for the Company include the cash of the absorbed company Personal Best S.A.

NOTES ON THE FINANCIAL STATEMENTS

1. General Information

These financial statements include the corporate financial statements of SFAKIANAKIS S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group).

The Group's main activity is the import and trade of cars, motorcycles and spare parts for Suzuki and Cadillac, Daf trucks, Temsa buses, as well as retail activities which include the trade of Suzuki, Opel, Ford, Volvo, BMW, Mini, Fiat, Alfa Romeo, Abarth, Cadillac, Corvette, Hummer, Renault, Dacia and Nissan cars as well as Suzuki and BMW motorcycles. Moreover, the Group is involved in car hire, insurance brokerage, trade of electronic and telecommunications materials and IT products construction and lifting machineries, engines and industrial equipment. Additionally, the Group provides courier services and is also active in real estate sector.

Group's discontinuing operations refer to the transfer of the delegation of the Landini tractors by subsidiary Panergon S.A. The agreement includes the sale of the stock of tractors and spare parts, as well as participation in the profits of Landini activity achieved by the new dealer for ten years.

The Group operates in Greece, Cyprus, Bulgaria, FYROM, Serbia and Romania. Parent company's shares are traded on the Athens Stock Exchange.

The Company's registered offices are in Greece in the Municipality of Athens, Attica at the junction of 5-7 Sidirokastrou St. & Pydnas St. The company's website is www.sfakianakis.gr

The attached Annual Financial Statements for the period from 1st January to 31st December 2013 have been approved by the Board of Directors of SFAKIANAKIS S.A. on March 26, 2014.

The current Board of Directors of the parent company is as follows:

1. Stavros Taki	President & CEO, Executive Member
2. Georgios Koukoumelis	Executive Member
3. Athanasios Platias	Non-executive Member
4. Dimitrios Hountas	Vice-president, Non-executive Member
5. Peter Leon	Independent Non-executive Member
6. Christophoros Katsambas	Independent Non-executive Member
7. Georgios Taniskidis	Independent Non-executive Member

1.1 Structure of the Group

SFAKIANAKIS group consist of the following companies:

A) Consolidation with total integration method (subsidiaries companies):

COMPANY	Country	PARTICIPATION	(%)
SFAKIANAKIS S.A.	**Greece**		**Parent Company**
EXECUTIVE LEASE S.A.	Greece	DIRECT	100,00%
EXECUTIVE INSURANCE BROKERS S.A.	Greece	DIRECT	100,00%
ERGOTRAK S.A.	Greece	DIRECT	100,00%
ERGOTRAK BULGARIA LTD	Bulgaria	DIRECT/INDIRECT	100,00%
ERGOTRAK ROM	Romania	DIRECT/INDIRECT	100,00%
ERGOTRAK YU LTD	Serbia	INDIRECT	100,00%
MIRKAT OOD	Bulgaria	DIRECT	100,00%
MIRKAT DOOEL SKOPJE	FYROM	DIRECT	100,00%

B) Consolidation with equity method (affiliated companies):

COMPANY	Country	Participation	(%)
SPEEDEX S.A.	Greece	DIRECT	49.55%
ALPAN ELECTROLINE LTD	Cyprus	DIRECT	40.00%
ATHONIKI TECHNIKI S.A.	Greece	DIRECT	49.90%

According to the decision of the Ministry of Development and Competitiveness with protocol num. K2-4432/28.06.2013 the merger of the companies SFAKIANAKIS S.A. and Personal Best S.A. has been approved by absorption of the latter by the former. All transactions made after the date of the Transormation Balance Sheet 31.12.2012 were accounted on behalf of the acquiring company. We note that in consolidated basis Group's results were not affected as the absorbed company was a subsidiary 100% and were incorporated in the consolidated financial statements using the total consolidation method.

The subsidiary company Mirkat OOD increased its share capital by the capitalization of receivables of SFAKIANAKIS S.A. by the aforementioned subsidiary amounting € 8.18 mil. Result of above share capital increase was the marginal change in the percentage of participation of SFAKIANAKIS S.A. in Mirkat OOD from 99,909% to 99,999%.

On 26.06.2013 the Board of Directors of the subsidiary companies Executive Lease S.A. and Panergon S.A. decided the beginning of the process of merging of the two companies, with absorption of the former by the latter, in accordance with the provisions of Articles 69-78 of Law 2190/1920 and Articles 1-5 of Law 2166/93, aiming to reduce the operating cost using the synergies and economies of scale that will arise and the more efficient management organisation. The transformation balance sheet date was appointed on 30.06.2013. On December 2013, the above merger was approved by the relevant authorities and the company name after the merger is changed to Executive Lease S.A.

2. Major accounting principles used by the Group

2.1 Context within which the financial statements are drawn up

These financial statements of Sfakianakis S.A. relate to the period 01.01.2013 to 31.12.2013 and are complete. They have been prepared in accordance with the IFRS adopted by the European Union.

The accounting principles which are outlined below have been applied to all periods presented.

Preparation of the financial statements in accordance with the IFRS requires the use of accounting estimates and the exercise of judgement on how the accounting principles followed apply. These cases are outlined in Note 4.

The financial statements have been prepared on the basis of the historic cost principle amended by the adjustment in the value of real estate property to their fair (market) value in line with the exemption granted in IFRS 1, the valuation of investments in subsidiaries, affiliates and assets available for sale at fair value, and financial assets and liabilities at fair value in the income statement.

All revised or new published standards and interpretations that apply to the group and were in force on 31 December 2013, were considered to the extent they were applicable.

There are no changes to the accounting principles used compared to those used in the preparation of financial reports for 31 December 2012, apart from the policy of recognizing actuarial gains and losses on provisions for retirement benefits (Note 16).

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

2.1.1 New standards, interpretations and amendments to existing standards.

New accounting standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning during this period or later.

The estimation of the Company's management on the impact of the implementing of these new standards, amendments and interpretations on the financial statements of the Group and the Company is set out below.

IAS 12 (Amended) Income Taxes with effect for annual periods beginning on or after 1 January 2013. The amendment introduces a practical method for the measurement of deferred tax liabilities and deferred tax receivables when investment property is measured with the fair value method according to IAS 40 Investment Property. This amendment has not yet been adopted by the European Union.

IFRS 13 "Fair value measurements", with effect for annual periods beginning on or after 01.01.2013. The new standard establishes a common framework for all measurements of assets made at fair value when this measurement is required or permitted by other IFRSs as it is introduced a clear definition of fair value as well as a framework under which the measurement of fair value is examined in order to reduce any incompatibilities between IFRS. The new standard describes the measures of fair value that are acceptable and these will be implemented by the application of the standard and onwards. The new standard does not introduce new requirements regarding the valuation of an asset or liability at fair value, does not change the assets or liabilities measured at fair value and does not deal with the presentation of changes in fair values. The potential impact of the change in the Standard in the financial statements of the Group and the Company is examined.

IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine with effect for annual periods beginning on or after 1 January 2013.This interpretation only applies to stripping costs incurred in surface mining activity during the production phase of the mine. This amendment has no effect in the financial statements of the Group and the Company. This standard has not yet been adopted by the European Union.

IFRS 7 (Amended) Financial Instruments: Disclosures with effect for annual periods beginning on or after 1 January 2013. IASB published this amendment to include additional information that will help users of financial statements of an entity to evaluate the effect or the likely effect that agreements would have to settle financial assets and liabilities, including the right of set-off associated with recognized financial assets and liabilities to the financial position of the entity. It is not expected to have a material effect on the Group and the Company.

IAS 1 (Amendment) Presentation of income statement of other comprehensive income, effective for annual periods beginning on or after 01.07.2012. The amendment requires entities to separate the data presented in other comprehensive income into two groups based on whether they are likely in the future to be transferred to the income statement or not. This amendment is not expected to have a material effect on the Group and the Company.

IAS 19 (Amendment) Employee Benefits, effective for annual periods beginning on or after 01.01.2013. By modifying the standard it is eliminated the option regarding the recognition of gains and losses with the method «corridor». Additionally, changes from the revaluation of assets and liabilities arising from defined benefit plans will be presented in the statement of other comprehensive income. Additional disclosures will also be provided defining the characteristics of the benefit plan programs and the risks to which operators are exposed through the participation in those plans. The Group and the Company applies for first time the amended IAS 19 which has adverse effect as mentioned on Note 3.16.
IASB issued a circle of annual improvements for IFRSs 2009-2011, which contains amendments to the standards and the related bases of conclusion. The implementation date of the amendments is for annual periods beginning on or after January 1, 2013. The European Union has not yet adopted these upgrades.

IAS 1 "Presentation of Financial Statements". The amendment provides guidance on disclosure requirements for comparative information when an entity shall prepare an additional statement either (a) as required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" or (b) voluntarily.

IAS 16 "Property, plant and equipment". The amendment clarifies that spare parts and other equipment maintenance are classified as assets rather than stocks, when they meet the definition of property that is when they are used for more than one period.

IAS 32 "Financial Instruments: Presentation". The amendment clarifies that income tax associated with the distribution is recognised to the results and income tax related to transaction expenses directly in equity is recognized in equity in accordance with IAS 12.

IAS 34 "Interim financial reporting". The amendment clarifies the disclosure requirements for assets and liabilities of the field in the interim financial report in accordance with IFRS 8 "Operating Segments".

Standards and Interpretations mandatory for annual periods beginning on or after January 1, 2014

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015). IFRS 9 is the first phase in the work of the International Accounting Standards Board (IASB) for the replacement of IAS 39 and deals with the classification and measurement of financial assets and liabilities. The IASB in subsequent phases of the project intends to expand IFRS 9 to add new requirements for impairment and hedge accounting. To model not yet been adopted by the European Union.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015). The amendment requires additional disclosures on transition from IAS 39 to IFRS 9. The amendment has not yet been adopted by the European Union.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014). This amendment to the application guidance in IAS 32 clarifies some requirements for offsetting financial assets and liabilities in the statement of financial position.

Group standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2013).

IFRS 10 Consolidated Financial Statements with effect for annual periods beginning on or after 01.01.2013. The standard replaces in full the instructions regarding the control and the consolidation provided in IAS 27 and SIC 12. The new standard changes the definition of control as a key factor in deciding whether an entity should be consolidated. The standard provides extensive details that dictate the different ways in which an entity (investor) can control another entity (investment) and sets the conditions for the conditions on how to apply this concept. Furthermore, the Group will have to make a series of disclosures regarding the companies that are consolidated as subsidiaries but also for the non-consolidated companies with which it shares a relationship. This amendment is not expected to have any substantial influence in the financial statements of the Group and the Company.

IFRS 11 "Common Settlements", with effect for annual periods beginning on or after 01.01.2013 and replaces I.A.S. 31 "Interests in Joint Ventures" and IFRIC 13 "Jointly controlled entities – non monetary contributions by venturers". The Standard distinguishes common arrangements in joint activities and joint ventures. The joint activities are accounted in accordance with the standards dealing with related assets, liabilities, revenues and expenses of joint function. Interests in joint ventures apply mandatory consolidation with the equity method. The standard also provides guidance on the participants in joint agreements, without any joint control. I.A.S. 28 is renamed to "Investments in associates and joint ventures". This amendment is not expected to have any substantial influence in the financial statements of the Group and the Company.

IFRS 12 "Disclosures of Rights to other Entities", with effect for annual periods beginning on or after 01.01.2013. The Standard specifies the minimum disclosures about rights in subsidiaries, associates, joint ventures and structured non-controlled non-consolidated entities. This amendment is not expected to have any substantial influence in the financial statements of the Group and the Company.

IAS 27 (Amendment) Corporate Financial Statements. This Standard was published concurrently with FRS 10 and together the two standards replace IAS 27 "Consolidated and Separate Financial Statements". The amended IAS 27 establishes the accounting treatment and the necessary disclosures regarding interests in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. In addition, the Council has moved to IAS 27 requirements of IAS 28 "Investments in Associates" and IAS 31 "Interests in Joint Ventures" referring to corporate financial statements.

IAS 28 (Amendment) Investments in Associates and Joint Ventures. The amendment of IAS 28 replaces IAS 28 "Investments in Associates". The purpose of this standard is to specify the accounting treatment regarding its investments in associates and to cite the requirements for applying the equity method in accounting for investments in associates and joint ventures, according to the publication of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Instructions transition" (effective for annual periods beginning on or after 1 January 2014). The updated directions of IFRS 10, 11 and 12 provide guidance on the directions in IFRS 10 and limits the requirements for providing comparative information for the disclosures of IFRS 12 only for the period immediately preceding the first annual period in which the applicable IFRS 12. Comparative information for disclosures relating to interests in unconsolidated entities (structured entities) is not required.

IFRS 10 , IFRS 12 and IAS 27 (Amendment) "Investment Companies" (effective for annual periods beginning on or after 1 January 2014). The amendment to IFRS 10 defines an investment company and provides an exception from consolidation. Many investment funds and similar companies that meet the definition of investment companies excluded from the consolidation of most of the subsidiaries, which are accounted for as financial assets at fair value through profit or loss, although control is exercised. The amendments to IFRS 12 introduce disclosures necessary to provide a investment company. The amendments have not yet been adopted by the European Union.

IAS 36 (Amendment) "Disclosures recoverable value of non-financial assets" (effective for annual periods beginning on or after 1 January 2014). This amendment requires: a) the disclosure of the recoverable amount of an asset or cash-generating unit is recognized or when reverse an impairment loss and b) detailed disclosures about the fair value less selling costs when recognized or reversed Damage impairment. It also removes the requirement to disclose recoverable value when a cash-generating unit containing goodwill or intangible assets with indefinite useful life and no impairment. The amendment has not yet been adopted by the European Union.

IFRIC 21 "Contributions" (effective for annual periods beginning on or after 1 January 2014). This interpretation prescribes the accounting treatment of an obligation to pay the levy imposed by the government and not an income tax. This interpretation clarifies that the obligating event basis which should form the obligation to pay the levy (one of the criteria for liability recognition under IAS 37) is the energy as described in the relevant legislation which causes the payment of duty. This interpretation may have resulted in the recognition of an obligation later than is currently the case, in particular in relation to levies imposed as a result of conditions that apply to a specific date. This interpretation has not yet been adopted by the European Union.

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 January 2014). This modification allows the continuation of hedge accounting when a derivative that is designated as a hedging instrument, renewed legal (novated) to be cleared by a central counterparty as a result of laws or regulations, provided certain conditions are met. The amendment has not yet been adopted by the European Union.

2.2 Going concern assumption

The Financial Statements of the Group and Company for the period 01.01.2013-31.12.2013 are prepared under the going concern assumption.

During the period 01.01.2013-31.12.2013 the Company presents increase in its turnover while losses continue in its results and some financial ratio remain negative, as a consequence of the ongoing economic crisis that has influenced greatly the car market. Company’s equity is less than 1/2 of the paid share capital while Group’s equity on 31.12.2013 has become negative.

However, losses present a significant decrease compared to the relevant period of 2012 and operating cash flow for the Group remain positive. The process of adjustment to lower levels (downsizing) enables the seamless operation of the Group while the cooperation with suppliers remains excellent.

As mentioned in Note 14.1 "Long Term Loans" Group’s management signed in June 2013 agreements with the Bondholders on the terms of restructuring of the syndicated and bilateral bond loans for both the parent Company and its subsidiaries Executive Lease S.A. and Panergon S.A. completing and formally the restructuring of Group’s loans.

The Group finances its needs for working capital only through cash flow from operating activities and complies in full with the new terms of the loan agreements.

Company’s Management makes significant and sustained efforts to reduce its operating expenses, such as closing of selling points, reducing of staff, reducing of fees and generally it has adapted its structure and function in current market conditions.

Finally, the faithful execution of the restructuring plan agreed with bondholders, makes the Company more competitive and substantially viable.

Management is confident for the successful completion of the negotiations with Bondholders and expects to verify its predictions and therefore the going concern assumption, used for the preparation of the Annual Financial Statements for the period 01.01-31.12.2013, is considered correct.

2.3 Consolidation

Subsidiaries

The consolidated financial statements include the financial statements of the Company and the business units controlled by the Company (its subsidiaries) on 31.12.2013.

Control is achieved where the Company has the power to determine financial and operating decisions of a business unit so as to acquire benefits from its activities.

The results, the assets and the liabilities of the subsidiaries are included in the consolidated financial statements with the full consolidation method.

The financial statements of the subsidiaries are prepared based on Parent Company’s accounting principles. Intragroup transactions and intragroup balances are crossed out during consolidation.

The participations in subsidies in the separate balance sheet of the Parent Company are valued at fair value with the changes posted to equity.

Goodwill coming from the purchase of enterprises, if positive is recognized as non-depreciable asset, subject to annual check of value depreciation. If negative, it is recognized as revenue in Group's Income Statement. Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of the company.

Investments in affiliates

Affiliates are business units over which the Group can exercise substantive influence but not control or joint control. Substantive control is exercised via participation in financial and operational decisions of the business unit.

Investments in affiliates are presented in the group balance sheet at cost, adjusted to the later changes in the Group's holding in the net assets of the affiliates, taking into account any impairment to the value of individual investments. Losses of associates other than Group rights in them are not posted.

The cost of acquisition of an affiliate, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred in the account 'Investments in affiliates'.

In the parent company's separate balance sheet investments in affiliates are valued at fair value with the changes posted to equity.

2.4 Segmental Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a geographical area engaged in providing products or services that are subject to risks and returns that are different from those of other areas.

Sales made in Greece are treated as one geographical segment.

The Group is divided into three business/ geographical segments:

1. Domestic trade which is the main segment of activity for the parent Company and Group which operate in Greece. The greatest part relates to wholesale and retail sale of cars and spare parts. There is also industrial activity which is minimal and this is not monitored separately.
2. Domestic services, which relates to all activities of the subsidiary Executive Lease (car hire) and Executive Insurance Brokers (insurance brokerage).
3. Foreign trade, which relates to the activities of the subsidiary MIRKAT OOD (dealer for Suzuki in Bulgaria) and MIRKAT DOOEL SKOPJE (dealer for Suzuki in Skopje), as well as the activity of the subsidiaries ERGOTRAK BULGARIA LTD and ERGOTRAK ROMANIA which trade manufactured equipment in Bulgaria and Romania respectively.

2.5 Foreign Exchange differences from conversion

(a) Functional and presentation currency

The financial statements of the Group's entities are valued in the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Euro, which is parent Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Profits and losses from foreign exchange differences arising from conversion of currency units expressed in foreign currency during the period and on the balance sheet date at current exchange rates are posted to the results.

Foreign exchange differences from non-currency units valued at fair value are considered part of the fair value and thus are posted wherever fair value differences are posted.

(c) Companies of the Group

The conversion of the financial statements of the Group companies which have a different functional currency than that of the parent company is done as follows:

Assets and liabilities are converted at the exchange rate at the date of that balance sheet.

Equity is converted at the exchange rate at the date on which it arose.

The foreign exchange differences arising are posted to an equity reserve and are recognised in the income statement when the businesses are sold.

Goodwill and adjustments in fair value generated during the acquisition of business units abroad are translated using exchange rates on the balance sheet date.

2.6 Tangible Assets

a) Property, plant and equipment (tangible assets) used by company itself

Tangible assets (property, plant and equipment), apart from production-related property, are valued at acquisition cost less accumulated depreciation and impairment losses. The cost of acquisition includes all directly payable expenses for acquiring assets.

Expenses incurred in later periods increase the book value of tangible assets only where it is likely that in the future they will generate financial benefits for the Group and their cost can be reliably estimated. The cost of repairs and maintenance is posted to the results when incurred.

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

When the book value of property, plant and equipment exceeds the recoverable value the differences (impairment) are posted as expenses to the results (Note 2.7).

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

Buildings	25-40	YEARS
Machinery & equipment	12-15	YEARS
Cars	4-6	YEARS
Other equipment	5-7	YEARS

The residual values are not recognized. When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement.

b) Investments in Property

Investments in property are valued at acquisition cost less depreciation and impairment losses.

2.7 Intangible Assets

(a) Goodwill

Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of subsidiaries, associates or jointly controlled companies. Goodwill upon acquisition of associates includes the cost of investment.

Goodwill is posted as an asset and is audited at least annually for impairment.

To check goodwill, in order to ascertain if there is impairment, goodwill is allocated to the cash-generating units which represent the primary segmental reporting.

(b) Trademarks and licences

Trademarks and licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 10 to 15 years.

(c) Software

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

(d) Goodwill (customers)

Goodwill was valued by the method of multi period excess earning, which determines the present value of future economic benefit, based on discount rate that reflects the potential risk and assumptions of management. It is being amortized within 8 years.

Goodwill is recorded as asset on Assets and is reviewed at least annually for impairment.

For purposes of controlling goodwill and in order to determine whether there is impairment, it is distributed in cash-generating units, which represent the primary type of information in the field.

2.8 Impairment testing of tangible and intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets subject to depreciation are tested for impairment, when there are indications that their book value cannot be recovered.

The recoverable value is either the fair value less the amount required for the cost of sale or the usage value of the asset whichever is higher. The usage value is determined using discounted future cash flows with a suitable discount rate.

If the recoverable value is less than the carried value, then the carried value is reduced to the level of the recoverable value.

Impairment losses are posted as expenses in the income statement for the accounting period in which they were incurred.

When the impairment loss in a later period has to be reversed, the carried value of the asset is increased up to the level of the revised assessment of recoverable value to the extent that the new carried value does not exceed the carried value which would have been determined had the impairment loss not been posted in previous periods.

Reversal of the impairment loss is posted to income. To assess impairment losses assets are placed in the smallest possible cash-generating units.

2.9 Financial assets

The Group classifies financial assets in the following categories:

a) Receivables from customers
Receivables from customers are posted initially at fair value and later valued at carried cost using the actual interest rate less impairment losses. Impairment losses (losses from bad debt) are recognised when there are objective indications that the Group is not in a position to collect the amounts due based on contractual terms. The amount of the impairment loss is the difference between the book value of receivables and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of impairment loss is recognised in the income statement as an expense.

b) Loans and other receivables
This includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are created when the Group provides money or goods and services and there is no intention to sell these assets.

c) Held-to-maturity investments
This includes non-derivative financial assets with fixed or determinable payments and a specific maturity date which the Group intends to and is capable of holding to maturity.

d) Available-for-sale financial assets
This includes non-derivative financial assets which cannot be included in any of the foregoing categories. They are included in non-current assets unless Management intends to dispose of them within 12 months of the balance sheet date.

Financial assets held for sale are valued at fair value and the relevant profits or losses are posted to Other Comprehensive Income (B) till the assets are sold or recognised as impaired. Upon sale or when recognised as impaired, the profits or losses are transferred to the results.

Fair value determination
The fair values of investments quoted on active markets are designated based on current prices. In the case of non-quoted assets, fair value is determined using valuation techniques such as discounted future cash flows and option valuation models.

On each balance sheet date the Group ascertains if there are objective indications which lead to the conclusion that the financial assets are impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indication of impairment. If impairment is identified, the cumulative loss, which is the difference between the acquisition cost and fair value, is recognised in the income statement.

2.10 Hedging activities

Cash flow hedges
The effective proportion of change in the fair value of derivatives defined as cash flow change 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, 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 hedge 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.

2.11 Inventories

Inventory on Balance Sheet date is valued at acquisition cost or net realisable value which is lower. Acquisition cost is determined using the average weighted cost method. The stock of cars, which are depicted in the warehouse book by frame circulation number are valued at the individual cost.

Net realisable value is assessed based on current sale prices of stocks in the context of normal activity less any sale expenses which apply in the case.

The amounts of stock devaluations are recorded in the expenses of the year.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in sight deposits and short-term investments of up to 3 months which are highly-realisable and low risk.

2.13 Share capital

Ordinary shares are posted as equity.

Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce the proceeds of the issue. Direct costs related to the issuing of shares to acquire businesses are included in the cost of acquiring the business acquired. There were no own share transactions.

2.14 Borrowings

Accounting principles
The cost of borrowing arising from the construction of production-related assets is capitalized during the period required to complete and prepare the asset for the use for which it is intended. Other borrowing costs are posted as expenses.

Net financial cost
Loans are posted initially at fair value less any direct costs for entering into the transaction. Later they are valued at carried cost using the effective interest rate. The Group has not liabilities from convertible corporate bonds.

2.15 Deferred income 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 tax is calculated at the tax rates applicable on the balance sheet date or those which will apply in the accounting periods in which the assets are expected to be acquired or the liabilities settled.

Deferred tax assets are posted to the extent that there will be a future taxable profit for use of the temporary difference generated by the deferred tax assets.

2.16 Employee benefits

Short-term benefits
Short-term benefits to staff in cash and kind are posted as expenses when accrued.

Staff leaving indemnity benefits
Leaving indemnity benefits are paid when employees depart before their retirement date. The Group posts these benefits when it undertakes either to terminate the employment of current employees in line with a detailed plan which is not likely to be withdrawn or when these benefits are offered as an incentive for voluntary redundancy. Leaving indemnity benefits due 12 months after the balance sheet date are discounted.

Provisions for post-employment benefits
The liability which is posted on the financial statements in order to define benefit plans is the current value of the commitment for the defined benefit.

The freezing of defined benefit (compensation under Law 2112/20 during the year of retirement) is calculated by an independent actuary using the method of the affected credits (Projected unit credit method).

2.17 Provisions

Provisions are recognised when the Group has current legal or presumed commitments as a result of incidents in the past, their clearance is likely via outputs and the level of the liability can be reliably estimated. Provisions are valued on the balance sheet date and are adjusted in order to reflect the current value of the expense which is expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless there is likelihood of a resource output incorporating financial benefits. Contingent assets are not recognised in the financial statements but are disclosed where the input of financial benefits is likely.

2.18 Income recognition

Income is recognised at fair value of the sale of goods and services, before VAT and other taxes and net of discounts and returns. Intra-group revenue is completely crossed out. Revenue is recognised as follows:

a) Sales of goods
Sales of goods are recognised where the Group delivers goods to customers, the goods are accepted by them and the collection of the receivables is reasonably secured.

b) Services
Income from services is booked based on the service completion stage compared to the total estimated cost.

c) Income from interest
Interest income is recognised on a time proportion basis using the effective or presumed interest method. When there is an indication of impairment of the receivable the book value is reduced to the recoverable amount which is the net value of expected future cash flows discounted using the initial effective interest rate.

d) Income from royalties
Income from royalties is booked based on accrued income arising from the substantive terms of the relevant contracts.

e) Dividends
Dividends are recognised as income when the right to receive payment is established.

2.19 Leasing

Leasing arrangements, where in effect the risk and rights of ownership remain with the lessor, are posted as operational leasing arrangements. Other leasing arrangements are classified as finance leases.

Lessor
The group does not function as a lessor for financial leases.

Lessee
The lease payments made for operating leases are posted as expenses to the results on a systematic basis during the lease.

Assets held under finance leases are posted as Group assets valued upon signing of the lease at fair value or, where lower, at the present value of the minimum payable lease payments. The relevant liability to the lessor is posted to the balance sheet as a finance lease liability. Lease payments are allocated to financial expenses and to payment of liability in a manner which generates a fixed interest rate from time to time. Financial cost is posted to expenses.

2.20 Dividend Distribution

Dividend distribution to shareholders is posted as liability to the consolidated financial statements when the dividend distribution is approved by the General Meeting of the Shareholders.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to financial risks such as market risk (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. Group’s general risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential negative impacts on Group’s financial performance.

Risk management is effected by the Group’s central financial services which operate on the basis of specific rules that have been approved by the Board of Directors. The Board of Directors provides guidelines and instructions on general risk management and special instructions on managing specific risks such as exchange rate risk, interest rate risk and credit risk.

(a) Market Risk

The fact that the company holds a leading position in its field and has also organizational and operational structures that ensure its smooth and seamless operation, gives the assurance that it will not encounter any other specific risks beyond those facing the global economy in the current economic situation.

(b)Credit Risk

Due to the economic crisis in the Greek market, Group's management in order to manage potential credit risks of the customers, has established specific credit policy for its operations.

Specifically, each type of transaction is covered:

- With letters of guarantee or other kind of collaterals
- With retention of ownership of the sold goods
- With sales through financial institutions, banks, leasing companies etc., which undertake the credit risk deriving from the customer

However, the unfavourable economic situation of the domestic market since the advent of the economic crisis poses risks for any bad debts and the creation of negative cash flow for the Group companies. Against the specific risks the management implements a series of measures, such as the exclusion of clients with clear indications of poverty, strict maintenance of the agreed credit time and the limiting of the credit amounts above the permitted limits set by the client.

(c) Liquidity risk

Liquidity risk for Group companies in the unstable economic environment is visible and Group's management as counterbalance continuously reduces the operating expenses, closes unprofitable stores, reduces the inventories, the receivables by collecting more intensively amounts due and credit policy (reduction of days of credit), changes the trade policy of payment to the suppliers and the restructuring of the terms of repayment of the current bank loans.

(d) Interest rate fluctuation risk

The cost of borrowing for Group's companies is based on a floating rate that is month or quarter Euribor plus a margin (spread). Any change in current interest rates will affect respectively Group's financial costs. The Company does not use tools in order to hedge interest rate fluctuation risk.

For Bond Loans being restructured of total current balance of € 208,3 mil. margins have been agreed until 2017.

4. Major accounting estimates & judgements made by Management

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

The Group makes estimates and assumptions concerning the development of future events. Estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities in the following 12 months are significantly bounded.

Group's judgement is required in order to calculate:

a) The provision for income tax for fiscal years till 2010. There are many transactions and calculations for which the final level of tax is uncertain. If the final tax is different from that initially recognised the difference will affect income tax and the provision for deferred taxation for that period.

b) The useful life of assets, change in which will affect depreciation and the results of the following accounting periods.

c) Interest rate levels

d) Provisions for devaluation of inventories, with a reassessment of the realizable value of inventories

e) Provision for devaluation of receivables, with revised collecting requirements of receivables.

f) Provision for devaluation of assets.

g) Provision for devaluation of goodwill. For purposes of controlling the devaluation, intangible assets are allocated to cash-generating units, which represent the primary type of information in the field.

5. Segmental Reporting

Primary information sector - business segments

The Group is divided into the following three business, geographical segments:
a) Domestic trade
b) Domestic service provision and
c) Foreign trade.

The results per segment on 31.12.2013 and 31.12.2012 are as follows:

01/01 - 31/12/2013	Domestic Tdade	Domestic Service Provision	Foreign Trade	Deletions	Consolidated data of Financial Statements
Gross sales	162.628.542,40	38.723.950,09	5.032.493,49	(12.316.221,42)	**194.068.764,56**
Other Income	18.293.900,18	3.452.312,49	1.027.309,67	(995.176,68)	**21.778.345,66**
Depreciation	(4.639.600,76)	(12.646.984,30)	(479.739,57)	102.698,84	**(17.663.625,79)**
Other Expenses	(44.019.348,07)	(17.653.194,94)	(1.927.514,18)	1.712.583,73	**(61.887.473,45)**
Financial Expenses	(12.740.773,47)	(1.663.617,25)	(389.556,35)		**(14.793.947,07)**
Financial Income	671.155,83	281.546,83	249.574,09		**1.202.276,75**
Investing Result	(3.094.758,04)	(37,39)	0,00		**(3.094.795,43)**
Exchange rate differences	(4.376,72)	0,00	(0,00)		**(4.376,72)**
Other non cash items	(3.563.080,73)	(600.170,31)	(1.068.187,95)		**(5.231.438,99)**
Net Result (Loss) before tax	**(30.680.914,38)**	**3.149.550,79**	**(2.209.398,94)**		**(29.740.762,53)**
Income tax					**702.669,78**
Net Result (Loss) after tax					**(29.038.092,75)**

01/01 - 31/12/2012	Domestic Tdade	Domestic Service Provision	Foreign Trade	Deletions	Consolidated data of Financial Statements
Gross sales	149.282.696,29	37.974.589,67	5.858.625,74	(10.515.424,48)	**182.600.487,22**
Other Income	20.428.789,18	4.932.305,44	1.183.664,01	(1.121.371,82)	**25.423.386,81**
Depreciation	(6.066.815,11)	(13.506.084,91)	(359.000,97)	102.698,84	**(19.829.202,15)**
Other Expenses	(53.430.857,53)	(17.967.441,97)	(2.743.292,73)	2.170.666,37	**(71.970.925,86)**
Financial Expenses	(14.833.549,09)	(1.929.831,47)	(542.085,09)		**(17.305.465,65)**
Financial Income	1.127.071,75	383.024,65	446.480,49		**1.956.576,89**
Investing Result	(4.377.452,43)	(343,29)	375.220,63		**(4.002.575,09)**
Exchange rate differences	(1.102,83)	0,00	(0,00)		**(1.102,83)**
Other non cash items	(2.139.031,03)	(517.092,77)	(612.749,97)		**(3.268.873,77)**
Net Result (Loss) before tax	**(44.338.835,03)**	**1.929.912,93**	**(1.173.194,90)**		**(43.582.117,00)**
Income tax					**(2.745.044,24)**
Net Result (Loss) after tax					**(46.327.161,24)**

Transfers and transactions between segments (internal sales) are made at arm's length subject to the same terms applying to transactions with third parties.

The assets and liabilities of the segments on 31.12.2013 and 31.12.2012 are as follows:

Assets and liabilities per segment on 31 December 2013					
Amounts in €	**Domestic trade**	**Domestic service provision**	**Foreign trade**	**Deletions**	**Total**
Total Assets	247.329.018,20	67.667.439,04	26.182.055,41	(5.327.951,65)	**335.850.561,00**
Total Liabilities	292.266.395,14	45.601.809,89	21.132.116,78	5.327.951,65	**364.328.273,45**

Assets and liabilities per segment on 31 December 2012					
Amounts in €	**Domestic trade**	**Domestic service provision**	**Foreign trade**	**Deletions**	**Total**
Total Assets	287.921.745,24	68.900.463,46	25.895.946,38	(19.575.045,58)	**363.143.109,50**
Total Liabilities	275.525.257,54	46.830.474,57	21.139.593,73	19.575.045,58	**363.070.371,42**

The assets of these segments primarily include tangible assets, intangible assets, inventories, receivables and cash. Segment liabilities include operating liabilities.

6. Tangible Assets

The acquisition cost of plots and land is the presumed cost of 01.01.2004 reduced by the losses of impairment.

The movement of tangible fixed assets for the year 2013 was as follows:

Group							
	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2012 Cost	66.367.767,12	69.994.524,45	8.450.924,05	90.571.131,91	15.087.750,36	0,00	250.472.097,89
Accumulated depreciation	0,00	(17.915.687,31)	(6.667.135,19)	(40.880.266,41)	(14.262.309,64)	0,00	(79.725.398,56)
Net book value 31/12/2012	**66.367.767,12**	**52.078.837,15**	**1.783.788,86**	**49.690.865,50**	**825.440,72**	**0,00**	**170.746.699,34**
Year 2013 Additions	0,00	89.638,00	155.681,77	21.478.834,12	87.493,64	0,00	21.811.647,53
Reductions/Transfers of Cost	(1.115.949,28)	(2.274.718,47)	(505.036,73)	(22.670.523,75)	(275.879,38)	0,00	(26.842.107,61)
Depreciation of the year	0,00	2.360.193,13	547.958,98	13.822.211,62	274.448,67	0,00	17.004.812,40
Reductions of depreciation	0,00	(1.089.405,75)	(365.501,43)	(12.875.258,61)	(253.363,18)	0,00	(14.583.528,98)
31/12/2013 Cost	65.251.817,84	67.809.443,98	8.101.569,09	89.379.442,28	14.899.364,62	0,00	245.441.637,81
Accumulated depreciation	0,00	(19.186.474,69)	(6.849.592,74)	(41.827.219,42)	(14.283.395,13)	0,00	(82.146.681,98)
Net book value 31/12/2013	**65.251.817,84**	**48.622.969,30**	**1.251.976,35**	**47.552.222,86**	**615.969,48**	**0,00**	**163.294.955,83**

Parent Company							
	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2012 Cost	46.509.557,43	60.651.090,92	5.753.303,72	9.033.251,03	10.795.683,73	0,00	132.742.886,83
Accumulated depreciation	0,00	(15.033.399,21)	(4.762.378,16)	(4.118.656,82)	(10.155.247,28)	0,00	(34.069.681,47)
Net book value 31/12/2012	**46.509.557,43**	**45.617.691,71**	**990.925,56**	**4.914.594,21**	**640.436,45**	**0,00**	**98.673.205,36**
Personal Best Additions	5.274.005,00	3.519.076,04	512.828,86	143.084,46	949.654,73		
Year 2012 Additions		64.858,00	24.370,23	2.075.089,64	70.336,82	0,00	2.234.654,69
Reductions/Transfers of Cost	(410.177,00)	(2.052.728,39)	(178.507,76)	(3.156.980,58)	(216.657,89)	0,00	(6.015.051,62)
Depreciation of the year	0,00	2.301.955,08	397.632,28	773.183,77	219.939,88	0,00	3.692.711,01
Reductions of depreciation	0,00	(1.029.528,35)	(146.510,29)	(1.560.842,67)	(207.059,19)	0,00	(2.943.940,50)
31/12/2013 Cost	51.373.385,43	62.182.296,57	6.111.995,05	8.094.444,55	11.599.017,39	0,00	139.361.138,99
Accumulated depreciation Personal Best		1.188.978,43	457.984,02	19.054,40	932.838,65		
Accumulated depreciation	0,00	(17.494.804,37)	(5.471.484,17)	(3.350.052,32)	(11.100.966,62)	0,00	(37.417.307,48)
Net book value 31/12/2013	**51.373.385,43**	**45.876.470,63**	**1.098.494,90**	**4.763.446,63**	**1.430.889,42**	**0,00**	**101.943.831,51**

The respective movement of tangible fixed assets for the year 2012 was as follows:

Group	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2011 Cost	67,273,624.12	70,251,802.12	8,568,025.91	98,728,015.70	15,200,900.09	0.00	260,022,367.94
Accumulated depreciation	0.00	(15,653,910.36)	(6,265,012.80)	(40,654,449.77)	(13,725,383.91)	0.00	(76,298,756.83)
Net book value 31/12/2011	**67,273,624.12**	**54,597,891.77**	**2,303,013.11**	**58,073,565.93**	**1,475,516.18**	**0.00**	**183,723,611.11**
Year 2012 Additions	0.00	345,092.92	566,821.44	19,135,794.11	120,275.28	0.00	20,167,983.75
Reductions/Transfers of Cost	(905,857.00)	(602,370.59)	(683,923.30)	(27,292,677.90)	(233,425.01)	0.00	(29,718,253.80)
Depreciation of the year	0.00	2,429,882.88	821,264.91	15,051,836.62	760,944.47	0.00	19,063,928.89
Reductions of depreciation	0.00	(168,105.93)	(419,142.52)	(14,826,019.98)	(224,018.74)	0.00	(15,637,287.16)
31/12/2012 Cost	66,367,767.12	69,994,524.45	8,450,924.05	90,571,131.91	15,087,750.36	0.00	250,472,097.89
Accumulated depreciation	0.00	(17,915,687.31)	(6,667,135.19)	(40,880,266.41)	(14,262,309.64)	0.00	(79,725,398.56)
Net book value 31/12/2012	**66,367,767.12**	**52,078,837.14**	**1,783,788.86**	**49,690,865.50**	**825,440.72**	**0.00**	**170,746,699.33**

Parent Company	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2011 Cost	46,771,557.43	60,993,519.96	5,730,515.83	9,543,632.01	10,902,483.64	0.00	133,941,708.87
Accumulated depreciation	0.00	(13,057,544.98)	(4,288,665.66)	(4,325,427.46)	(9,718,500.59)	0.00	(31,390,138.69)
Net book value 31/12/2011	**46,771,557.43**	**47,935,974.98**	**1,441,850.17**	**5,218,204.55**	**1,183,983.05**	**0.00**	**102,551,570.18**
Year 2011 Additions	0.00	244,361.74	105,763.20	3,213,076.65	83,722.84	0.00	3,646,924.43
Reductions/Transfers of Cost	(262,000.00)	(586,790.78)	(82,975.31)	(3,723,457.63)	(190,522.75)	0.00	(4,845,746.47)
Depreciation of the year	0.00	2,263,666.43	549,323.18	1,287,156.56	624,553.84	0.00	4,724,700.01
Reductions of depreciation	0.00	(287,812.20)	(75,610.68)	(1,493,927.20)	(187,807.15)	0.00	(2,045,157.23)
31/12/2012 Cost	46,509,557.43	60,651,090.92	5,753,303.72	9,033,251.03	10,795,683.73	0.00	132,742,886.83
Accumulated depreciation	0.00	(15,033,399.21)	(4,762,378.16)	(4,118,656.82)	(10,155,247.28)	0.00	(34,069,681.47)
Net book value 31/12/2012	**46,509,557.43**	**45,617,691.71**	**990,925.56**	**4,914,594.21**	**640,436.45**	**0.00**	**98,673,205.36**

Land and buildings were adjusted to fair value on 01.01.2004 by independent assessors. The adjustment was based on the fair market values of the properties.

The company performed an impairment test on the value of the properties and an impairment of € 0.41 mil. for the Company and € 1.116 mil. for the Group was made, which was recorded as an expense in the results of the year.

On 31.12.2012 there are mortgages and mortgage liens registered on the company's property in securing bank loans (bonds) worth a total of to € 194.20 mil. for the Company and € 222.68 for the Group.

7. Intangible assets

Group's Intangible Assets transactions for the period 01.01.2013 – 31.12.2013 can be broken down as follows:

Group	ACQUISITION COST				DEPRECIATION				CARRIED VALUE	CARRIED VALUE
	Total on 31.12.2012	Additions & Purchases in 2013	Reductions in 2013	Total on 31.12.2013	Depreciation up to 2012	Depreciation Recorded in 2013	Reduction of depreciations 2013	Total Depreciation	31.12.2012	31.12.2013
Software Applications	2.715.578,60	50.039,13	(23.106,23)	2.742.511,50	2.548.845,77	92.363,39	(16.939,89)	2.624.269,27	166.732,83	118.242,23
Customers	4.560.000,00	0,00	0,00	4.560.000,00	2.767.500,00	570.000,00	0,00	3.337.500,00	1.792.500,00	1.222.500,00
Total	**7.275.578,60**	**50.039,13**	**(23.106,23)**	**7.302.511,50**	**5.316.345,77**	**662.363,39**	**(16.939,89)**	**5.961.769,27**	**1.959.232,83**	**1.340.742,23**

Company's Intangible Assets transactions for the period 01.01.2013 – 31.12.2013 can be broken down as follows:

Company	ACQUISITION COST				DEPRECIATION				CARRIED VALUE	CARRIED VALUE
	Total on 31.12.2012	Additions & Purchases in 2013	Reductions in 2013	Total on 31.12.2013	Depreciation up to 2012	Depreciation Recorded in 2013	Reduction of depreciations 2013	Total Depreciation	31.12.2012	31.12.2013
Software Applications	1.896.661,09	23.106,23	(21.606,72)	1.898.160,60	1.790.356,41	71.714,71	(11.888,51)	1.850.182,61	106.304,68	47.977,99
Personal Besr Software	80.631,50	0,00	0,00	80.631,50	80.405,91	0,00	0,00	80.405,91	225,59	225,59
Customers	4.560.000,00	0,00	0,00	4.560.000,00	2.767.500,00	570.000,00	0,00	3.337.500,00	1.792.500,00	1.222.500,00
Total	**6.537.292,59**	**23.106,23**	**(21.606,72)**	**6.538.792,10**	**4.638.262,32**	**641.714,71**	**(11.888,51)**	**5.268.088,52**	**1.899.030,27**	**1.270.703,58**

Software is depreciated over 3 to 5 years. Customers are depreciated within 8 years.

8. Goodwill

GOODWILL	Group		Company	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
MIRKAT OOD	2,104,596.29	2,104,596.29	0.00	0.00
KONTELLIS S.A.	4,850,000.00	4,850,000.00	4,850,000.00	4,850,000.00
KOULOURIS S.A.	1,284,000.00	1,284,000.00	1,284,000.00	1,284,000.00
Total	**8,238,596.29**	**8,238,596.29**	**6,134,000.00**	**6,134,000.00**

The goodwill for each case has been divided into units to create cash flow. From the impairment test conducted no damage was revealed.

9. Investments in subsidiaries and affiliates

Group investments fall into two categories, those consolidated using total consolidation method and those consolidated using the equity method.

9.1. Investments in subsidiaries

The valuation of all holdings on 31.12.2013 is as follows:

TOTAL CONSOLIDATION METHOD	ACQUISITION COST	DIFFERENCE IN FAIR VALUE	FAIR VALUE 31.12.2013
EXECUTIVE INSURANCE BROKERS S.A.	154.071,91	5.779.956,26	5.934.028,17
EXECUTIVE LEASE S.A.	26.890.123,54	9.725.461,86	36.615.585,40
MIRKAT OOD	14.175.273,01	(1.159.941,51)	13.015.331,50
MIRKAT DOOEL SKOPJE	655.000,00	325.017,34	980.017,34
ERGOTRAK S.A.	7.494.478,00	2.167.499,56	9.661.977,56
ERGOTRAK BULGARIA LTD	919,80	(661,72)	258,08
ERGOTRAK ROMANIA	975,00	0,00	975,00
TOTAL	**49.370.841,26**	**16.837.331,79**	**66.208.173,05**

The determination of fair value was based on a 5-year business plan. Free cash flows were discounted with WACC 9% and a predicting growth of 2% in perpetuity.

The change of the account Difference in fair value and the corresponding reserve is shown in the following table:

	31/12/2013
Difference in fair value 31.12.2012	7.942.663,37
Reverse in difference of fair value Personal Best	1.683.598,99
Change in fair value of participations	7.211.069,43
Difference in fair value 31.12.2013	**16.837.331,79**

According to the decision of the Ministry of Development and Competitiveness with protocol num. K2-4432/28.06.2013 the merger of the companies SFAKIANAKIS S.A. and Personal Best S.A. has been approved by absorption of the latter by the former. All transactions made after the date of the Transformation Balance Sheet 31.12.2012 were accounted on behalf of the acquiring company.

The value of assets and liabilities of Personal Best S.A. included in financial statements of the Parent Company are presented in the table below:

	Value incorporated during merger
Total Assets	9.383.541,57
Total Liabilities	3.478.969,99
Equity	**5.904.571,58**
Fair value 31.12.2012	4.945.441,40
Difference depicted in equity	**959.130,18**

For comparative reasons, if this merger had taken place in the period 01.01-31.12.2012, the results of the parent company would not have been significantly affected. More specifically, sales would have been increased by € 1,362,660, and profit after tax would have been charged with € 2,005,471.14.

We note that in consolidated basis Group's results were not affected as the absorbed company was a subsidiary 100% and was incorporated in the consolidated financial statements using the total consolidation method.

The subsidiary Mirkat OOD made a share capital increase with capitalization of receivables of SFAKIANAKIS S.A. by the above subsidiary amounting € 8,18 mil.

The subsidiary PANERGON S.A. proceeded to the reduction of its share capital by € 2.49 mil. with a corresponding decrease in the nominal value of each share from € 2.55 to € 1.95 and capital return in cash to SFAKIANAKIS S.A.

On 26.06.2013 the Board of Directors of the subsidiary companies Executive Lease S.A. and Panergon S.A. decided the commencement of the process of merging of the two companies, with absorption of the former by the latter, in accordance with the provisions of Articles 69-78 of Law 2190/1920 and Articles 1-5 of Law 2166/93, aiming to reduce the operating cost using the synergies and economies of scale that will arise and the more efficient management organisation. The date for the transformation balance sheet was appointed on 30.06.2013. The above merger has been approved by the relevant authorities in the end of December 2013 and its name changed to Executive Lease S.A.

Apart from the above, there were no other changes to the acquisition value of subsidiaries for the period 01.01–31.12.2013 as from the impairment test made their value is recoverable.

9.2 Investments in affiliates

Investments in affiliated companies presented on the parent company's balance sheet are as follows:

AFFILIATES	ACQISITION COST	CHANGES IN EQUITY	CHANGES IN RESULTS	CHANGES OF F.Y. 2013	FAIR VALUE 31.12.2013
SPEEDEX S.A.	0,01	0,00	0,00	0,00	0,01
ALPAN ELECTROLINE LTD	6.950.627,70	(3.530.097,98)	(1.390.125,54)	500.000,00	2.530.404,18
ATHONIKI TECHNIKI S.A.	15.035.920,00	(2.309.973,12)	(3.007.184,00)	(1.750.509,53)	7.968.253,35
TOTAL	**21.986.547,71**	**(5.840.071,10)**	**(4.397.309,54)**	**(1.250.509,53)**	**10.498.657,54**

There were no other changes in acquisition cost of the other affiliated companies for the period 01.01-31.12.2013.

The participation to affiliated companies presented in the consolidated Balance Sheet was changed with the proportion of profit or loss till 31.12.2013 as presented in the following table:

AFFILIATES	ACQUISITION COST 01.01.2013	OTHER CHANGES	PROFIT & LOSS	FAIR VALUE 30.12.2013
SPEEDEX S.A.	0,01	0,00	0,00	0,01
ALPAN ELECTROLINE LTD	0,01	567.291,32	(567.291,32)	0,01
ATHONIKI TECHNIKI S.A.	7.576.175,67	0,00	(1.772.695,96)	5.803.479,71
TOTAL	**7.576.175,69**	**567.291,32**	**(2.339.987,28)**	**5.803.479,73**

Financial figures, in thousands Euro, of affiliates on 31.12.2013 and 31.12.2012 were as follows:

Affiliates	ASSETS	LIABILITIES	INCOME	PROFIT or LOSS
2013				
SPEEDEX S.A.	18.990	20.316	28.454	93
ALPAN ELECTROLINE Ltd	15.762	16.361	28.530	(1.418)
ATHONIKI TECHNIKI S.A.	85.022	72.763	9.471	(3.552)
2012				
SPEEDEX S.A.	17.572	18.996	27.271	(1.490)
ALPAN ELECTROLINE Ltd	19.692	17.299	30.469	(2.146)
ATHONIKI TECHNIKI S.A.	83.030	69.861	12.565	(2.704)

9.3 Changes in the value of participations acquired in the period

During fiscal year 2013 there were no other changes in the acquisition cost of participations apart from those stated in paragraphs 9.1 and 9.2.

10. Inventories

INVENTORIES	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Acquisition cost	37.483.347,95	51.532.857,05	28.517.449,02	34.606.607,98
Devaluation of Inventories	(2.116.794,31)	(2.047.754,48)	(900.791,45)	(541.921,03)
TOTAL	**35.366.553,64**	**49.485.102,57**	**27.616.657,57**	**34.064.686,95**

The provision for inventories devaluation for the period 01.01.2013 to 31.12.2013 for the Group and the parent company is as follows:

PROVISION FOR DEVALUATION OF INVENTORIES	Group	Company
Balance 31.12.2012	**(2.047.754,48)**	**(541.921,03)**
Devaluation of the period	(982.070,00)	(775.000,00)
Use of provisions	913.030,17	416.129,58
Unused provisions	(0,00)	(0,00)
Balance 31.12.2013	**(2.116.794,31)**	**(900.791,45)**

11. Receivables from customers

11.1 Trade and other receivables (Non Current)

Long-term financial assets (non-current assets) can be broken down as follows:

TRADE AND OTHER RECEIVABLES (non-current)	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Long-term bills receivable	3.605.084,10	6.550.544,67	715.150,38	805.797,28
Long-termes cheques receivable	227.543,00	56.543,68	227.543,00	56.543,68
Non-accrued interest on long-term bills receivable	(263.789,64)	(564.868,61)	(25.657,94)	(66.341,57)
RECEIVABLES FROM CUSTOMERS	**3.568.837,46**	**6.042.219,74**	**917.035,44**	**795.999,39**
Long-term foreign receivables	4.194.191,63	5.683.096,43	0,00	0,00
Non-accrued interest on long-term receivable	(215.768,48)	(249.002,97)	0,00	0,00
Receivables from leasing	1.294.099,60	1.493.506,49	0,00	0,00
Rents prepaid	0,00	0,00	126.654,59	0,00
Other long-term receivables	199.930,00	0,00	0,00	0,00
Guarantees given	912.459,16	1.050.875,28	699.112,36	781.223,23
OTHER ASSETS	**6.384.911,91**	**7.978.475,24**	**825.766,95**	**781.223,23**
Derivatives on participations	2.000.000,00	2.000.000,00	2.000.000,00	2.000.000,00
TOTAL	**11.953.749,37**	**16.020.694,98**	**3.742.802,39**	**3.577.222,62**

Non-accrued interest is calculated using the effective interest rate. Long-term receivables from customers relate exclusively to the activities of the subsidiary Mirkat OOD and Mirkat Dooel Skopje and come from the sale of cars on credit.

The derivative of present value € 2,000,000.00 relates to an option to sell to the vendor the participation of the parent company to WINLINK S.A.

11.2 Trade and other receivables (Current)

Short-term (current) assets can be broken down as follows:

TRADE AND OTHER RECEIVABLES (current)	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Customers	37.567.599,03	36.311.299,67	19.683.503,26	29.544.558,46
Short-term notes	17.628.660,37	20.714.941,86	1.841.236,81	1.598.245,28
Cheques receivable	10.773.045,74	8.267.491,08	4.438.317,20	6.063.156,46
Less: Provision for customer bad dept	(4.144.170,61)	(3.154.416,21)	(1.257.721,00)	(850.000,00)
RECEIVABLES FROM CUSTOMERS	**61.825.134,53**	**62.139.316,40**	**24.705.336,27**	**36.355.960,20**
Current asset orders	7.588.300,79	6.663.062,93	5.179.093,83	5.617.771,79
Sundry debtors	15.068.947,50	14.564.919,95	9.122.517,76	6.862.840,98
OTHER ASSETS	**22.657.248,29**	**21.227.982,87**	**14.301.611,59**	**12.480.612,77**
TOTAL	**84.482.382,83**	**83.367.299,27**	**39.006.947,86**	**48.836.572,97**

All these receivables are considered as short-term maturities. The fair value of these current assets is not determined independently because their book value is considered to be close to their fair value.

From all the above short-term receivables, for some of which the Group and the Company has not proceeded to impairment of their book value and are in delay. For this reason a provision is formed.

Provisions for customer bad debts for the period 01.01.2013 to 31.12.2013 for the Group and the Company are as follows:

PROVISION FOR BAD DEBTS	Group	Company
Balance 31.12.2012	**(3.154.416,21)**	**(850.000,00)**
Provisions Personal Best	0,00	(20.000,00)
Provisions for fiscal year 2012	(2.856.939,69)	(470.000,00)
Used provisions	1.867.185,29	82.279,00
Balance 31.12.2013	**(4.144.170,61)**	**(1.257.721,00)**

The impaired receivables as well as the non overdue and not impaired receivables of 31.12.2013 distinct requirements depending upon the time expected to be collected are as follows:

	Group 31/12/2013	Company 31/12/2013
Overdue and Impaired	**5.960.979,69**	**3.466.300,43**
0-180	58.479.938,38	32.779.776,42
>180	20.041.464,77	2.760.871,01
Not overdue and not impaired	**78.521.403,14**	**35.540.647,43**
TOTAL TRADE AND OTHER RECEIVABLES	**84.482.382,83**	**39.006.947,86**

The Sundry Debtors account can be broken down as follows:

SUNDRY DEBTORS	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Greek state - advance & withholding tax	661.720,38	680.632,75	86.804,21	105.964,61
Greek state - other receivables	226.521,74	504.489,98	199.386,84	280.355,63
Supplier guarantee accounts	22.903,77	755.677,13	182.913,55	392.337,24
Sundry debtors	1.240.241,77	858.784,67	561.993,31	457.372,00
Special Registration Tax	1.181.902,68	1.520.245,39	1.166.967,10	1.504.808,41
Other sundry debtors in Euro	6.878.042,52	4.579.485,14	4.385.031,87	1.410.983,14
Other contested debtors	156.902,29	121.305,34	121.305,34	121.305,34
Customs clearance - accounts payable	13.811,9	12.814,5	13.714,62	12.814,46
Prepaid expenses	4.686.900,43	4.325.035,17	2.404.400,92	1.743.955,66
Receivables from derivatives	0,00	1.206.449,92	0,00	832.944,49
TOTAL	**15.068.947,50**	**14.564.919,95**	**9.122.517,76**	**6.862.840,98**

11.3 Financial assets available for sale

FINANCIAL ASSETS AVAILABLE FOR SALE	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Shares listed on ATHEX	428.700,00	457.800,00	428.700,00	429.000,00
Shares not listed on ATHEX	813.120,01	813.120,01	813.120,01	813.120,01
Total	**1.241.820,01**	**1.270.920,01**	**1.241.820,01**	**1.242.120,01**

The valuation of securities listed on ATHEX was effectuated at the closing price on 31.12.2013. Non-listed securities were valued at fair value.

SFAKIANAKIS S.A. Portfolio valuation on 31.12.2013		
SHARES	**QUANTITY**	**Current value on 31.12.2013**
SHARES LISTED ON ATHEX		
MARFIN INVESTMENT GROUP HOLDINGS S.A.	1.000.000	381.000,00
ELLAKTOR S.A.	15.000	47.700,00
TOTAL (A)		**428.700,00**
SHARES NON-LISTED ON ATHEX		
HELLENIC SEAWAYS S.A.	200.000	810.000,00
ELBISCO S.A.	48.000	3.120,00
WINLINK S.A.	20.000	0,10
TOTAL (A)		**813.120,10**
GRAND TOTAL (A + B)		**1.241.820,10**

The breakdown of securities account for the period 01.01.2013-31.12.2013 is as follows.

	Group		Company	
	Shares listed on ATHEX	Shares not listed on ATHEX	Shares listed on ATHEX	Shares not listed on ATHEX
Fair value 31/12/2012	457.800,00	813.120,01	429.000,00	813.120,01
Personal Best shares	0,00		28.800,00	0,00
Total	**457.800,00**	**813.120,01**	**457.800,00**	**813.120,01**
Less: Fair value of sales 2013	0,00	0,00	0,00	0,00
Remaining	**457.800,00**	**813.120,01**	**457.800,00**	**813.120,01**
Devaluation of value 31.12.2013	(29.100,00)	0,00	(29.100,00)	0,00
Fair value 31/12/2013	**428.700,00**	**813.120,01**	**428.700,00**	**813.120,01**

A sensitivity analysis table, showing the potential change of 5% in other total comprehensive income (B) from a decrease in fair value of available for sale financial assets for the Group and the Company respectively, follows:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Available for sale financial assets	1.241.820,01	1.270.920,01	1.241.820,01	1.242.120,01
Percentage of potential change	5,00%	5,00%	5,00%	5,00%
Change (decrease/increase) of Equity & Other comprehensive income	62.091,00	63.546,00	62.091,00	62.106,00

12. Cash

The breakdown of cash assets is as follows:

CASH AND CASH EQUIVALENTS	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Cash on hand	152.153,41	204.926,68	101.807,03	123.513,36
Sight Deposits	11.611.728,48	11.594.346,79	2.576.096,31	1.093.752,86
Time deposits	2.804.695,89	8.423.647,43	0,00	1.900.000,00
FX Sight deposits	52.433,50	63.368,30	52.432,50	63.368,30
FX Time deposits	40.610,72	0,00	0,00	0,00
TOTAL	**14.661.622,00**	**20.286.289,20**	**2.730.335,84**	**3.180.634,52**

Time deposits are of a few days (1-3) till 2 months with an average annual net interest rate ranging from 1.50% to 2.50%.

13. Equity

13.1. Share capital

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Share Capital	19.786.200,00	19.786.200,00	19.786.200,00	19.786.200,00
Share premium reserve	10.601.614,09	10.601.614,09	10.601.614,09	10.601.614,09

No changes in share capital were made in fiscal year 2013.

13.2 Fair value reserves

Fair value reserves can be broken down as follows:

FAIR VALUE RESERVES	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Consolidated participations	0,00	0,00	12.459.697,74	4.758.839,18
Affiliates	(3.085.827,94)	(3.653.119,26)	(5.247.029,67)	(5.840.071,10)
Shares listed on ATHEX	(3.619.000,00)	(3.571.000,00)	(3.619.000,00)	(3.571.000,00)
Shares not listed on ATHEX	263.257,32	263.257,32	213.507,72	213.507,72
TOTAL	**(6.441.570,62)**	**(6.960.861,94)**	**3.807.175,78**	**(4.438.724,20)**

The change in Fair value Reserve for the Company is as follows:

FAIR VALUE RESERVES	FAIR VALUE 01.01.2013	REVERSALS/ TRANSERS	CHANGE 2013	FAIR VALUE 31.12.2013
Subsidiaries consolidated	4.758.839,18	0,00	7.700.858,56	12.459.697,74
Affiliated consoldated	(5.840.071,10)	0,00	593.041,43	(5.247.029,67)
Shares listed on ATHEX	(3.571.000,00)	0,00	(48.000,00)	(3.619.000,00)
Shares non-listed on ATHEX	213.507,72	0,00	0,00	213.507,72
TOTAL	**(4.438.724,20)**	**0,00**	**8.245.899,99**	**(3.807.175,78)**

The change in Fair value Reserve for the Group is as follows:

FAIR VALUE RESERVE	FAIR VALUE 01.01.2013	REVERSALS/ TRANSERS	CHANGE 2013	FAIR VALUE 31.12.2013
Subsidiaries consolidated	0,00	0,00	0,00	0,00
Affiliated consoldated	(3.653.119,26)	567.291,32	0,00	(3.085.827,94)
Shares listed on ATHEX	(3.571.000,00)	0,00	(48.000,00)	(3.619.000,00)
Shares non-listed on ATHEX	263.257,32	0,00	0,00	263.257,32
TOTAL	**(6.960.861,94)**	**567.291,32**	**(48.000,00)**	**(6.441.570,62)**

The amounts of the reversal are mainly related to the impairment of affiliated and securities charged to the results of the current year for which their original value is considered to be not be recoverable.

13.3 Other reserves

OTHER RESERVES	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Statutory reserve	8.213.606,64	8.212.078,12	7.998.382,71	7.920.766,43
Special reserves	593.260,10	593.260,21	590.915,55	590.915,55
Extraordinary reserves	1.261.955,15	1.263.322,30	1.248.106,37	1.248.106,37
Difference from adjustment in value of holdings - securities	0,00	161,37	1.654.720,98	161,37
Untaxed reserves under special provisions of law	15.928.424,18	15.928.424,18	15.928.424,18	15.928.424,18
Other reserves	663.849,53	663.849,43	663.849,43	663.849,43
Tax-exempt income reserves	267.558,13	267.558,13	265.054,85	0,00
Special taxation reserves	9.784.463,95	9.784.463,95	9.783.608,08	9.783.608,08
Difference from conversion of capital to Euro	4.115,00	4.115,00	4.115,00	4.115,00
TOTAL	**36.717.232,68**	**36.717.232,69**	**38.137.177,15**	**36.139.946,41**

The Special and Extraordinary Reserves mainly come from prior periods and in the case of their distribution or capitalisation they will be taxed according to the current tax legislation. Reserves coming from items taxed under special provisions in case of distribution or capitalisation will be taxed with the current rate at the time of distribution. Untaxed reserves will be transferred next year to losses carried forward without paying tax in accordance with N.4172/2013.

13.4 Result carried forward

RESULT CARRIED FORWARD	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Balance brought forward	(60.074.718,35)	(13.289.967,15)	(43.305.971,27)	(2.563.467,03)
Profit/Loss after tax	(29.066.559,35)	(46.784.751,20)	(26.077.177,01)	(40.742.504,24)
TOTAL	**(89.141.277,70)**	**(60.074.718,35)**	**(69.383.148,28)**	**(43.305.971,27)**

14. Loans (including Leasing)

14.1 Long-term loans

Company's management signed in June 2013 amendment agreements with the creditor banks on the terms of the restructuring of Company's Bond Loan of principal amount € 200.0 mil. and current balance € 186.5 mil., for the Bond Loan of principal amount of € 25.0 mil. and current balance of € 21.8 mil. for the subsidiary Executive Lease S.A. and for the Bond Loan of principal amount of € 51.5 mil. and current balance of € 34.0 mil. for the subsidiary Panergon S.A.

The new terms of the loans relate to the extension of their maturity until August 2017 with the first installment in August 2015 and loan interest euribor rate plus 3% with a gradual increase up to 5%.

Additionally, it was agreed to give additional collaterals behond the existing ones a) for the Company:

i. Mortgages of total amount equal to 100% of the bond issue (i.e. total amount of € 200 mil.) on Company's property (existing collateral).
ii. Second liens series € 7.0 mil. on property of the Company.
iii. Recommendation of varying security Law 2844/2000 on stock and receivables of the Company amounting to € 40.0 mil. (existing collateral).
iv. Pledge of all shares held by the Company in companies: a) Panergon S.A. b) Executive Lease S.A. c) Ergotrak S.A. d) Executive Insurance Brokers S.A. and e) 99.91% of total shares of the subsidiary company Mirkat OOD, f) 100% of the shares in the subsidiary company Mirkat Dooel Skopje and g) 40% of the total shares of the company Alpan Electroline Ltd.

v. Recommendation of varying security Law 2844/2000 on the receivables of the Company from its subsidiary company Mirkat OOD totaling € 5.0 mil.

b) for the subsidiary Panergon S.A.:

i. Liens amounting to € 12.8 mil. on property of the company (existing collateral).
ii. Pledge / assignment of receivables arising from bills of exchange and checks of company's clients.
iii. Recommendation of varying security Law 2844/2000 on company's stocks amounting € 6.0 mil.

These i, ii, iii collaterals must equal at least with 65% of the outstanding amount of the bond loan.

c) for the subsidiary Executive Lease S.A.:

i. Pledge / assignment of receivables of the company from long-term car rental contracts (existing collateral).

ii. Recommendation of varying security Law 2844/2000 for company's cars of amount € 26.2 mil.

Furthermore, in June 2013 amending agreements were signed with the banks and bilateral loans of the parent company and its subsidiaries Panergon S.A. and Executive Lease S.A. involving a change of all loans with existing terms. More specifically, the maturities are extended until August 2017 with the first installment in August 2015 and euribor lending rate plus a margin of 3% with a gradual increase up to 5%.

Long-term loans (Bond and Long-term) can be broken down as follows:

Long-term loans	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Syndicated Bond in Euro not convertible to shares	261.868.000,00	270.277.120,00	190.388.000,00	190.388.000,00
Long-term bank liabilities	1.987.999,14	3.421.052,32	0,00	0,00
Total	**263.855.999,14**	**273.698.172,32**	**190.388.000,00**	**190.388.000,00**
Long-term Bond liabilities payable withinh the next 12 months	(514.000,00)	(117.580.850,62)	0,00	(67.500.000,00)
Total Loans	**263.341.999,14**	**156.117.321,70**	**190.388.000,00**	**122.888.000,00**
Long-term leasing liabilities	483.580,18	1.106.094,81	0,00	0,00
Total	**263.825.579,32**	**157.223.416,50**	**190.388.000,00**	**122.888.000,00**
Long term liabilities posted as short term based on IAS 1 par. 74	0,00	(138.700.040,00)	0,00	(119.000.000,00)
Total	**263.825.579,32**	**18.523.376,50**	**190.388.000,00**	**3.888.000,00**

The analysis of the non paid remaining of syndicated bonds on 31.12.2013 for the parent company and the Group are presented per year in the following table:

BOND LOANS ANALYSIS	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Short-term from 0-1 year	0,00	115.145.080,00	0,00	67.500.000,00
From 1-5 years	261.868.000,00	155.132.040,00	190.388.000,00	122.888.000,00
After 5 years	0,00	0,00	0,00	0,00
Total	**261.868.000,00**	**270.277.120,00**	**190.388.000,00**	**190.388.000,00**

Analytical table of Bond Loans per company and year end:

Year	Company	Panergon S.A.	Executive Lease S.A.	Ergotrak S.A.	Total	Maturity Analysis
2014	0	0	0	0	0	0 Up to 1 year
2015	911.610	659.856	239.000	5.854.001	7.664.467	
2016	1.722.414	1.344.783	761.000	10.185.999	14.014.196	
2017	36.365.976	24.795.361	4.680.000	245.828.000	311.669.337	
2018	0	0	0	0	0	333.348.000 Till 5 years
Total	**39.000.000,00**	**26.800.000,00**	**5.680.000,00**	**261.868.000,00**	**333.348.000,00**	**333.348.000**

Information on long-term leasing liabilities is presented in paragraph 14.3.

14.2 Short-term loans

Short-term loans can be broken down as follows:

SHORT-TERM LOANS	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Short-term loans	28.046.993,52	24.012.315,08	15.383.837,13	15.134.840,60
Short-term corporate bond imstallements payable in next year	514.000,00	71.244.490,62	0,00	27.000.000,00
Extented installments of Long-term Bond Loan	0,00	46.336.360,00	0,00	40.500.000,00
Short-term leasing instalments payable in next year	724.097,53	937.638,69	0,00	0,00
TOTAL	**29.285.091,05**	**142.530.804,39**	**15.383.837,13**	**82.634.840,60**
Long term Bond Loan liabilities posted as short term based on IAS 1 par. 74	0,00	138.700.040,00	0,00	119.000.000,00
TOTAL	**29.285.091,05**	**281.230.844,39**	**15.383.837,13**	**201.634.840,60**

Short-term loan interest rate is floating and the effective interest rate for total loans is between 4.5%-5.0%.

Information for short-term leasing liabilities is presented in paragraph 14.3.

14.3 Leasing obligations

Fixed assets include the following amounts which the Group holds as lessee under financial leases.

	Group	
	31.12.2013	**31.12.2012**
Cost of capitalising financial leases	3.081.507,04	4.216.229,32
Accumulated depreciation	(1.718.573,32)	(2.068.843,63)
Net book value	**1.362.933,72**	**2.147.385,69**

Financial Lease Obligations

	Group	
	31.12.2013	**31.12.2012**
Long-term financial lease liabilities	483.579,17	1.106.093,80
Short-term financial lease liabilities	724.097,53	937.638,69
Net book value	**1.207.676,70**	**2.043.732,49**

Financial lease obligations are secured on rented tangible assets which devolve to the lessor in the case where the lessee is unable to pay its liabilities.

FINANCIAL LEASE OBLIGATIONS - MINIMUM LEASING PAYMENTS	Group	
	31.12.2013	31.12.2012
Up tp 1 year	762.382,13	1.011.634,30
From 1 to 5 years	500.257,36	1.147.535,19
After 5 years	0,00	0,00
TOTAL	**1.262.639,49**	**2.159.169,49**
Future charges of financial cost at the financial leases	(54.962,78)	(115.437,00)
TOTAL	**1.207.676,70**	**2.043.732,49**

The current value of financial lease liabilities is as follows:

	Group	
	31.12.2013	31.12.2012
Up tp 1 year	724.097,53	937.638,69
From 1 to 5 years	483.579,17	1.106.093,80
After 5 years	0,00	0,00
TOTAL LIABILITIES	**1.207.676,70**	**2.043.732,49**

15. Deferred income tax

Deferred tax assets are offset against deferred tax liabilities when there is a legitimate exercisable right of offset and both are subject to the same taxation authority.

Under the new tax Law 4110/2013 income tax rate, for periods beginning from 1st January and after is increased from 20% to 26%. The breakdown of deferred tax assets and liabilities is set out below:

RECEIVABLES	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
From staff compensation	479.911,12	486.664,54	335.960,82	246.062,00
From provision for bad debt	860.007,46	457.600,30	217.807,46	209.322,06
From inventory value decline	608.984,05	408.208,16	234.205,78	108.384,21
From adjustments to land	27.805,34	21.388,72	0,00	0,00
From related companies	0,00	0,00	2.987.050,04	0,00
Other temporary differences	1.320.465,43	818.237,61	697.920,64	381.130,36
Tax losses	6.169.485,66	2.000.000,00	2.600.000,00	2.000.000,00
ΣΥΝΟΛΟ	**9.466.659,07**	**4.192.099,33**	**7.072.944,75**	**2.944.898,63**

The deferred tax asset due to deductible tax losses of some subsidiaries arises based on provisions for offsetting the said losses against future profits.

LIABILITIES	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
From adjustments to land	9.164.676,89	7.244.205,48	6.850.619,12	5.341.964,44
From adjustments to buildings	4.733.122,13	3.557.606,28	4.573.582,04	3.205.857,41
From fair value reserves	0,00	0,00	4.377.878,33	3.183.824,18
From fair value of goodwill	1.594.840,00	1.226.800,00	1.594.840,00	1.226.800,00
From surplus	317.850,00	358.500,00	317.850,00	358.500,00
From open tax periods	906.486,80	1.306.486,80	661.486,80	661.486,80
Other temporary differences	3.192.399,21	2.437.760,71	0,00	0,00
TOTAL	**19.909.375,03**	**16.131.359,27**	**18.376.256,29**	**13.978.432,83**

The change of receivables and liabilities is recorded in the financial results, excluding changes in deferred tax of participations of not listed companies in the Athens Stock Exchange which are registered in other comprehensive income (B) as shown in the following table:

COMPANY	Balance 01/01/2013	CHANGES IN OTHER COMPREHENSIVE	CHANGES IN RESULTS	Balance 31/12/2013
Reicevables	2.980.934,80	2.910,08	2.245.402,21	5.229.247,09
Liabilities	(11.054.443,02)	0,00	(2.943.934,94)	(13.998.377,96)
Participations	(3.183.824,18)	649.643,51	0,00	(2.534.180,67)
Total	**(11.257.332,40)**	**652.553,59**	**(698.532,74)**	**(11.303.311,55)**
GROUP	**Balance 01/01/2013**	**CHANGES IN OTHER COMPREHENSIVE**	**CHANGES IN RESULTS**	**Balance 31/12/2013**
Reicevables	4.077.554,73	124.691,52	5.264.412,81	9.466.659,07
Liabilities	(16.131.359,27)		(3.778.015,76)	(19.909.375,03)
Total	**(12.053.804,54)**	**124.691,52**	**1.486.397,06**	**(10.442.715,96)**

16. Number of staff employed, cost and provisions for compensation

The number of staff employed and the total cost to the parent company and Group subsidiaries can be broken down as follows:

	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Total cost of employment	24.491.579,96	31.168.053,59	16.972.375,30	20.528.838,21
Staff Employed	745	827	492	552

	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Personnel dismissal and retirement compensation provision	1.861.752,82	2.450.208,00	1.292.157,04	1.554.815,74

Due to the amendment of IAS 19 regaring the recognition of actuarial losses retrospectively from 01.01.2012, the Company changed its equity and the provision for retirement benefits of previous years as follows:

	Group		Company	
	01.01.2012	**31.12.2012**	**01.01.2012**	**31.12.2012**
Liability as published on 01.01.2012 or 31.12.2012	1,987,830.96	1,877,485.87	1,298,047.06	1,230,310.02
Effect of change in accounting policy	61,401.18	572,723.01	81,253.79	396,610.32
Liability after the application of revised IAS 19	**2,049,232.14**	**2,450,208.88**	**1,379,300.85**	**1,626,920.34**

	Group		Company	
	01.01.2012	**31.12.2012**	**01.01.2012**	**31.12.2012**
Increase in provision for retirement benefits	(61,401.18)	(572,723.01)	(81,253.79)	(396,610.32)
Increase in deferred tax receivables	12,280.24	114,544.60	16,250.76	79,322.06
Net effect in Equity	**(49,120.94)**	**(458,178.41)**	**(65,003.03)**	**(317,288.26)**

The provision for employee benefits due to retirement in fiscal year 2013 is as follows:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Net liability in the beginning of the period	**2.450.208,88**	**1.987.830,96**	**1.626.920,34**	**1.298.047,06**
Liability Personal Best	0,00	0,00	157.805,63	0,00
Social securities paid by the employer	(1.026.764,29)	(732.253,59)	(697.475,66)	(547.588,91)
Total expenses included in financial results	399.281,59	621.908,50	193.714,11	479.851,87
Total amount recored in Equity	39.026,64	572.723,01	11.192,62	396.610,32
Balance end of the year	**1.861.752,82**	**2.450.208,88**	**1.292.157,04**	**1.626.920,34**

The obligation to pay compensation due to staff retirement is calculated using the projected unit credit method which considers that each year in service gives an additional unit of benefit entitlement and builds the total obligation, calculating each unit separately. Under this method the cost of past experience is the current value of any future benefit units which have been credited to employees for service in periods before the start of the plan or due to changes to the plan.

Please note that due to the current economic conditions using the yield curve of bonds of the European Central Bank as set out by the European Central Bank on the date of valuation and the estimated timing of benefit payments, the estimated weighted average interest rate, which is 3,4% during the 31.12.2013 with weighted average maturity (weighted average duration): 16,07.

According to the demographic assumptions, the mobility of staff will be as follows:

Group of age	**Voluntary withdrawal**	**Dismissal**
Until 35 years	7%	3%
36-45	4%	2%
46 and over	3%	2%

The company has assigned this calculation to recognised actuaries for 31.12.2013 and the estimated obligation on 31.12.2013 and the changes for fiscal year 2013 has been booked and presented in the financial statements based on IAS 19.

17. Other Long-term Liabilities

The long-term liabilities are broken down as follows:

CURRENT INCOME TAX	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Operating leasing guarantees	788.892,47	827.478,23	0,00	0,00
Other long-term liabilities	174.528,10	322.020,59	0,00	0,00
TOTAL	**963.420,57**	**1.149.498,82**	**0,00**	**0,00**

18. Suppliers and other liabilities

Suppliers and other liabilities are analysed as follows:

SUPPLIERS AND OTHER LIABILITIES	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Suppliers	16.865.162,58	21.797.918,88	10.888.819,63	14.937.139,13
Notes payable in FX	4.772.439,20	1.049.102,41	4.730.439,20	953.696,16
Dividends payable	0,00	5.406,25	0,00	5.406,25
Cheques payable	10.624.532,26	5.788.835,01	9.795.443,69	3.896.183,81
Other short-term liabilities	11.607.952,71	9.956.282,72	10.578.170,47	7.867.502,73
Accrued expenses	4.564.073,00	4.987.538,27	3.084.731,89	2.981.957,56
ΣΥΝΟΛΟ	**48.434.159,76**	**43.585.083,55**	**39.077.604,88**	**30.641.885,64**

Other short-term liabilities include:

OTHER SHORT-TERM LIABILITIES	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Advances - other associates - third parties	251.587,52	131.569,75	221.419,92	922.162,09
Beneficiaries of financial guarantees	932.551,92	942.353,49	53.991,23	44.991,23
Tax and duties payable	2.274.733,89	1.800.803,31	1.361.326,55	799.980,12
Liabilities to insurance funds	1.181.109,87	1.374.501,79	735.676,48	824.552,24
Advances from customers	5.035.299,97	3.270.091,08	2.311.083,34	4.690.658,14
Other short-term liabilities	1.932.669,54	2.436.963,31	5.894.672,95	585.158,91
TOTAL	**11.607.952,71**	**9.956.282,72**	**10.578.170,47**	**7.867.502,73**

18.1 Current Income tax

This account relates to liability for income tax for the period at the currently applicable rate.

CURRENT INCOME TAX	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Income tax for the period	48.894,91	0,00	0,00	143.437,94
TOTAL	**48.894,91**	**0,00**	**0,00**	**143.437,94**

Open tax periods

For fiscal year 2011 and after the Company and its subsidiaries in Greece have been included in the tax audit of the statutory auditors carrying out the provisions of Article 82 paragraph 5 of Law 2238/1994.

Tax audit for fiscal year 2011 and 2012 was conducted by the auditing firm SOL S.A. and the related tax compliance reports were issued by unqualified conclusion.

During the preparation of the Annual Financial Statements for fiscal year 2013 have been calculated ratios accounting differences and it is no longer required provision for open tax periods for year 2013.

For Group companies in Greece, the tax audit for the fiscal year 2013 is already being carried out by SOL S.A. Upon the completion of the tax audit, the management of the Group companies does not expect to deliver significant tax liabilities beyond those recognized and reported in the financial statements.

This liability open tax periods till fiscal year 2010 is presented in paragraph 15 (Deferred income tax).

Company	Country	Total % of participation	Open tax periods
Total consolidation method			
EXECUTIVE INSURANSE BROKERS S.A.	Greece	100,00%	2010
EXECUTIVE LEASE S.A.	Greece	100,00%	2010
MIRKAT OOD	Bulgaria	100,00%	2006-2013
MIRKAT DOOEL SKOPJE	FYROM	100,00%	2006-2013
ERGOTRAK S.A.	Greece	100,00%	2006-2010
SFAKIANAKIS S.A.	Greece	Parent company	2009-2010
Absorbed companies			
PERSONAL BEST S.A.	Greece	100,00%	2009-2010

The tax audit of the subsidiary Executive Lease S.A. was completed for fiscal years 2006-2009. The audit charged in the company accounting differences which resulted in taxes plus surcharges totaling € 73,014.09 which has been paid to the Greek State. This amount did not affect the results of the Group for the current period as the provisions of open tax periods of the Company amounting € 450,000.00 covered the amount of tax charged.

The opening of the account provisions for open tax periods for fiscal year 2013 is as follows:

PROVISIONS FOR OPEN TAX PERIODS	Group	Company
Balance 31.12.2012	**1.306.486,80**	**661.486,80**
Used provisions	(73.014,09)	0,00
Unused provisions	(326.985,91)	0,00
Balance 31.12.2013	**906.486,80**	**661.486,80**

19. Results

19.1 Breakdown of expenditure

The main categories of expenditure can be broken down as follows:

BREAKDOWN OF EXPENDITURE AND OTHER EXPENSES	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Staff salaries and expenses	24.491.579,96	31.168.053,59	16.972.375,30	20.528.838,21
Third party fees and expenses	5.458.160,45	6.414.690,69	3.099.834,31	3.499.740,59
Charges for outside services	15.699.460,63	16.616.906,87	6.391.453,47	8.734.821,57
Taxes – Duties	3.428.440,81	4.154.998,07	1.772.927,19	1.934.936,21
Miscellaneous Expenses	9.584.804,30	10.698.266,04	7.202.189,19	7.282.859,71
Depreciation	17.663.625,79	19.829.202,15	4.334.425,72	5.450.010,40
Provisions / impairment	5.231.438,99	3.268.873,77	1.848.891,11	991.851,87
Exchange rate differences	4.376,72	1.102,83	4.376,72	1.102,83
Other expenses	3.225.027,30	2.918.010,61	2.332.600,97	2.622.541,83
Total	**84.786.914,95**	**95.070.104,62**	**43.959.073,98**	**51.046.703,22**

This expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Selling expenses	67.829.531,96	76.056.083,70	35.167.259,18	40.837.362,58
Administrative expenses	16.957.382,99	19.014.020,92	8.791.814,80	10.209.340,64
Total	**84.786.914,95**	**95.070.104,62**	**43.959.073,98**	**51.046.703,22**

Staff fees and expenses can be broken down as follows:

SALARIES AND EXPENSES	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Salaries and wages	19.515.566,11	24.768.582,67	13.519.536,36	16.316.596,76
Employer contributions	4.723.994,92	5.766.989,51	3.272.566,18	3.798.236,36
Other benefits	252.018,93	632.481,41	180.272,76	414.005,09
Total	**24.491.579,96**	**31.168.053,59**	**16.972.375,30**	**20.528.838,21**

Third party fees can be broken down as follows:

CHARGES FOR OUTSIDE SERVICES	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Electricity - Water	1.036.713,84	1.193.409,42	899.050,76	876.950,69
Telecommunications	732.164,41	916.957,57	532.316,61	654.527,57
Rents	6.937.683,66	6.969.353,98	2.560.656,97	3.463.695,98
Insurance premiums & warehousing costs	2.531.665,02	2.917.882,34	591.777,04	705.118,36
Repairs & maintenance	3.452.358,03	2.801.251,45	924.597,59	1.315.275,34
Other third party benefits	1.008.875,67	1.818.052,10	883.054,50	1.719.253,63
Total	**15.699.460,63**	**16.616.906,87**	**6.391.453,47**	**8.734.821,57**

Sundry expenses can be broken down as follows:

MISCELLANEOUS EXPENSES	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Transport costs	1.895.088,67	2.672.848,53	1.067.301,02	1.410.536,19
Promotion & advertising expenses	4.800.660,46	4.438.846,53	4.337.302,21	3.970.824,17
Subscriptions - contributions	279.983,84	266.586,97	229.543,78	216.378,12
Donations - Grants & XDE VAT	15.756,95	91.924,45	14.636,95	90.189,33
Printed materials and office supply expenses	265.426,58	303.836,88	158.710,21	177.238,43
Direct consumables	450.544,33	521.352,42	388.428,07	448.369,59
Miscellaneous Expenses	1.877.323,47	2.402.870,25	1.006.266,95	969.323,88
TOTAL	**9.584.784,30**	**10.698.266,04**	**7.202.189,19**	**7.282.859,71**

Depreciation can be broken down as follows:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Depreciation of tangible assets	17.004.812,40	19.063.928,88	3.692.711,01	4.724.700,01
Depreciation of intangible assets	658.813,39	765.273,27	641.714,71	725.310,39
Total	**17.663.625,79**	**19.829.202,15**	**4.334.425,72**	**5.450.010,40**

The above expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Selling expenses	14.130.900,63	15.863.361,72	3.467.540,58	4.360.008,32
Administrative expenses	3.532.725,16	3.965.840,43	866.885,14	1.090.002,08
TOTAL	**17.663.625,79**	**19.829.202,15**	**4.334.425,72**	**5.450.010,40**

The provisions / impairments are analysed as follows:

PROVISIONS/IMPAIRMENTS	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Compensation of personal	276.505,81	621.908,50	193.714,11	479.851,87
Impairment of intangible assets	1.115.925,00	905.857,00	410.177,00	262.000,00
Of Inventories	982.070,00	442.850,87	775.000,00	150.000,00
Of bad depts	2.856.938,18	1.298.257,40	470.000,00	100.000,00
Total	**5.231.438,99**	**3.268.873,77**	**1.848.891,11**	**991.851,87**

19.2 Breakdown of other income

The breakdown of other income is as follows:

OTHER INCOME	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Subsidies – sundry income from sales	10.628.395,01	12.788.940,63	7.307.209,47	8.026.026,95
Services and related activities	8.794.336,12	10.164.706,36	7.042.583,60	7.715.459,54
Provisions used	928.015,76	782.253,59	697.475,66	547.588,91
Other income	1.427.598,77	1.687.486,23	1.103.519,24	1.310.020,27
TOTAL	**21.778.345,66**	**25.423.386,81**	**16.150.787,97**	**17.599.095,67**

19.3 Financial Expenses

The breakdown of Financial Income - Expenses is as follows:

NET FINANCIAL COST	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Interest charges and related expenses	14.793.947,07	17.305.465,65	10.305.780,19	11.695.204,38
Interest and related income	1.202.276,75	1.956.576,89	40.609,06	96.763,50
FINANCIAL RESULT	**13.591.670,32**	**15.348.888,76**	**10.265.171,13**	**11.598.440,88**

19.4 Investment Result

The breakdown of the investment result is as follows:

INVESTING RESULT	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Earnings/Losses from affiliated companies	(2.339.987,28)	(2.207.640,86)	0,00	0,00
Impairment of affiliates	0,00	0,00	(97,59)	(4.400.936,74)
Impairment of securities	(18.90 0,00)	(2.113.510,00)	18.900,00	(2.091.760,00)
Extraordinary losses	(1.164.359,67)	(466.550,99)	(1.164.161,36)	(459.652,21)
Extraordinary profits	390.651,52	785.126,76	318.823,16	289.573,18
INVESTING RESULT	**(3.094.795,43)**	**(4.002.575,09)**	**(826.535,79)**	**(6.662.775,77)**

20. Income tax expenditure

According to the New Tax Law 4110/2013, the tax rate for the fiscal years beginning on and after January 1, rising from 20% to 26%. Income tax using the applicable tax rates on 31.12.2013 and 31.12.2012 is as follows:

	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Income tax for the period (profit-loss before tax 26% & 20%)	7.732.598,26	8.716.423,40	5.821.209,62	7.861.708,30
Income tax on accounting differences and loss or decrease of tax losses	(3.589.542,99)	(11.338.598,97)	(4.296.848,42)	(9.139.784,64)
Income tax due to difference of foreign tax rate	(255.685,30)	(262.352,60)	0,00	0,00
Tax audit differences on deffered tax calculation	(3.186.945,76)	0,00	(2.222.893,94)	0,00
Deferred income tax due to revaluation L.2065/92	0,00	465.234,52	0,00	406.193,67
Used provisions for non autided tax periods	400.000,00	0,00	0,00	0,00
Unused provisions for non autided tax periods	(73.014,09)	0,00	0,00	0,00
Other non-operating taxes	(324.740,34)	(325.750,59)	(259.394,43)	(244.791,81)
TOTAL	**702.669,78**	**(2.745.044,24)**	**(957.927,17)**	**(1.116.674,48)**

The Company formed provision up to year 2010 for possible liability arising from the tax audit payment deriving from the tax audit of the Group companies.

21. Earnings per share

The basic and reduced earnings per share are calculated by dividing earnings corresponding to parent company shareholders by the weighted average number of ordinary shares during the period, less own ordinary shares purchased by the enterprise.

EARNINGS NET OF TAX PER SHARE	GROUP	
	1.1-31.12.2013	1.1-31.12.2012
Profit/Loss is allocated to:		
Parent company shareholders	**(29.037.679,63)**	**(46.326.573,11)**
Minority interest	(413,12)	(588,13)
Earnings per share net of tax (in €)	(3,6689)	(5,8534)
Average weighted No. of shares	7.914.480	7.914.480

22. Risk Analysis

Risk analysis as required according to IFRS 7 is as follows:

22.1 Expiration Risk

The analysis of the liabilities according to the contractive time of their payment as presented in Financial Statements is as follows:

Liabilities Analysis	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Up to 1 year	77.768.145,72	324.815.927,94	54.461.442,01	232.276.726,24
From 1 to 5 years	286.780.127,74	38.254.443,48	210.276.413,33	19.493.353,17
After 5 years	0,00	0,00	0,00	0,00
TOTAL	**364.548.273,45**	**363.070.371,42**	**264.737.855,34**	**251.770.079,41**

22.2 Foreign exchange rate risk

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2013		
	JPY	USD	TOTAL
Assets	48.962,95	3.469,55	52.432,50
Liabilities	(1.746,00)		(1.746,00)
Exchange position in foreign currency	(50.708,95)	(3.469,55)	(54.178,50)
Risk balance	0,00	0,00	0,00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**(50.708,95)**	**(3.469,55)**	**(54.178,50)**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2012		
	JPY	USD	TOTAL
Assets	56,570.66	6,797.64	63,368.30
Liabilities	(130,968.52)	(205,394.32)	(336,362.84)
Exchange position in foreign currency	(74,397.86)	(198,596.68)	(272,994.54)
Risk balance	0.00	0.00	0.00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**(74,397.86)**	**(198,596.68)**	**(272,994.54)**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Company Amounts in Euro 31.12.2013		
	JPY	USD	TOTAL
Assets	48.962,95	3.469,55	52.432,50
Liabilities	(1.746,00)		(1.746,00)
Exchange position in foreign currency	(50.708,95)	(3.469,55)	(54.178,50)
Risk balance	0,00	0,00	0,00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**(50.708,95)**	**(3.469,55)**	**(54.178,50)**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Company Amounts in Euro 31.12.2012		
	JPY	USD	TOTAL
Assets	56,570.66	6,797.64	63,368.30
Liabilities	(130,968.52)	(205,394.32)	(336,362.84)
Exchange position in foreign currency	(74,397.86)	(198,596.68)	(272,994.54)
Risk balance	0.00	0.00	0.00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**(74,397.86)**	**(198,596.68)**	**(272,994.54)**

The possible change in foreign exchange rate influences next year's results equivalently as follows:

FOREIGN EXCHANGE RISK IN JPY	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Open exchange rate risk	(50.708,95)	(74.397,86)	(50.708,95)	(74.397,86)
Percentage of possible change in exchange rate	10,00%	10,00%	10,00%	10,00%
Change posted in financial results	(5.070,90)	(7.439,79)	(5.070,90)	(7.439,79)

FOREIGN EXCHANGE RISK IN USD	Group		Company	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Open exchange rate risk	(3.469,55)	(198.596,68)	(3.469,55)	(198.596,68)
Percentage of possible change in exchange rate	10,00%	10,00%	10,00%	10,00%
Change posted in financial results	(346,96)	(19.859,67)	(346,96)	(19.859,67)

22.3 Foreign exchange rate risk for foreign affiliated company

Group has invested in subsidiaries of abroad whose transactions are being attended in local currency. Particularly, Mirkat OOD is active in Bulgaria and keeps its books in BGN. Mirkat Dooel Skopje is active in Fyrom and keeps its books in Denars. Ergotrak Romania keeps its books in LEU and Ergotrak Yu Ltd which is active in Serbia keeps its books in Denars.

Group is exposed in foreign exchange rate risk due to possible change of local currency rates over Euro. Liabilities and receivables for the above mentioned companies which are presented in local currency, excluding those presented in Euro, are presented in the following table:

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2013				
	BGN	DENARS	LEU	EURO	TOTAL
ASSETS					
Assets Accounts	22.346.287,16	583.651,44	165.775,62	0,00	23.095.714,22
Less: Assets in Euro	0,00	-40.610,72	0,00	40.610,72	0,00
TOTAL ASSETS	**22.346.287,16**	**543.040,72**	**165.775,62**		**23.095.714,22**
LIABILITIES					
Liabilities Accounts	10.897.666,04	804.756,08	23.272,02	0,00	11.725.694,14
Less: Liabilities in Euro	-4.732.598,08	-783.560,31	0,00	5.516.158,39	0,00
TOTAL LIABILITIES	**6.165.067,96**	**21.195,77**	**23.272,02**		**11.725.694,14**
Exchange position in foreign currency	**16.181.219,19**	**521.844,95**	**142.503,60**	**0,00**	**16.845.567,74**
Risk balance	0,00	0,00	0,00	0,00	0,00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**16.181.219,19**	**521.844,95**	**(142.503,60)**	**(0,00)**	**16.845.567,74**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2012				
	BGN	**DENARS**	**LEU**	**EURO**	**TOTAL**
ASSETS					
Assets Accounts	25,990,356.97	802,677.34	327,999.64	0.00	27,121,033.95
Less: Assets in Euro	0.00	(115,683.07)	0.00	115,683.07	0.00
TOTAL ASSETS	**25,990,356.97**	**686,994.27**	**327,999.64**		**27,121,033.95**
LIABILITIES					
Liabilities Accounts	20,905,658.32	913,187.95	22,879.35		21,841,725.62
Less: Liabilities in Euro	(19,304,450.70)	(887,518.46)	0.00	20,191,969.16	0.00
TOTAL LIABILITIES	**1,601,207.62**	**25,669.49**	**22,879.35**		**21,841,725.62**
Exchange position in foreign currency	**24,389,149.35**	**661,324.78**	**(305,120.29)**	**0.00**	**25,355,594.42**
Risk balance	0.00	0.00	0.00	0.00	0.00
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**24,389,149.35**	**661,324.78**	**(305,120.29)**	**(0.00)**	**25,355,594.42**

Group estimates that the possibility of significant change of exchange rates over Euro is minimal as this is appointed by managers of the local authorities. The possible change in foreign exchange rates will influence Group's equity as follows:

	BGN		DENARS		LEU	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**	**31.12.2013**	**31.12.2012**
Open exchange rate risk	16.181.219,19	24.389.149,35	521.844,95	661.324,78	142.503,60	305.120,29
Percentage of possible change in exchange rate	5,00%	5,00%	5,00%	5,00%	5,00%	5,00%
Change posted in equity	809.060,96	1.219.457,47	26.092,25	33.066,24	(7.125,18)	(15.256,01)

22.4 Interest rate risk

In order to define the risk of interest rate fluctuation there have been taken into account the following accrued items of liabilities and receivables:

1. Notes receivable of fixed interest rate.
2. Time deposits which they may have a fixed interest rate though due to their short duration they are considered as items having floating interest rate.
3. Loans (long-term bond loans, short-term loans) have floating interest rate.
4. Loans for leasing are considered liabilities with floating interest rate.

Taking into account the above mentioned the accrued items of assets and liabilities of floating interest rate are the following:

	Group		Company	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Accrued Assets	2.845.306,61	8.423.647,43	2.804.695,89	1.900.000,00
Accrued Liabilities	293.110.670,37	299.754.220,89	205.771.837,13	205.522.840,60
Interest rate risk	**(290.265.363,76)**	**(291.330.573,46)**	**(202.967.141,24)**	**(203.622.840,60)**
Risk balance	0,00	0,00	0,00	0,00
Open Interest rate risk	**(290.265.363,76)**	**(291.330.573,46)**	**(202.967.141,24)**	**(203.622.840,60)**
Change of 50 base points	0,50%	0,50%	0,50%	0,50%
Change in Interest Income	**1.451.326,82**	**1.456.652,87**	**1.014.835,71**	**1.018.114,20**

For the above interest rate risk the Company does not use hedging tools.

23. Operating Leasing

The Company and the Group have entered into real estate operating leasing both as a lessee and as a lessor. Taking into account the present leasing on 31.12.2012 and 31.12.2011 respectively, future leasing derive from the following tables, divided depending on the time they refer to and the role of lessee or lessor relating to the parent Company and the Group.

Parent Company and Group as a Lessor

Company's leasings 31.12.2013				
LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	327.027,12	1.173.837,89	254.226,17	1.755.091,17
RELATED COMPANIES	219.704,40	873.734,34	1.260.000,00	2.353.438,74
OTHER	114.000,00	436.000,00	58.500,00	608.500,00
TOTAL	**660.731,52**	**2.483.572,23**	**1.572.726,17**	**4.717.029,91**

Company's leasings 31.12.2012				
LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	381,507.12	1,503,447.96	975,561.34	2,860,516.42
RELATED COMPANIES	27,704.40	109,438.74	164,000.00	301,143.14
OTHER	0.00	0.00	0.00	0.00
TOTAL	**409,211.52**	**1,612,886.70**	**1,139,561.34**	**3,161,659.56**

Group’s leasing (related companies, other)

Group's leasings 31.12.2013				
LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
RELATED COMPANIES	219.704,40	873.734,34	1.260.000,00	2.353.438,74
OTHER	114.000,00	436.000,00	58.500,00	608.500,00
TOTAL	**333.704,40**	**1.309.734,34**	**1.318.500,00**	**2.961.938,74**

Group's leasings 31.12.2012				
LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
RELATED COMPANIES	27,704.40	109,438.74	164,000.00	301,143.14
OTHER	6,000.00	24,000.00	27,500.00	57,500.00
TOTAL	**33,704.40**	**133,438.74**	**191,500.00**	**358,643.14**

Parent Company and Group as a lessee

Company's leasings 31.12.2013				
LESSOR	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	192.918,96	305.549,16	0,00	498.468,12
RELATED COMPANIES	0,00	0,00	0,00	0,00
OTHER	1.263.046,84	2.999.472,18	1.863.318,33	6.125.837,36
TOTAL	**1.455.965,80**	**3.305.021,35**	**1.863.318,33**	**6.624.305,48**

Company's leasings 31.12.2012				
LESSOR	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	437,496.00	1,300,008.00	524,133.67	2,261,637.67
RELATED COMPANIES	0.00	0.00	0.00	0.00
OTHER	1,583,244.04	5,602,672.56	2,149,468.68	9,335,385.28
TOTAL	**2,020,740.04**	**6,902,680.56**	**2,673,602.35**	**11,597,022.95**

Group's leasings 31.12.2013				
LESSOR/LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
PARENT COMPANY/AFFILIATES	327.027,12	1.173.837,89	254.226,17	1.755.091,17
AFFILIATES/PARENT COMPANY	192.918,96	305.549,16	0,00	498.468,12
AFFILIATES/PARENT COMPANY	24.000,00	96.000,00	40.933,33	160.933,33
TOTAL	**543.946,08**	**1.575.387,05**	**295.159,50**	**2.414.492,63**

Group's leasings 31.12.2012				
LESSOR/LESSEE	**Up to 1 year**	**From 1 to 5**	**After 5 years**	**TOTAL**
PARENT COMPANY/AFFILIATES	381.507,12	1.503.447,96	975.561,34	2.860.516,42
AFFILIATES/PARENT COMPANY	437.496,00	1.300.008,00	524.133,67	2.261.637,67
AFFILIATES/PARENT COMPANY	127.885,92	261.480,25	109.333,33	498.699,50
TOTAL	**946.889,04**	**3.064.936,21**	**1.609.028,34**	**5.620.853,58**

24. Transactions with affiliated Companies

Services to and from affiliates and sales and purchases of goods are effectuated in accordance with the fee schedules which apply for non-affiliates and include income from sale of goods, purchase of assets, services and rents.

There are no bad debts or provisions for bad debts between the related parties (subsidiaries-relatives) of the Group.

Parent company-Subsidiaries/Affiliates

Parent company made transactions with related parties as follows:

Parent Company's transactions with related parties: 01/01/2013 - 31/12/2013				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
EXECUTIVE LEASE S.A.	8.388.740,52	3.206.755,16	38.940,75	5.754.326,03
ERGOTRAK S.A.	65.432,42	17.446,95	15.116,01	2.546,60
EXEC. INS. BROKERS S.A.	284.776,61	0,00	34.503,86	251.257,93
MIRKAT OOD	1.185.364,66	169.240,21	4.732.598,08	156.093,36
MIRKAT DOOEL SKOPJE	639.963,81	0,00	783.560,31	0,00
Total of Subsidiaries	**10.564.278,02**	**3.393.442,32**	**5.604.719,01**	**6.164.223,92**
Affiliates				
SPEEDEX S.A.	297.984,75	114.393,50	119.409,61	73.341,14
ATHONIKI TECHNIKI S.A.	1.604,91	0,00	26.551,36	0,00
ALPAN ELECTROLINE Ltd	0,00		0,00	0,00
Total of Affiliates	**299.589,66**	**114.393,50**	**145.960,97**	**73.341,14**
Grand Total	**10.863.867,68**	**3.507.835,82**	**5.750.679,98**	**6.237.565,06**

Parent Company's revenues from related parties: 01/01/2013 - 31/12/2013					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
EXECUTIVE LEASE S.A.	7.718.451,47	203.319,36	232.462,57	234.507,12	8.388.740,52
ERGOTRAK S.A.	1.453,40	489,36	11.769,66	51.720,00	65.432,42
EXECUTIVE INS. BROKERS S.A.	0,00	0,00	240.584,11	44.192,50	284.776,61
MIRKAT OOD	1.184.853,36	511,30	0,00	0,00	1.185.364,66
MIRKAT DOOEL SKOPJE	639.963,81	0,00	0,00	0,00	639.963,81
Total of Subsidiaries	**9.544.722,04**	**204.320,02**	**484.816,34**	**330.419,62**	**10.564.278,02**
Affiliates					
SPEEDEX S.A.	7.938,47	4.840,47	69.205,81	216.000,00	297.984,75
ATHONIKI TECHNIKI S.A.	1.150,71	454,20	0,00	0,00	1.604,91
ALPAN ELECTROLINE Ltd	0,00	0,00	0,00	0,00	0,00
Total of Affiliates	**9.089,18**	**5.294,67**	**69.205,81**	**216.000,00**	**299.589,66**
Grand Total	**9.553.811,22**	**209.614,69**	**554.022,15**	**546.419,62**	**10.863.867,68**

Parent Company's expenses from related parties: 01/01/2013 - 31/12/2013				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
EXECUTIVE LEASE S.A.	2.327.407,02	686.429,18	192.918,96	3.206.755,16
ERGOTRAK S.A.	11.071,23	6.375,72	0,00	17.446,95
EX. INSURANCE BROKERS S.A.	0,00	0,00	0,00	0,00
MIRKATOOD	167.706,31	1.533,90	0,00	
Total of Subsidiaries	**2.506.184,56**	**694.338,80**	**192.918,96**	**3.224.202,11**
Affiliates				
SPEEDEX S.A.	0,00	114.393,50	0,00	114.393,50
ALPAN ELECTROLINE Ltd	0,00	0,00	0,00	0,00
Total of Affiliates	**0,00**	**114.393,50**	**0,00**	**114.393,50**
Grand Total	**2.506.184,56**	**808.732,30**	**192.918,96**	**3.338.595,61**

The relevant transactions for year 2012 were as follows:

Parent Company's transactions with related parties: 01/01/2012 - 31/12/2012				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
PANERGON S.A.	306,505.85	161,543.58	272,394.19	413.26
PERSONAL BEST S.A.	7,476,389.05	1,102,771.01	2,227,417.44	16,425.44
ERGOTRAK S.A.	53,355.96	14,245.88	4,787.59	98.40
EXECUTIVE LEASE S.A.	5,383,427.65	2,894,903.73	56,761.13	4,848,574.72
EXEC. INS. BROKERS S.A.	319,226.42	0.00	50,757.80	518,286.57
MIRKAT OOD	1,985,444.27	230,652.73	12,983,416.80	0.00
MIRKAT DOOEL SKOPJE	937,625.14	0.00	893,071.22	0.00
Total of Subsidiaries	**16,461,974.34**	**4,404,116.93**	**16,488,606.17**	**5,383,798.39**
Affiliates				
SPEEDEX S.A.	223,753.13	195,788.90	59,322.49	24,597.14
ATHONIKI TECHNIKI S.A.	1,823.50	0.00	36,909.91	0.00
ALPAN ELECTROLINE Ltd	0.00	0.00	0.00	0.00
Total of Affiliates	**225,576.63**	**195,788.90**	**96,232.40**	**24,597.14**
Grand Total	**16,687,550.97**	**4,599,905.83**	**16,584,838.57**	**5,408,395.53**

Parent Company's revenues from related parties: 01/01/2012 - 31/12/2012					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
PANERGON S.A.	226,771.83	12,824.01	818.45	66,091.56	306,505.85
PERSONAL BEST S.A.	7,129,539.81	36,891.32	125,712.29	184,245.63	7,476,389.05
ERGOTRAK S.A.	706.55	473.96	455.45	51,720.00	53,355.96
EXECUTIVE LEASE S.A.	4,905,741.90	277,270.37	40,499.82	159,915.56	5,383,427.65
EXECUTIVE INS. BROKERS S.A.	0.00	0.00	268,226.42	51,000.00	319,226.42
MIRKAT OOD	1,985,444.27	0.00	0.00	0.00	1,985,444.27
MIRKAT DOOEL SKOPJE	937,625.14	0.00	0.00	0.00	937,625.14
Total of Subsidiaries	**15,185,829.50**	**327,459.66**	**435,712.43**	**512,972.75**	**16,461,974.34**
Affiliates					
SPEEDEX S.A.	19,824.01	9,704.85	48,411.31	145,812.96	223,753.13
ATHONIKI TECHNIKI S.A.	1,337.19	486.31	0.00	0.00	1,823.50
ALPAN ELECTROLINE Ltd	0.00	0.00	0.00	0.00	0.00
Total of Affiliates	**21,161.20**	**10,191.16**	**48,411.31**	**145,812.96**	**225,576.63**
Grand Total	**15,206,990.70**	**337,650.82**	**484,123.74**	**658,785.71**	**16,687,550.97**

Parent Company's expenses from related parties: 01/01/2012 - 31/12/2012				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
PANERGON S.A.	194.29	13,173.29	148,176.00	161,543.58
PERSONAL BEST S.A.	74,967.44	822,803.57	205,000.00	1,102,771.01
ERGOTRAK S.A.	12,638.08	1,607.80	0.00	14,245.88
EXECUTIVE LEASE S.A.	2,068,252.71	826,651.02	0.00	2,894,903.73
EX. INS. BROKERS S.A.	0.00	0.00	0.00	0.00
MIRKAT OOD	213,026.40	17,626.33	0.00	230,652.73
Total of Subsidiaries	**2,156,052.52**	**1,664,235.68**	**353,176.00**	**4,173,464.20**
Affiliates				
SPEEDEX S.A.	0.00	195,788.90	0.00	195,788.90
ALPAN ELECTROLINE Ltd	0.00	0.00	0.00	0.00
Total of Affiliates	**0.00**	**195,788.90**	**0.00**	**195,788.90**
Grand Total	**2,156,052.52**	**1,860,024.58**	**353,176.00**	**4,369,253.10**

At Group level all transactions (sales of goods, services, rents and other income) of the parent company with the subsidiaries incorporated in with the method of total consolidation as well as transactions between consolidated companies, of total amount € 14,498,557.15 have eliminated in the consolidated financial statements.

During the consolidation there have not been removed the relevant transactions and balances with associated companies of the Group which are consolidated by the equity method:

Affiliates

The following transactions are transactions with affiliates which are consolidated using the total integration method.

amounts in euro	**Group**	**Company**
a) Sales of goods and services and other income	364.441,84	299.589,66
b) Purchases of goods and services and expenses charged	186.437,85	114.393,50
c) Customers	263.970,10	145.960,97
d) Suppliers	85.524,52	73.341,14

These transactions involve the provision of services and rents.

Fees and other benefits to members of the Board and senior executives

The fees and benefits of the members of the Board of Directors and the senior executives for the Group and the Company are as follows:

BENEFITS	Group		Company	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Other short-term benefits (salaries and fees, car expenses, travel expenses, etc.)	2.269.370,52	2.591.297,75	1.741.635,84	1.974.304,48
Provisions of the year for post-employment benefits	44.566,68	49.332,77	34.247,56	37.614,55
TOTAL	**2.313.937,20**	**2.640.630,52**	**1.775.883,40**	**2.011.919,03**

Receivables and Liabilities of members of the Board and senior executives

No receivables and liabilities which relate to all senior executives and the members of the Board of Directors existed on 31.12.2013.

25. Possibilities

The total amount of letters of guarantee to secure obligations of good performance and participation in public competitions that were pending (open) on 31 December 2013 was € 14,1. This protective action is not expected to affect adversely the Group's results.

26. Subsequent events

There are no other major events for both the Parent Company and its subsidiaries, which took place from the end of fiscal year 2013 till the date of the financial statements.

Athens, 26 March 2014

The President of the BoD & Chief Executive Officer	The Chief Financial Officer & BoD Member	The Accounting Director
Stavros P. Taki ID No. AE 046850	George C. Koukoumelis ID No. AK 101669	Anthoula N. Kotzamani ID No. X 134411

SFAKIANAKIS S.A.

COMMERCIAL & INDUSTRIAL SOCIETE ANONYME FOR CARS, CONSTRUCTIONS, HOTELS & TOURISM BUSINESSES
ATHENS P.C.S.A. REGISTER No 483/06/B/86/10
5-7 SIDIROKASTROU & PIDNAS 118 55 ATHENS

FIGURES AND INFORMATION FOR THE PERIOD OF 1 JANUARY 2013 UNTIL 31 DECEMBER 2013

(according to the Law 2190/20, article 135 concerning companies which compile annual financial statements, either Consolidated or not under IFRS)

The figures presented below aim to give summary information about the financial position and results of SFAKIANAKIS S.A. We advise the reader, before making any investment decision or other transaction concerning the company, to visit the company's web site where the financial statements according to International Financial Reporting Standards together with the Auditor's Report, whenever is required, are presented.

COMPANY'S INFORMATION

Website address:	www.sfakianakis.gr
Company VAT :	094010226, Tax Office FAE ATHINON
Competent Prefecture:	Ministry of Development, Infrastructure, Transport and Networks
Date of aproval of the annual financial statements:	26 March 2014
Auditor:	Konstantinos P. Evangelinos (SOEL Reg. Number 13151)
Auditing firm:	S.O.L. S.A.
Type of Report:	With qualification - Emphasis to a matter

STATEMENT OF FINANCIAL POSITION (Amounts in €)

	GROUP		COMPANY	
ASSETS	**31.12.2013**	**31.12.2012**	**31.12.2013**	**31.12.2012**
Property, plant and equipment	163.294.955,83	170.746.699,33	101.943.831,51	98.673.205,36
Intangible assets	9.579.338,52	10.197.829,12	7.404.703,58	8.032.804,68
Other non-current assets	23.655.050,71	21.746.750,27	86.605.542,29	75.727.120,57
Inventories	35.366.553,64	49.485.102,57	27.616.657,57	34.064.686,95
Trade accounts receivable	65.393.971,99	68.181.536,13	25.622.371,70	37.151.959,58
Other current assets	38.560.690,30	42.785.192,08	18.273.767,44	16.903.367,30
TOTAL ASSETS	**335.850.561,00**	**363.143.109,50**	**267.466.874,09**	**270.553.144,44**
SHAREHOLDERS EQUITY AND LIABILITIES				
Share capital	19.786.200,00	19.786.200,00	19.786.200,00	19.786.200,00
Share capital and reserves	(48.264.001,55)	(19.716.733,52)	(16.837.181,25)	(1.003.134,97)
Total Shareholders Equity (a)	**(28.477.801,54)**	**69.466,49**	**2.949.018,75**	**18.783.065,03**
Non controlling interest (b)	89,09	3.271,60		
Total Equity (c) = (a) + (b)	**(28.477.712,45)**	**72.738,09**	**2.949.018,75**	**18.783.065,03**
Long-term bank liabilities	263.825.579,32	18.523.376,50	190.388.000,00	3.888.000,00
Provisions/Other long-term liabilities	22.734.548,42	19.731.066,98	19.668.413,33	15.605.353,17
Short-term bank liabilities	29.285.091,05	281.230.844,39	15.383.837,13	201.634.840,60
Other short-term liabilities	48.483.054,67	43.585.083,55	39.077.604,88	30.641.885,64
Total Liabilities (d)	**364.328.273,45**	**363.070.371,42**	**264.517.855,34**	**251.770.079,41**
TOTAL SHAREHOLDERS EQUITY & LIABILITIES (c)+(d)	**335.850.561,00**	**363.143.109,50**	**267.466.874,09**	**270.553.144,44**

STATEMENT OF CHANGES IN NET EQUITY (Amounts in €)

	GROUP		COMPANY	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Equity balance at the beginning of period (01.01.2013 & 01.01.2012 respectively)	72.738,09	44.634.120,02	18.783.065,03	47.283.630,61
Other changes of merger	0,00	0,00	959.130,17	0,00
Total Comprehensive Income after tax	(28.550.450,53)	(44.561.381,95)	(16.793.176,45)	(28.500.565,58)
Equity end of period (31.12.2013 & 31.12.2012 respectively)	**(28.477.712,45)**	**72.738,09**	**2.949.018,75**	**18.783.065,03**

CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Operating Activities :				
Profit/(Loss) before taxes (continuing operation)	**(28.049.595,59)**	**(43.114.013,52)**	**(22.389.267,75)**	**(39.308.541,50)**
Profit/(Loss) before taxes (discontinuing operation)	**(1.691.166,94)**	**(468.103,48)**	**0,00**	**0,00**
Plus / Less adjustments for :				
Depreciation	17.663.625,79	19.829.202,15	4.334.425,72	5.450.010,40
Provisions	5.231.438,99	3.268.873,77	1.848.891,11	991.851,87
Exchange rate differences	4.376,72	1.102,83	4.376,72	1.102,83
Results (revenue, expenses, profit and loss) from investment activity	2.029.366,09	2.213.686,91	774.976,73	6.566.012,27
Interest charges and other related expenses	14.793.947,07	17.305.465,65	10.305.780,19	11.695.204,38
Plus / (less) adjustments for changes in working capital:				
Decrease / (increase) in inventories	8.675.173,28	14.092.824,20	6.166.841,41	8.472.328,43
Decrease / (increase) in receivables	(2.691.513,41)	26.367.009,55	(1.251.470,13)	7.639.708,03
Increase / (Decrease) in liabilities (excluding banks)	11.152.502,60	(6.507.864,81)	9.525.814,53	5.173.715,11
(Less):				
Interest charges and other related expenses paid	(16.592.209,18)	(15.442.172,44)	(11.835.719,21)	(10.987.357,50)
Paid taxes	(397.754,43)	(326.568,41)	(259.394,43)	(143.437,94)
Operating cash flow from discontinuing operation	2.071.086,28	2.510.610,57	0,00	0,00
Total inflow / (outflow) from operating activities (a)	**12.199.277,25**	**19.730.052,98**	**(2.774.745,11)**	**(4.449.403,62)**
Investment Activities :				
Acquisition of subsidiaries, affiliates, joint ventures and other investments				
Purchase of tangible and intangible fixed assets	0,00	0,00	2.490.000,00	3.000.000,00
Proceeds from the sale of property, plant and equipment and intangible assets	(14.007.615,61)	(14.163.322,60)	(2.334.654,69)	(3.646.924,43)
Proceeds / (payments) from the sale / (purchase) of investing titles	2.556.017,04	3.328.960,20	1.940.000,85	2.332.703,58
Interest received	338.507,15	108.494,07	39.405,40	117.271,47
Dividends received	136.847,40	167.688,71	0,00	0,00
Total inflow / (outflow) from investing activities (b)	**(10.976.244,02)**	**(10.558.179,62)**	**2.134.751,56**	**1.803.050,62**
Financing activities :				
Proceeds from issued loans	0,00	0,00	0,00	0,00
Loans repayment	(5.807.486,54)	(9.783.533,08)	(2.429,64)	(3.484.370,19)
Payments of leasing li	(1.040.213,90)	(1.955.263,25)	0,00	0,00
Financing cash flow from discontinuing operation	0,00	0,00	0,00	0,00
Total inflow / (outflow) from financing activities (c)	**(6.847.700,43)**	**(11.738.796,32)**	**(2.429,64)**	**(3.484.370,19)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**(5.624.667,20)**	**(2.566.922,96)**	**(642.423,19)**	**(6.130.723,19)**
Cash and cash equivalents at the beginning of the period	**20.286.289,20**	**22.853.212,16**	**3.372.759,02**	**9.311.357,71**
Cash and cash equivalents at the end of the perioc	**14.661.622,00**	**20.286.289,20**	**2.730.335,83**	**3.180.634,52**

COMPREHENSIVE INCOME STATEMENT (Amounts in €)

	GROUP 01.01.-31.12.2013			GROUP 01.01.-31.12.2012			COMPANY	
	CONTINUING OPERATION	**DISCONTINUING OPERATION**	**TOTAL**	**CONTINUING OPERATION**	**DISCONTINUING OPERATION**	**TOTAL**	**01.01-31.12.2013**	**01.01-31.12.2012**
Sales Revenue	189.072.193,98	4.996.570,58	194.068.764,56	179.956.271,61	2.644.215,61	182.600.487,22	146.289.885,97	134.577.984,30
Gross profit	50.119.389,14	(165.116,63)	49.954.272,51	45.150.617,05	265.447,61	45.416.064,66	16.510.725,18	12.400.282,70
Profit before taxes, financing & investment results	(11.226.272,44)	(1.828.024,34)	(13.054.296,78)	(23.594.860,95)	(635.792,19)	(24.230.653,14)	(11.297.560,83)	(21.047.324,85)
Profit / (Loss) before taxes	**(28.049.595,59)**	**(1.691.166,94)**	**(29.740.762,53)**	**(43.114.013,51)**	**(468.103,48)**	**(43.582.117,00)**	**(22.389.267,75)**	**(39.308.541,50)**
Profit / (Loss) after tax (A)	**(27.346.925,81)**	**(1.691.166,94)**	**(29.038.092,75)**	**(45.859.057,75)**	**(468.103,48)**	**(46.327.161,24)**	**(23.347.194,91)**	**(40.425.215,98)**
Attributable to :								
Shareholders	(27.346.512,69)	(1.691.166,94)	(29.037.679,63)	(45.858.469,32)	(468.103,48)	(46.326.572,81)	(23.347.194,91)	(40.425.215,98)
Non controlling Interests	(413,12)	0,00	(413,12)	(588,43)	0,00	(588,43)		
Other Comprehensive Income after tax (B)	**487.642,22**	**0,00**	**487.642,22**	**1.765.779,29**	**0,00**	**1.765.779,29**	**6.554.018,45**	**11.924.650,40**
Total Comprehensive Income after tax (A) + (B)	**(26.859.283,59)**	**(1.691.166,94)**	**(28.550.450,53)**	**(44.093.278,46)**	**(468.103,48)**	**(44.561.381,95)**	**(16.793.176,45)**	**(28.500.565,58)**
Attributable to :								
Shareholders	(26.858.870,47)	(1.691.166,94)	(28.550.037,41)	(44.092.690,03)	(468.103,48)	(44.560.793,52)	(16.793.176,45)	(28.500.565,58)
Non Controlling Interest	(413,12)	0,00	(413,12)	(588,43)	0,00	(588,43)		
Net Profit / (Loss) (after taxes) per share-basic (in €)	(3,4553)	(0,2137)	(3,6689)	(5,7942)	(0,0591)	(5,8534)	(2,9499)	(5,1078)
Profit / (Loss) before taxes, financing, investment results & depreciation	6.437.353,34	(1.828.024,34)	4.609.329,01	(3.765.658,80)	(635.792,19)	(4.401.451,00)	(6.963.135,11)	(15.597.314,45)

OTHER IMPORTANT DATA AND INFORMATION

1. The accounting principles applied on 31/12/2013 are compliant with those applied by the Group according to the International Financial Reporting Standards on 31/12/2012.
2. Due to the application of the amendment of IAS 19 adjustments have been made to equity, provisions for employee benefits and other comprehensive income of previous years as analytically noted on Note 3.16 of the Annual Financial Report.
3. The emphasis of matter on the Auditor's Report refers to note 2.2 of the Annual Financial Report and refers to the going concern assumption and the existence of substantial uncertainty about the financial condition of the Parent Company and the Group and the restructuring of existing bank debt which is expected to be completed next year.
4.The number of the employees on 31/12/2013 was 492 for the parent Company and 745 for the parent Company with the consolidated subsidiaries (Group). The respectine amounts on 31/12/2012 were 552 and 827 for the Group.
5.The amounts of provision formed up to 31/12/2013 for non taxed audited financial years amounted to € 906.486,80 or the Group and € 661.486,80 for the parent Company respectively. Analysis of the provisions for the non taxed financial years are stated in note 18.1 of the Annual Financial Report.
6. Information of companies, establishment and consolidation method of companies are presented in note 1.1 in the financial statements.
7. Other comprehensive income (B) of amount € 487.642,22 for the Group and € 6.554.018,45 for the parent Company, refer to valuation at fair value of availabe for sale financial assets for the Group and additional valuation at fair value of subsidiaries and affiliates for the parent Company (Analysis in the Comprehensive Income Statement of the Annual Financial Report).
8. No own shares are held by the Company or by its subsidiaries and associates companies.
9. Parent company SFAKIANAKIS S.A.absorbed the 100% subsidiary company Personal Best SA. With the No K2-4432/28.06.2013 decision of Ministry of Development, Infrastructure, Transport and Networks. Detailed information presented in note 9.1 of the Annual Financial Report.
10. There was no change in the consolidation method for the period 01.01-31.12.2013 in comparison with 31.12.2012. There were no companies that have not been included in the consolidation compared to 31.12.2012 except from the subsidiary company Personal Best S.A. which was merged by the parent company. Additionally, there are no companies that are not included in the consolidation.
11. The discontinuing operation refers to the transfer of the delegation of Landini tractors.
12. Transactions with related parties are as follows:

Ποσά σε Ευρώ	GROUP	COMPANY
a) Revenue	364.441,84	10.863.867,68
b) Expenses	186.437,85	3.507.835,82
c) Receivables	263.970,10	5.750.679,98
d) Liabilities	85.524,52	6.237.565,06
e) Transactions and fees of directors and BoD members	2.313.937,20	2.640.630,52
f) Receivables from management and BoD members	0,00	0,00
g) Payables to management and BoD members	0,00	0,00

Athens, 26 March 2014

The President of the BOD & Chief Executive Officer	Chief Financial Officer & BoD Member	The Accounting Director
Stavros P. Taki ID No. AE-046850	George C. Koukoumelis ID No. AK - 101669	Anthoula D. Kotzamani ID No X 134411