

KARATZIS S.A.
INDUSTRIAL AND HOTEL ENTERPRISES
RegNo SAS 11396/06/B/86/89 - GCR No 77088427000



Municipality of Archanes-Asterousia, Melidochori Monofatsi, Heraklion Crete

Financial Data and Information From January 1st 2013 and September 30th 2013, (according to the Decision 4/507/28.04.2009 of the HCMC Board of Directors)

The financial statements illustrated below aim to provide general information about the financial position and results of KARATZIS S.A. and the Group. We advise the reader wishing to establish a thorough idea about its financial standing and results, to refer to the company's internet address where the annual financial statements in accordance with International Financial Reporting Standards are available, together with the auditor's report.

INFORMATION ABOUT THE COMPANY:
Website : www.karatzis.gr

Date of approval of the financial statements by the Board of Directors: 26th of November 2013

STATEMENT OF FINANCIAL POSITION (group and company)
amounts in th. €

	GROUP		COMPANY	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
ASSETS				
Property, plant and equipment	104.967	104.172	84.227	82.855
Intangible assets	2.173	2.284	160	154
Other non current assets	288	164	13.975	13.804
Inventories	13.488	16.158	10.443	13.605
Trade receivables	15.037	10.614	12.088	7.844
Other current assets	3.339	5.425	2.765	3.750
Cash and cash equivalents	19.162	18.995	18.579	18.876
TOTAL ASSETS	158.454	157.812	142.237	140.888
EQUITY AND LIABILITIES				
Share capital	21.139	21.139	21.139	21.139
Other equity components	72.371	65.147	69.110	62.009
Total equity attributable to owners of the parent (a)	93.510	86.286	90.249	83.148
Non-controlling interests in equity (b)	58	55	-	-
Total equity (c) = (a) + (b)	93.568	86.341	90.249	83.148
Long term interest bearing loans and liabilities	20.657	23.372	12.525	13.716
Deferred tax liabilities	4.824	4.053	4.824	4.053
Provisions and other long term liabilities	3.695	3.890	2.534	2.578
Short term bank borrowings	23.075	31.790	21.297	29.822
Other short term liabilities	12.636	8.367	10.808	7.572
Total liabilities (d)	64.887	71.471	51.988	57.740
TOTAL EQUITY AND LIABILITIES (c) + (d)	158.455	157.812	142.237	140.888

STATEMENT OF CHANGES IN EQUITY (group and company)

	GROUP		COMPANY	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Equity at the beginning of the year (01/01/2013 & 01/01/2012 respectively)	86.341	80.452	83.148	78.480
Retrospective application of IAS 19 effect	-	428	-	428
Total comprehensive income, after taxes (continuing operations)	7.227	4.490	7.101	4.182
Total comprehensive income, after taxes (discontinued operations)	-	2.246	-	1.702
Other changes	-	412	-	-
Equity at the end of the year (30/09/2013 & 30/09/2012 respectively)	93.568	88.027	90.249	84.791

STATEMENT OF CASH FLOWS (group and company)
amounts in th. €

	GROUP		COMPANY	
	01/01-30/09/2013	01/01-30/09/2012	01/01-30/09/2013	01/01-30/09/2012
Operating Activities				
Earnings (loss) before taxes (continuing operations)	10.525	5.686	10.055	5.193
Earnings (loss) before taxes (discontinued operations)	-	2.490	-	2.064
Plus : Adjustments for :				
Depreciation / amortization	4.598	4.132	3.705	3.522
Provisions	95	(99)	95	8
Investing results	61	(0)	57	(0)
Financial results	1.957	2.107	1.468	1.504
Other non cash expenses / (income)	(100)	(186)	(100)	(144)
Plus (less) adjustments for changes in working capital assets				
Decrease / (increase) in inventories	2.670	5.076	3.162	5.851
Decrease / (increase) in receivables	(2.264)	(4.983)	(2.823)	(4.311)
Increase / (decrease) in liabilities (except for banks)	2.754	1.149	1.959	(78)
	20.295	15.372	17.578	13.609
Minus :				
Interest paid	2.010	2.228	1.519	1.835
Taxes paid	982	(277)	883	312
Operating cash flows from discontinued operations	-	(1.226)	-	(735)
Net cash flows from operating activities (a)	17.304	12.195	15.176	10.727
Investing Activities				
Acquisition of subsidiaries, affiliated companies, joint ventures and purchase of tangible and intangible fixed assets	(556)	-	(588)	-
Proceeds from sale of tangible and intangible assets	(5.300)	(20.382)	(5.157)	(8.238)
Proceeds from sale of subsidiaries companies	1	61	1	1
Interest received	-	8.873	-	8.873
Other net cash flows not included in working capital	20	104	19	103
Investing cash flows from discontinued operations	2	(1.767)	(139)	(2.076)
	(5.833)	(13.176)	(5.804)	631
Financing Activities				
Επιχορηγήσεις νόμιμων επενδύσεων	48	-	48	-
Proceeds from bank borrowings	24.145	32.186	24.145	21.925
Repayments of bank borrowings	(35.495)	(19.615)	(33.860)	(19.455)
Dividends paid	-	(2)	-	(2)
Net cash flows from financing activities (c)	(11.303)	12.569	(9.668)	2.468
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	167	11.588	(297)	13.826
Cash and cash equivalents at the beginning of the period (continuing operations)	18.995	5.374	18.876	4.526
Cash and cash equivalents at the beginning of the period (discontinued operations)	-	1.595	-	-
Cash and cash equivalents at the end of the period	19.162	18.557	18.579	18.352

STATEMENT OF COMPREHENSIVE INCOME (group and company)
amounts in th. €

THE GROUP	01/01-30/09/2013			01/01-30/09/2012			01/07-30/09/2013			01/07-30/09/2012		
	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations
Revenue	56.680	49.749	3.868	53.617	21.294	18.177	145	18.177	145	18.322	145	
Gross profit / (loss)	16.725	13.790	595	14.385	7.268	6.079	(131)	6.079	(131)	5.949	(131)	
Earnings / (loss) before taxes and financing and investing results	9.961	7.793	262	8.055	4.805	3.543	(218)	3.543	(218)	3.325	(218)	
Earnings / (loss) before taxes	10.525	5.686	2.490	8.176	4.409	2.913	1.850	2.913	1.850	4.763	1.850	
Earnings / (loss) after taxes (A)	7.227	4.612	2.128	6.739	3.293	2.129	1.487	2.129	1.487	3.616	1.487	
Attributable to :												
Owners of the parent	7.221	4.599	2.128	6.727	3.284	2.130	1.487	3.284	2.130	3.618	1.487	
Non-controlling interests	6	12	-	12	10	(1)	-	10	(1)	(1)	-	
Other Comprehensive Income (B)	-	(122)	118	(3)	-	(41)	(1)	(41)	(1)	(42)	(1)	
Total Comprehensive Income (A) + (B)	7.227	4.490	2.246	6.736	3.293	2.088	1.486	3.293	2.088	3.575	1.486	
Attributable to :												
Owners of the parent	7.221	4.477	2.246	6.724	3.284	2.090	1.486	3.284	2.090	3.576	1.486	
Non-controlling interests	6	12	-	12	10	(1)	-	10	(1)	(1)	-	
Earnings / (loss) after taxes per share - basic (in €)	0.4923	0.3141	0.1449	0.4591	0.2244	0.1450	0.1013	0.2244	0.1450	0.2463	0.1013	
Earnings / (loss) before interest, taxes, depreciation and amortization	14.384	11.814	627	12.441	6.609	5.299	(123)	6.609	5.299	5.176	(123)	

THE COMPANY

	01/01-30/09/2013			01/01-30/09/2012			01/07-30/09/2013			01/07-30/09/2012		
	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations
Revenue	48.079	42.699	6	42.705	17.212	15.360	-	15.360	-	15.360	-	
Gross profit / (loss)	14.175	11.791	(0)	11.791	6.122	5.035	-	5.035	-	5.035	-	
Earnings / (loss) before taxes and financing and investing results	8.997	6.906	(0)	6.906	4.283	3.046	-	3.046	-	3.046	-	
Earnings / (loss) before taxes	10.055	5.193	2.064	7.257	4.040	2.627	1.694	4.040	2.627	4.320	1.694	
Earnings / (loss) after taxes (A)	7.101	4.304	1.702	6.005	3.099	1.967	1.331	3.099	1.967	3.298	1.331	
Attributable to :												
Owners of the parent	7.101	4.304	1.702	6.005	3.099	1.967	1.331	3.099	1.967	3.298	1.331	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	
Other Comprehensive Income (B)	-	(122)	-	(122)	-	(41)	-	-	(41)	-	(41)	
Total Comprehensive Income (A) + (B)	7.101	4.182	1.702	5.883	3.099	1.927	1.331	3.099	1.927	3.258	1.331	
Attributable to :												
Owners of the parent	7.101	4.182	1.702	5.883	3.099	1.927	1.331	3.099	1.927	3.258	1.331	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	
Earnings / (loss) after taxes per share - basic (in €)	0.4837	0.2932	0.1159	0.4091	0.2111	0.1340	0.0907	0.2111	0.1340	0.2247	0.0907	
Earnings / (loss) before interest, taxes, depreciation and amortization	12.601	10.318	(0)	10.318	5.816	4.509	-	5.816	4.509	4.509	-	

ADDITIONAL DATA AND INFORMATION

- The accounting principles adopted in preparation and presentation of the financial statement are consistent with the accounting principles adopted for the financial statements of the Company and the Group for the year ended as at December 31st, 2012.
- Companies included in the consolidated financial statements for the period 1.1 - 30.9.2013 are presented in note 4 of the financial statements, including information about locations, Group ownership percentage and consolidation method.
- The company and its subsidiaries do not hold any own shares.
- The financial statements of the parent company are included solely in the consolidated financial statements presented above.
- Information concerning the unaudited by tax authorities fiscal years of the Company and the Group are presented in note 11 of the financial statements.
- On September 14th 2012, the subsidiary Karatzis USA-LLC was sold to USA based Fabpro Oriented Polymers LLC for USD 11.800.000. Results and cash flows from the sold subsidiary are presented in discontinued operations of the comparable period.
- On March 6th 2013 the Ministry of Development, Competitiveness, Infrastructure, Transportation and Networks issued the Nr10158 Decision by which the company is entitled to collect € 2.582.802 as a repayment for an investment grant for capital and interest of Law 1892/90. Related details are presented in note 20 of the Financial statements.
- The number of employees as at 30/09/2013 and 30/09/2012 was 474 and 440 employees for the Company and 559 and 527 employees for the Group respectively.
- Provisions formed as at 30/9/2013 amount to (fig. in th.€)

	GROUP	COMPANY
Litigation provisions	253	253
Provisions for tax obligations regarding unaudited fiscal years	120	120
Other provisions	36	-
10. Other comprehensive income (B) refers to exchange differences from the conversion of subsidiaries' financial statements equal to (fig. in th.€) €118 thousand for the first 9 months of 2012, as well as the effect of the retrospective application of the amended IAS 19 of € 122 thousand (expense).		
11. There are underwritings on the company's fixed assets equal to € 1.800 thousand & there are underwritings and pledges on the Group fixed assets equal to € 8.611 thousand.		
12. There are no litigations or arbitrations pending against the Company and the Group that may have a significant impact on their financial position or operation.		
13. Related party transactions and balances (according to IAS 24) for the period 01/01 - 30/09/2013 are as follows (amount in th.€):		
a) Revenue	236	760
b) Expenses	276	322
c) Receivables from related parties	176	507
d) Payables to related parties	14	15
e) Compensation of key managers and members of the BoD	572	448
f) Receivables from key managers and members of the BoD	87	87
g) Liabilities to key managers and members of the BoD	-	-
14. The company's and the Group's earnings for the period 1.1 - 30.9.2013 include the expense from the special solidarity levy imposed on electrical power producers of Law 4093/12.11.2012, which amounts to € 1.296 thousand for the mother company and € 2.080 thousand for the Group.		

Iraklion, 26 November 2013

THE PRESIDENT OF THE B.o.D.	THE VICE PRESIDENT	THE CHIEF EXECUTIVE OFFICER	THE GENERAL MANAGER	THE DIRECTOR OF THE ACCOUNTING DEPARTMENT
MILTIDIADIS KARATZIS ID No. AE 456669	ATHINA KARATZI ID No. AK 475716	ANTONIO KARATZIS ID No. X 357305	KONSTANTINOS ARCHONTAKIS ID No. AE 456589	NIKOLAOS AMONACHAKIS Reg. no 0065793/A