

# 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 2014 and March 31st 2014, (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.

### STATEMENT OF FINANCIAL POSITION (group and company)

amounts in th. €

	GROUP		COMPANY	
	31/3/2014	31/12/2013	31/3/2014	31/12/2013
<b>ASSETS</b>				
Property, plant and equipment	105.065	104.867	84.766	84.365
Intangible assets	1.867	1.905	158	158
Other non current assets	76	277	13.974	13.975
Inventories	14.160	16.136	11.404	13.816
Trade receivables	11.025	9.413	9.550	7.153
Other current assets	3.623	3.319	3.024	2.694
Cash and cash equivalents	19.102	19.289	18.338	18.681
<b>TOTAL ASSETS</b>	<b>154.918</b>	<b>155.207</b>	<b>141.214</b>	<b>140.841</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	24.662	24.662	24.662	24.662
Other equity components	67.481	65.904	64.972	63.374
Total equity attributable to owners of the parent (a)	92.143	90.566	89.634	88.036
Non-controlling interests in equity (b)	55	54	-	-
Total equity (c) = (a) + (b)	92.198	90.620	89.634	88.036
Long term interest bearing loans and liabilities	18.811	19.870	11.341	11.957
Deferred tax liabilities	4.406	4.795	4.830	4.960
Provisions and other long term liabilities	3.531	3.594	2.435	2.456
Short term bank borrowings	23.893	24.778	21.943	22.847
Other short term liabilities	12.079	11.550	11.031	10.585
Total liabilities (d)	62.720	64.587	51.580	52.805
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>154.918</b>	<b>155.207</b>	<b>141.214</b>	<b>140.841</b>

### STATEMENT OF COMPREHENSIVE INCOME (group and company)

amounts in th. €

	GROUP		COMPANY	
	1/1-31/3/2014	1/1-31/3/2013	1/1-31/3/2014	1/1-31/3/2013
Turnover	15.578	14.557	13.748	12.758
Gross profit / (loss)	4.426	3.696	3.963	3.223
Earnings / (loss) before taxes and financing and investing results	2.460	1.988	2.350	1.924
Earnings / (loss) before taxes	2.037	4.005	2.064	4.116
<b>Earnings / (loss) after taxes (A)</b>	<b>1.578</b>	<b>2.397</b>	<b>1.598</b>	<b>2.533</b>
Attributable to :				
Owners of the parent	1.577	2.400	1.598	2.533
Non-controlling interests	1	(3)	-	-
<b>Other Comprehensive Income (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income (A) + (B)</b>	<b>1.578</b>	<b>2.397</b>	<b>1.598</b>	<b>2.533</b>
Attributable to :				
Owners of the parent	1.577	2.400	1.598	2.533
Non-controlling interests	1	(3)	-	-
Earnings / (loss) after taxes per share - basic (in €)	0,1075	0,1632	0,1089	0,1726
Earnings / (loss) before interest, taxes, depreciation and amortization	3.521	3.095	3.154	2.758

### STATEMENT OF CHANGES IN EQUITY (group and company)

amounts in th. €

	GROUP		COMPANY	
	31/3/2014	31/3/2013	31/3/2014	31/3/2013
Equity at the beginning of the year (01/01/2014 & 01/01/2013 respectively)	90.620	86.043	88.036	82.851
Total comprehensive income, after taxes	1.578	2.397	1.598	2.533
Equity at the end of the year (31/3/2014 & 31/3/2013 respectively)	<b>92.198</b>	<b>88.440</b>	<b>89.634</b>	<b>85.384</b>

Iraklion, May, 29th 2014

<b>THE PRESIDENT OF THE B.o.D.</b>	<b>THE VICE PRESIDENT</b>	<b>THE CHIEF EXECUTIVE OFFICER</b>
MILTADIS KARATZIS ID Card No. AE 456669	ATHINA KARATZI ID Card No. AK 475716	ANTONIOS KARATZIS ID Card No. X 357305
<b>THE GENERAL MANAGER</b>	<b>THE DIRECTOR OF THE ACCOUNTING DEPARTMENT</b>	
KONSTANTINOS ARHONTAKIS ID Card No. AE 456589	NIKOLAOS AMONACHAKIS Accountant Reg. No. 0065793/A'	

### STATEMENT OF CASH FLOWS (group and company)

amounts in th. €

	GROUP		COMPANY	
	1/1-31/3/2014	1/1-31/3/2013	1/1-31/3/2014	1/1-31/3/2013
<i>Indirect method</i>				
<b>Operating activities</b>				
Earnings (loss) before taxes	2.037	4.005	2.064	4.116
Plus : Adjustments for :				
Depreciation / amortization	1.136	1.146	855	848
Provisions	29	(1)	30	-
Exchange differences	-	-	-	-
Investing results	-	-	-	(4)
Financial results	423	566	286	396
Other non cash expenses / (income)	(74)	(2.611)	(51)	(2.597)
Plus (less) adjustments for changes in working capital assets				
Decrease / (increase) in inventories	1.976	2.029	2.412	2.539
Decrease / (increase) in receivables	(1.917)	(2.205)	(2.727)	(2.815)
Increase / (decrease) in liabilities (except for banks)	162	256	65	(386)
	3.772	3.185	2.934	2.097
Less :				
Interest paid	435	568	298	397
Taxes paid	466	48	345	72
<b>Net cash flows from operating activities (a)</b>	<b>2.871</b>	<b>2.569</b>	<b>2.291</b>	<b>1.628</b>
<b>Investing Activities</b>				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	-	-	-	(4.696)
Purchase of tangible and intangible fixed assets	(1.296)	(2.305)	(1.256)	(2.240)
Proceeds from sale of tangible and intangible assets	-	-	-	60
Interest received	13	2	12	1
Dividends received	-	-	-	-
Other net cash flows not included in working capital	168	(8)	130	4.552
<b>Net cash flows from investing activities (b)</b>	<b>(1.115)</b>	<b>(2.311)</b>	<b>(1.114)</b>	<b>(2.323)</b>
<b>Financing Activities</b>				
Proceeds from bank borrowings	6.980	7.663	6.870	7.520
Repayments of bank borrowings	(8.924)	(8.969)	(8.390)	(8.186)
Dividends paid	-	-	-	-
<b>Net cash flows from financing activities (c)</b>	<b>(1.944)</b>	<b>(1.306)</b>	<b>(1.520)</b>	<b>(666)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>	<b>(188)</b>	<b>(1.048)</b>	<b>(343)</b>	<b>(1.361)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>19.289</b>	<b>18.995</b>	<b>18.681</b>	<b>18.876</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>19.101</b>	<b>17.947</b>	<b>18.338</b>	<b>17.515</b>

### ADDITIONAL DATA AND INFORMATION

- The accounting principles adopted for the financial statements are consistent with those adopted for the financial statements of 31/12/2013.
- Companies included in the consolidated financial statements are presented in note 2.2 of the financial statements, including information about locations, ownership percentage and consolidation method.
- The financial statements of the parent company are included solely in the consolidated financial statements presented above.
- Information about the unaudited by tax authorities fiscal years of the Company and the Group are presented in note 12 of the financial statements.
- There are no disputes under litigation or arbitration or decisions issued by courts or arbitration boards, which have or may have a material effect on the financial position of the Company and of the Group.
- Provisions formed as at 31/3/2014 amount to (fig. in th. €) :

	Group	Company
Litigation provisions	-	-
Provisions for tax obligations regarding unaudited fiscal years	120	120
Other provisions	246	210
- The number of employees as at 31/3/2014 and 31/3/2013 was 287 and 284 employees for the Company and 366 and 368 employees for the Group respectively.
- Related party transactions and balances (according to IAS 24) for the period 01/01 - 31/3/2014 are as follows (amount in th. €):

	Group	Company
a) Revenue	101	273
b) Expenses	83	136
c) Receivables from related parties	62	540
d) Payables to related parties	20	85
e) Compensation of key managers and members of the BoD	99	68
f) Receivables from key managers and members of the BoD	132	132
g) Liabilities to key managers and members of the BoD	5	-
- The company and its subsidiaries do not hold any own shares.
- There are underwritings on the company's fixed assets equal to th. € 1,800 & there are underwritings and pledges on the Group fixed assets equal to th. € 9,074.