

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 June 30th 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.

COMPANY'S DATA

Web site:
Date of approval of the semi-annual financial statements:

www.karatzis.gr
28th of August 2014

Certified Chartered Auditor:
Audit firm:
Type of auditors' review:

Emmanouil N. Diamantoulakis - Reg. No. in Body of C.A-A. 13101
Grant Thornton S.A. - Reg. No. in Body of C.A-A. 127
Unqualified

STATEMENT OF FINANCIAL POSITION (group and company)

amounts in th. €

	GROUP		COMPANY	
	30/06/2014	31/12/2013	30/06/2014	31/12/2013
ASSETS				
Property, plant and equipment	104.489	104.867	84.408	84.365
Intangible assets	1.829	1.905	160	158
Other non current assets	402	277	13.993	13.975
Inventories	12.502	16.136	9.457	13.816
Trade receivables	14.014	9.413	12.301	7.153
Other current assets	3.081	3.319	2.745	2.694
Cash and cash equivalents	18.467	19.289	17.822	18.681
TOTAL ASSETS	154.784	155.207	140.886	140.841
EQUITY AND LIABILITIES				
Share capital	24.662	24.662	24.662	24.662
Other equity components	68.653	65.904	65.976	63.374
Total equity attributable to owners of the parent (a)	93.315	90.566	90.638	88.036
Non-controlling interests in equity (b)	57	54	-	-
Total equity (c) = (a) + (b)	93.372	90.620	90.638	88.036
Long term interest bearing loans and liabilities	17.956	19.870	10.613	11.957
Deferred tax liabilities	4.735	4.795	4.911	4.960
Provisions and other long term liabilities	3.326	3.594	2.274	2.456
Short term bank borrowings	23.151	24.778	21.531	22.847
Other short term liabilities	12.244	11.550	10.919	10.585
Total liabilities (d)	61.412	64.587	50.248	52.805
TOTAL EQUITY AND LIABILITIES (c) + (d)	154.784	155.207	140.886	140.841

STATEMENT OF CHANGES IN EQUITY (group and company)

amounts in th. €

	GROUP		COMPANY	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Equity at the beginning of the year (01/01/2014 & 01/01/2013 respectively)	90.620	86.341	88.036	83.148
Total comprehensive income, after taxes	3.520	3.933	3.369	4.002
Dividends paid	(767)	-	(767)	-
Equity at the end of the year (30/6/2014 & 30/6/2013 respectively)	93.372	90.274	90.638	87.150

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 4 of the financial statements, including information about locations, 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 about the unaudited by tax authorities fiscal years of the Company and the Group are presented in note 11 of the financial statements.
- The number of employees as at 30/6/2014 and 30/6/2013 was 482 and 461 for the Company and 564 and 546 for the Group respectively.
- Provisions formed as at 30/6/2014 amount to (fig. in th. €):

	GROUP	COMPANY
Litigation provisions	0	0
Provisions for tax obligations regarding unaudited fiscal years	120	120
Other provisions	95	60
- There are underwritings on the company's fixed assets equal to th. € 1,800 & there are underwritings and pledges on the Group's fixed assets equal to th. € 8,959.
- 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.
- Related party transactions and balances (according to IAS 24) for the period 01/01 - 30/06/2014 are as follows (amount in th. €):

	GROUP	COMPANY
a) Revenue	1.089	1.508
b) Expenses	195	250
c) Receivables from related parties	1.089	1.642
d) Payables to related parties	40	41
e) Compensation of key managers and members of the BoD	370	268
f) Receivables from key managers and members of the BoD	147	147
g) Liabilities to key managers and members of the BoD	15	11
- There isn't any interruption in the operations of the sectors or the companies of the Group.
- In the financial statements of the first half 2014, the newly created company 'ZEUS PACKAGING AGRICULTURE LTD', located in the United Kingdom, was consolidated for the first time with the equity method. The participation rate of KARATZIS SA amounts to 50%. More information is given in note 19 of the financial report.

STATEMENT OF COMPREHENSIVE INCOME (group and company)

amounts in th. €

	GROUP			
	01/01-30/06/14	01/01-30/06/13	01/04-30/06/14	01/04-30/06/13
Turnover	37.154	35.386	21.576	20.829
Gross profit / (loss)	9.821	9.457	5.395	5.761
Earnings / (loss) before taxes and financing and investing results	6.012	5.156	3.552	3.168
Earnings / (loss) before taxes	4.812	6.116	2.775	2.111
Earnings / (loss) after taxes (A)	3.520	3.933	1.942	1.537
Attributable to :				
Owners of the parent	3.517	3.937	1.939	1.537
Non-controlling interests	3	(3)	3	0
Other Comprehensive Income (B)	-	-	-	-
Total Comprehensive Income (A) + (B)	3.520	3.933	1.942	1.537
Attributable to :				
Owners of the parent	3.517	3.937	1.939	1.537
Non-controlling interests	3	(3)	3	0
Earnings / (loss) after taxes per share - basic (in €)	0,2398	0,2679	0,1323	0,1047
Earnings / (loss) before interest, taxes, depreciation and amortization	8.609	7.775	5.088	4.680
	COMPANY			
	01/01-30/06/14	01/01-30/06/13	01/04-30/06/14	01/04-30/06/13
Turnover	32.612	30.867	18.864	18.109
Gross profit / (loss)	8.806	8.053	4.843	4.831
Earnings / (loss) before taxes and financing and investing results	5.611	4.714	3.261	2.790
Earnings / (loss) before taxes	4.630	6.015	2.565	1.899
Earnings / (loss) after taxes (A)	3.369	4.002	1.771	1.468
Other Comprehensive Income (B)	-	-	-	-
Total Comprehensive Income (A) + (B)	3.369	4.002	1.771	1.468
Earnings / (loss) after taxes per share - basic (in €)	0,2295	0,2726	0,1206	0,1000
Earnings / (loss) before interest, taxes, depreciation and amortization	7.696	6.784	4.542	4.027

STATEMENT OF CASH FLOWS (group and company)

amounts in th. €

	GROUP		COMPANY	
	01/01-30/06/2014	01/01-30/06/2013	01/01-30/06/2014	01/01-30/06/2013
<i>Indirect method</i>				
Operating activities				
Earnings (loss) before taxes	4.812	6.116	4.630	6.015
Plus : Adjustments for :				
Depreciation / amortization	2.727	2.712	2.167	2.114
Provisions	79	94	80	95
Earnings from affiliated companies	(51)	-	-	-
Investing results	2	52	2	48
Financial results	1.248	1.571	979	1.234
Other non cash expenses / (income)	(129)	(2.670)	(82)	(2.621)
Plus (less) adjustments for changes in working capital assets				
Decrease / (increase) in inventories	3.634	2.614	4.358	3.106
Decrease / (increase) in receivables	(4.255)	(2.603)	(5.196)	(3.936)
Increase / (decrease) in liabilities (except for banks)	185	4.263	(32)	4.093
	8.252	12.149	6.906	10.148
Less :				
Interest paid	1.277	1.552	1.006	1.215
Taxes paid	1.221	490	1.124	485
Net cash flows from operating activities (a)	5.754	10.107	4.777	8.449
Investing Activities				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	(19)	(559)	(19)	(5.265)
Purchase of tangible and intangible fixed assets	(2.279)	(4.082)	(2.218)	(3.987)
Proceeds from sale of tangible and intangible assets	1	2	1	61
Interest received	29	6	27	6
Other net cash flows not included in working capital	-	(70)	-	4.557
Net cash flows from investing activities (b)	(2.268)	(4.703)	(2.209)	(4.628)
Financing Activities				
Proceeds from bank borrowings	576	13.910	312	13.910
Repayments of bank borrowings	(4.117)	(20.787)	(2.973)	(19.569)
Dividends paid	(767)	-	(767)	-
Net cash flows from financing activities (c)	(4.308)	(6.876)	(3.428)	(5.659)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	(822)	(1.472)	(860)	(1.838)
Cash and cash equivalents at the beginning of the period	19.289	18.995	18.681	18.876
Cash and cash equivalents at the end of the period	18.467	17.523	17.822	17.038

Iraklion, 28th of August 2014

THE PRESIDENT OF THE B.o.D

THE VICE PRESIDENT

THE CHIEF EXECUTIVE OFFICER

THE GENERAL MANAGER

THE DIRECTOR
OF THE ACCOUNTING DEPARTMENT

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