VIOHALCO

2015

ANNUAL REPORT

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Contents

Viohalco S.A.

Viohalco S.A. is a Belgium-based holding company of leading metal processing companies across Europe.

With production facilities in Greece, Bulgaria, Romania, Russia, FYROM, Australia, and the United Kingdom, Viohalco's subsidiaries focus on achieving technological advancement and specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products.

Viohalco's companies are committed to sustainable manufacturing of high quality products and innovative solutions for various dynamic markets such as, building and construction, energy and telecommunication networks, oil and gas, transportation, marine, automotive, food and pharmaceutical packaging, heating and air conditioning, lithography and numerous other industrial applications. Through a strong marketing and sales network, including commercial subsidiaries, agents and distributors, Viohalco's companies have the global reach and expertise to support their customers worldwide, offering a wide range of products and reliable services. Moreover, they constantly invest in research and technology, closely monitoring the most recent market developments.

Viohalco's portfolio also includes a segment dedicated to technology and R&D, comprising companies focused on industrial research and technological development, engineering applications, ERP application services, as well as a segment dedicated to recycling and waste management services.

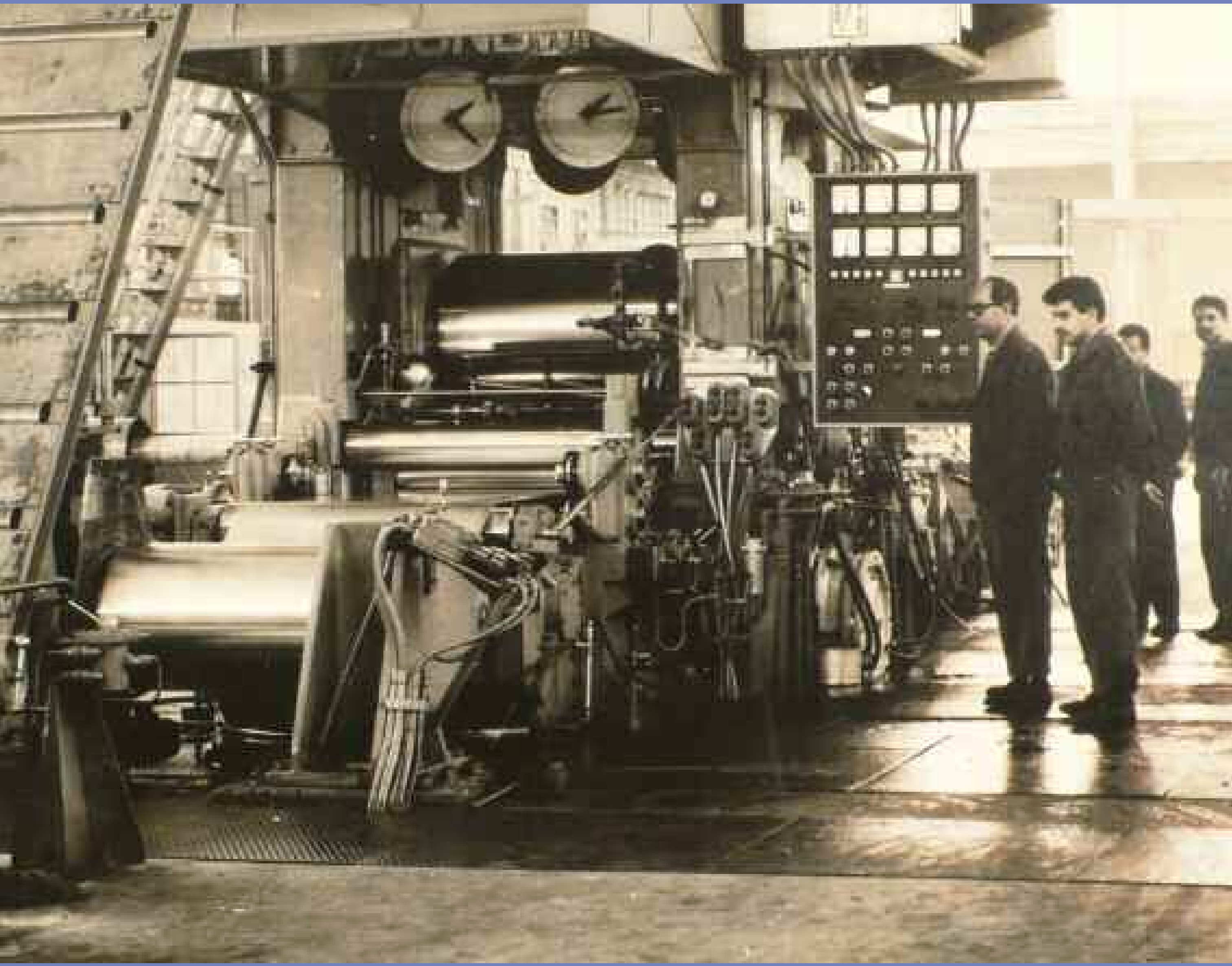
Viohalco and its companies also own substantial real estate, mainly in Greece, and have implemented redevelopment projects on a number of properties.

Viohalco key data
- Listed on Euronext Brussels Exchange (VIO) and on the Athens Exchange.
- Subsidiaries listed on the Athens Exchange: Halcor (XAKO), Hellenic Cables (ELKA), Corinth Pipeworks (SOLK).

Viohalco key figures in 2015
- Revenue: EUR 3.3 billion
- EBITDA: EUR 194 million
- EBIT: EUR 73.4 million
- Loss of the year: EUR 63.4 million
- Equity: EUR 1.2 billion
- Total assets: EUR 3.5 billion
- Total net debt: EUR 1.5 billion

Subsidiaries' key data
- Commercial network in 21 countries
- Products distributed in more than 100 countries

Subsidiaries' investments
- 2001-2015: over EUR 2.3 billion
- 2015: EUR 206 million



Message from the President of the Board of Directors

The year 2015 was marked by a further decline in the rates of global growth, due to the fall in commodities prices and the deceleration of the development of the emerging economies.

Europe faces major institutional changes including the refugee crisis, the trend in oil and gas prices which caused a number of energy projects to be postponed worldwide, the deceleration of Chinese economic growth which affected global demand for our products and the continuous economic recession and political instability in Greece, which disrupted both large scale and smaller projects. In this context, the risk of uncertainty and nervousness in the markets has been raised. These developments had the most pronounced impact on our steel operations, which were adversely affected by the increase in Chinese exports into European markets, in particular.

As a result of difficult market conditions in Greece, gaining access to sufficient capital to fund constant development of our business has been one of our key challenges in recent years. To address this challenge, we have embarked on a corporate transformation which reached several key milestones during 2015. The completion of a series of corporate transformations provided Viohalco and its companies with better access to capital and a higher profile in financial markets, which in turn, will facilitate further progress. Firstly, the cross border merger of Viohalco and its subsidiary Sidenor in 2015, then the separation of the industrial and commercial segments of Elval and their subsequent merger with its subsidiary, Symetal, and lastly the cross border merger of Viohalco and Elval, Alcomet, Diatour and Eufina in February 2016.

Despite the context of this volatile and significantly unstable environment, Viohalco and its companies have strived to deliver improved results across all their key performance indicators. Being motivated by its solid fundamental principles of continuous improvement and sustainable development within all aspects of its operations and remaining focused on the implementation of their strategy, Viohalco carried out the implementation of its investment plan.

During 2015, Viohalco completed a number of important projects which reinforced its competitive position in its key markets by enhancing its productivity and product range; indicative are the new induction furnaces in Sovel and Sidenor's plants, the installation of a vacuum degasser for the production of high quality steel alloys in Stomana Industry and the construction of an LSAW method pipe production unit at Corinth Pipeworks, enabling the penetration of the deep sea underwater pipeline market.

Furthermore, the countries of the Eurozone benefited from the decline of the value of Euro versus both the US Dollar and the GBP. The parity between Euro and US Dollar and the GBP respectively positively affected the profitability of exports to the United States, other USD denominated trading countries and the UK. The low oil prices, although they were partly offset by the strong US Dollar rate, positively affected production and transportation costs. Viohalco consolidated revenue for 2015 increased by 11.3% to EUR 3,275 million, compared to the EUR 2,943 million in 2014. This growth was mainly achieved due to sales volume increase in all segments, with the exception of the steel segment, and the improved product mix for most segments. The largest volume growth was registered in the cables' and steel pipes' segments. Consolidated revenue was also positively affected by a 6.5% increase in the average price of primary aluminium, while it was negatively affected by the 4.2% decline in copper price.

Net finance costs increased by 15% to EUR 111 million in 2015 from EUR 96 million in 2014, due to an increase of EUR 52 million in total debt and an increase in other interest bearing instruments to finance increased working capital needs.

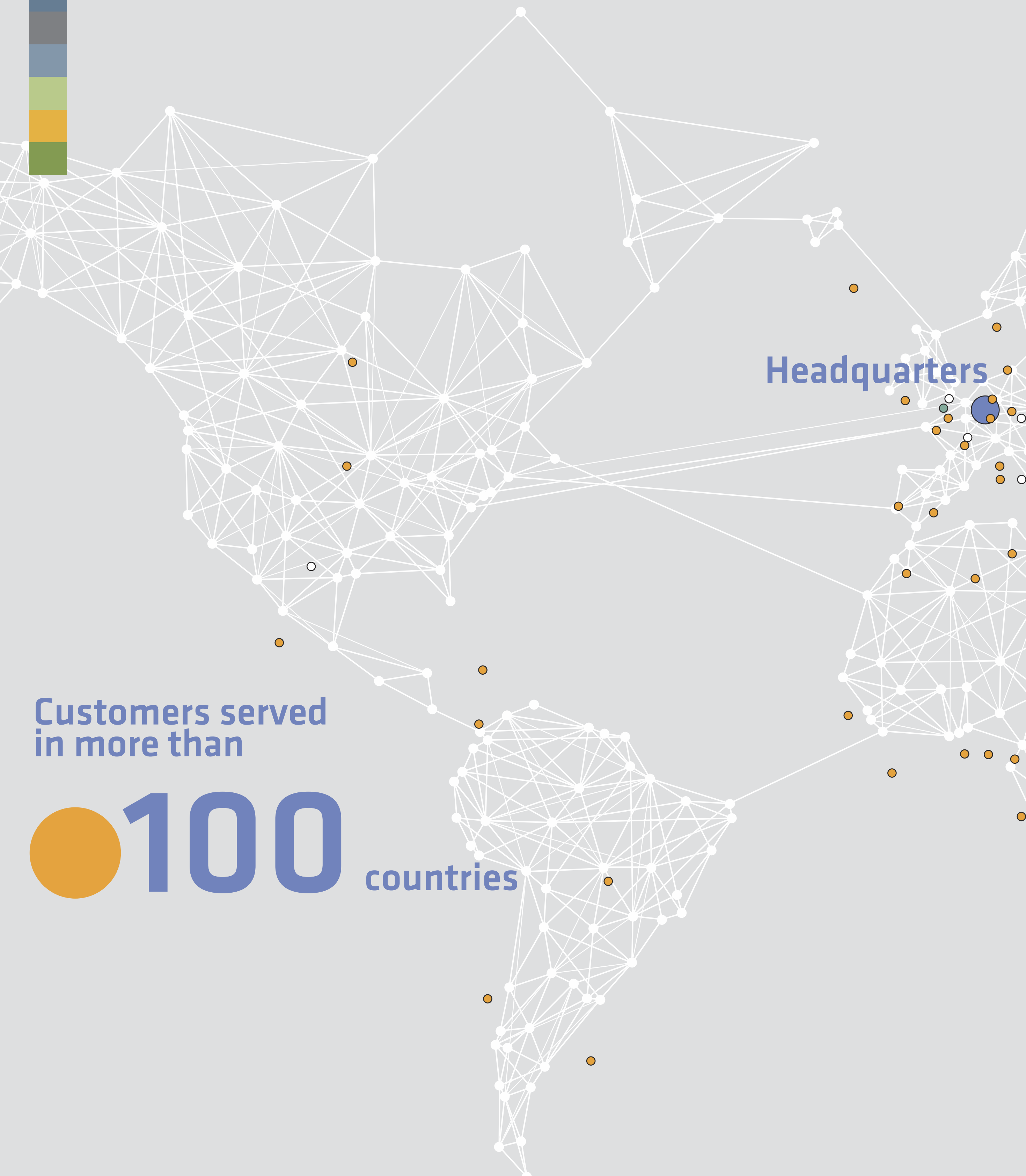
Loss before income tax of Viohalco in 2015 amounted to EUR 36.8 million compared to a loss before income tax of EUR 90 million in 2014. Loss of the year amounted to EUR 63.4 million in 2015, compared to a loss of EUR 87.5 million for 2014.

To ensure sustainable development beyond the short-term, we aim to further reduce our environmental footprint, raise our operational health and safety standards, and provide outstanding opportunities for the development of our people, as well as continuous support for the local communities in which we operate. The upgrading of our production facilities through intensive investment programmes render us now better positioned to increase exports and improve the penetration of markets by offering new growth opportunities.

Looking to the future, we are cautiously optimistic about the outlook of 2016 given the current political and economic scene in our key markets, but we remain confident that we will effectively adapt to the ever-changing economic and business conditions in which we operate.

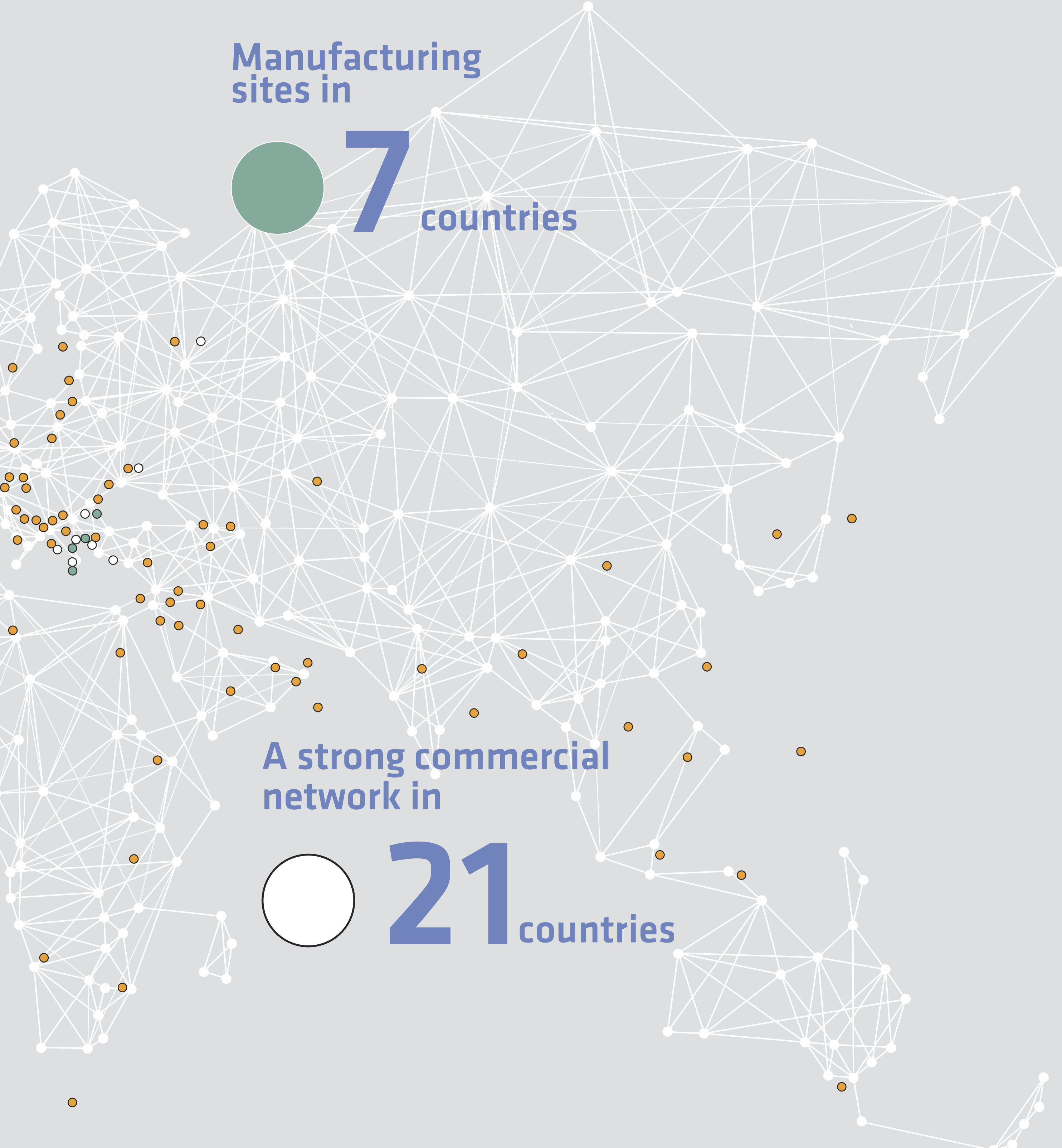
Nikolaos Stassinopoulos
President of the Board of Directors

Viohalco's companies' presence



Customers served in more than

100 countries

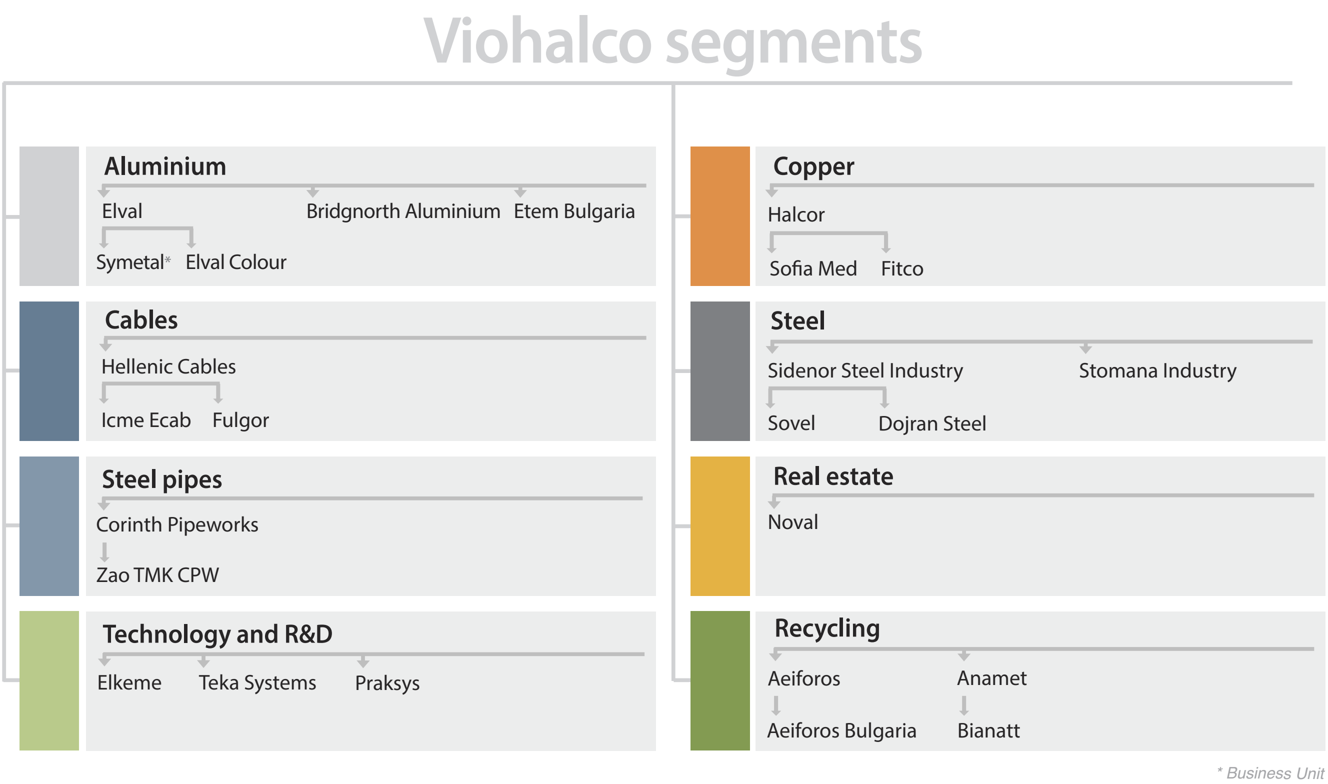


Manufacturing sites in 7 countries

A strong commercial network in 21 countries

Viohalco's portfolio - Business segments

Viohalco operates under the following organisational framework that comprises eight business segments:



- **Aluminium**: Elval and its subsidiaries, Bridgnorth Aluminium and Etem Bulgaria, deliver a wide variety of products from aluminium coils and sheets for general applications and aluminium foil for household use, to special products, such as rolled and extruded aluminium products for shipbuilding, automotive and construction industries, and lithographic coils.

- **Copper**: Halcor and its subsidiaries produce a wide range of copper and copper alloy products that span from copper and brass tubes, copper strips, sheets and plates, to copper bus bars and rods.

- **Cables**: The Cablel® Hellenic Cables Group is one of the largest cable producers in Europe, manufacturing power, telecommunication and submarine cables, as well as enamelled wires and compounds.

- **Steel**: Sidenor Steel Industry, Stomana Industry and their subsidiaries manufacture long, flat and downstream steel products.

- **Steel pipes**: Corinth Pipeworks engages in the production of steel pipes for the transportation of natural gas, oil and water networks, as well as steel hollow sections which are used in construction projects.

- **Real estate**: Viohalco creates value through the development of its former industrial real estate properties in Greece and Bulgaria.

- **Technology and R&D**: Viohalco's portfolio includes research and development (R&D) companies and R&D centres within the companies which focus on innovative and high value added products, efficient solutions for the optimisation of industrial and business processes, research into the environmental performance of plants and impact assessment of sustainable growth.

- **Recycling**: Viohalco's recycling segment trades and processes secondary raw materials, undertakes waste management and environmental operations, and provides services to consumers and corporate companies.

Notes:

- ***Halcor, Hellenic Cables and Corinth Pipeworks*** *are separately quoted on the Athens Exchange.*
- *The* ***published financial information of Halcor and Hellenic Cables*** *are prepared based on different accounting policies. More specifically, Halcor and Hellenic Cables account for property, plant & equipment and investment property based on the fair value model of IAS 16 and IAS 40, respectively, while Viohalco accounts for property, plant & equipment and investment property based on the cost value model of IAS 16 and IAS 40, respectively.*
- *The* ***Copper segment*** *financials differ from the published financials of Halcor, since they do not include the cable business, which forms a different segment (Cables segment).*
- *The* ***financials of the Real estate, Technology and R&D*** *and* ***Recycling segments*** *are reported on an aggregated basis, under* ***Real Estate and other activities****.*

History of Viohalco

Viohalco started more than 75 years ago as a family business and is now a Belgium-based holding company of leading metal processing companies across Europe. Viohalco's subsidiaries focus on technological advancement and R&D, while they specialise in the manufacture of aluminium, copper, cables, steel and steel pipes product solutions.

1930s

The Company was incorporated in 1937 under the name Hellenic Copper Industry S.A.

1940s

The Company was listed on the Athens Exchange in 1947.

1950s

- A period of intense investments in new machinery. A state-of the-art aluminium rolling mill was introduced, paving the way for the launch of a new leading aluminium rolled products manufacturer, Elval.
- The Company was renamed Viohalco-Hellenic Copper and Aluminium Industry S.A.

1960s

- A significant corporate expansion included the launch of the steel producing segment, cable operations, sanitary ware and tile production occurred.
- A holding company structure was adopted to secure independence and flexibility at subsidiary level.

1970s

A series of further new companies were founded, including aluminium profiles company Etem S.A. and Elval S.A., a spin-off from Viohalco Aluminium.

1980s

The companies were restructured through multiple spin-offs designed to form a cohesive corporate culture throughout all the production units.

1990s

Major subsidiaries were listed on the Athens Exchange, followed by a capital increase at Viohalco level to finance the swift expansion and consolidation of its subsidiaries in Greece and abroad.

2000s

By 2002, the portfolio of Viohalco companies' comprised a series of high-promising investments including Bridgnorth Aluminium Ltd (United Kingdom), Stomana Industry S.A. (Bulgaria), Sofia Med S.A. (Bulgaria), Icme Ecab S.A. (Romania), and Corinth Pipeworks S.A. (Greece).

2011

Hellenic Cables S.A. acquired Fulgor S.A., increasing substantially its cables production capacity and expanding its product portfolio into medium and high voltage submarine cables.

2013

- In November 2013, the cross-border merger by absorption of the Greek company Viohalco-Hellenic Copper and Aluminium Industry S.A. and the merger by absorption of the Belgian company Cofidin S.A. by the Belgian company Viohalco S.A., were completed.
- In November 2013, primary listing and trading on Euronext Brussels Exchange on Viohalco shares was achieved.

2014

- In February 2014, Viohalco S.A. achieved secondary listing of its shares on the Athens Exchange.
- In November 2014, Elval S.A. merged with Etem S.A., through absorption of the latter by the former.

2015

- In July 2015, the cross-border merger by absorption of the Greek company Sidenor Holdings by Viohalco S.A. was completed.
- In September 2015, the spin-off of the aluminium rolling sector of Elval (renamed Elval Holdings) occurred.
- The aluminium rolling operations were absorbed by 100% Elval's subsidiary Symetal (later renamed Elval Hellenic Aluminium Industry S.A.).

2016

In February 2016, the cross-border merger by absorption of the Greek companies (Elval Holdings, Alcomet and Diatour) and the Luxembourg company, Eufina, by Viohalco S.A. was completed.

MANAGEMENT REPORT *

* The Management Report prescribed by article 119 of the Belgian Companies Code which was approved by the Board of Directors on 14 April 2016 consists of this chapter (pages 12 to 67), as well as the Remuneration Report and the Risk Management and Internal Control sections of the Corporate Governance Statement (pages 73-74 and 75 respectively).

1. 2015 Highlights and 2016 Outlook

- **Financial highlights 2015**
- Consolidated revenue up 11.3% to EUR 3,275 million, compared to EUR 2,943 million in 2014
  - due to higher sales volumes in all business segments with the exception of steel, improved product mix and higher aluminium prices, partially offset by lower copper prices;
- EBIT of EUR 73.4 million, compared to EUR 4 million in 2014;
- EBITDA of EUR 194 million, compared to EUR 120 million;
- Loss before income tax of EUR 36.8 million, compared to a loss of EUR 90 million in 2014;
- Loss of the year at EUR 63.4 million, compared to a loss of EUR 87.5 million in 2014;
- Loss attributable to the owners of the Company of EUR 60.0 million, compared to a loss of EUR 59.4 million in 2014;
- Net debt up 1% to EUR 1,499 million as at 31 December 2015.

- **Outlook 2016**

Despite an expected gradual recovery across the Eurozone in 2015, the outlook for 2016 remains uncertain. Decline in European equity markets have affected consumer and business confidence and the slowdown in emerging economies has negatively affected growth in exports. On the other hand, the weak EUR compared to USD will improve the competitiveness of Viohalco companies' products, providing further revenue growth. For Viohalco, enhanced competitive positioning globally, following the completion of intensive investment programmes aimed at intensifying production facilities across the companies, will be the key to growing exports and increasing penetration in markets which provide superior growth opportunities. As for Greece, provided that the first assessment of the Greek programme is successfully concluded, economic growth is expected during the second half of 2016, positively affecting the Greek business of Viohalco's companies.

- **Operational highlights 2015**

Aluminium	• Spin-off of the industrial and commercial activities of the aluminium rolling segment of Elval and its absorption by its subsidiary Symetal concluded on 30 September 2015; subsequent change of company name from Symetal to Elval Hellenic Aluminium Industry, and of the parent company to Elval Holdings; • Elval and UACJ Corporation jointly established, in December 2015, a new company in Germany for the sale of automotive heat exchanger materials produced by Elval.
Copper	• Acquisition of Reynolds European SA's copper business and integration into Halcor's commercial activities; • Joint Venture ''HC Isitma A.S.'' of Halcor with Cantas A.S. (Turkey) to support expansion into the Turkish market and other Middle-Eastern markets.
Cables	• New contract for the cable interconnection of the 73.2 MW wind park in the island of St. George, south of Cape Sounio, Greece awarded to Fulgor.
Steel	• Cross-border merger by absorption of Sidenor Holdings by Viohalco completed on 22 July 2015.
Steel pipes	• Contract award by the Trans Adriatic Pipeline AG (TAP) for the supply of 495 km of large diameter pipes for the onshore part of the pipeline across Greece.
Real estate and other activities	• Start of operations of Mare West, the new retail park in Corinth, Greece.

2. Subsequent events

- The cross-border merger by absorption of the Greek subsidiaries (Elval Holdings S.A., Alcomet S.A. and Diatour S.A.) and the Luxembourg company Eufina S.A., by Viohalco S.A. was completed on February 26, 2016. Following this merger, Viohalco has increased its financial interest in Halcor S.A. and its subsidiaries by 1.87%.
- The aforementioned merger of Viohalco with Eufina is a business combination, which should be accounted for in accordance with IFRS 3. Viohalco has been identified as the acquirer for accounting purposes while Eufina has been considered as the acquiree for accounting purposes. The acquisition of Eufina by Viohalco has the following effect on the Viohalco Group's assets and liabilities at 26 February 2016:

Amounts in EUR thousand	Fair Values on Acquisition
Available-for-sale financial assets	11,610
Cash and cash equivalents	9,880
Trade and other payables	-14
Net identifiable assets and liabilities	21,476
Net assets acquired	21,476
Badwill on acquisition	-7,319
Fair value of the consideration transferred	14,156
Net cash outflow	**-**

Eufina has been identified as an acquiree in the context of this business combination. On this basis, the assets and Eufina has been identified as an acquiree in the context of this business combination. On this basis, the assets and liabilities contributed by Eufina have been adjusted to their fair value in accordance with IFRS 3 Business Combinations. The fair value of the net assets acquired is EUR 21.48 million.

In accordance with the exchange ratio (which is based on a valuation method for Viohalco and Eufina based on 60% Discounted Cash Flow value and 40% published prices on the stock market), Viohalco issued 13,168,788 shares to the owners of Eufina. Based on the stock price as per 26 February 2016 of EUR 1.075 per share, the fair value of the consideration transferred amounts to EUR 14.15 million and consists of the fair value of the shares to be issued by Viohalco.

The resulting Badwill on acquisition amounts to EUR 7.32 million.

In accordance with IFRS, this bargain purchase will be recognised in the 2016 Income Statement on the line "non-recurring items" and this income will be fully attributed to the "Owners of the Company".

- On March 31, 2016, the Boards of Directors of Corinth Pipeworks S.A. and its 100% subsidiary, non-listed company E.VI.KE S.A. decided the commencement of a spin-off procedure concerning the industrial and commercial activities of the pipe and hollow sector of Corinth Pipeworks S.A. and its absorption by E.VI.KE. S.A. On March 31, 2016, the Boards of Directors of Hellenic Cables S.A. and its 100% subsidiary, non-listed company SYMM.EP. S.A. decided the commencement of a spin-off procedure concerning the industrial and part of the commercial sector of Hellenic Cables S.A. and its absorption by SYMM.EP. S.A.

  The spin-offs and absorptions will be executed according to the provisions of Greek Law 4172/2013 and 31 December 2015 is set as the date of the transformation balance sheet.

  The consolidated financial results will not be affected as a result of the aforementioned spin-offs.

3. Business performance and activity report

Viohalco's financial performance 2015

During 2015, Viohalco's international business environment was negatively affected by continuing modest global growth, further decline of the steel industry, drop of metals prices and delays of the steel pipes projects worldwide. On the other hand, the decline of the value of Euro versus both the US Dollar and the GBP had a positive effect on the companies' competitive advantage and the profitability of exports, the United States and other USD denominated trading countries to the UK. In addition, low oil prices in Euro terms, positively affected production and transportation costs. In 2015, Viohalco and its companies improved significantly their financial performance reflecting efficient execution of their business strategy.

Summary consolidated statement of profit or loss

	For the year ended 31 December	
Amounts in EUR thousand	2015	2014
Revenue	**3,274,735**	**2,943,462**
Gross profit	306,494	205,653
Gross profit (%)	9%	7%
EBITDA before non-recurring items (1)	**200,077**	**117,540**
EBITDA before non-recurring items (1) (%)	6%	4%
EBITDA (2)	**193,753**	**119,624**
EBITDA (2) (%)	6%	4%
EBIT before non-recurring items (3)	**79,701**	**2,011**
EBIT before non-recurring items (3) (%)	2%	0%
EBIT (4)	**73,376**	**4,094**
EBIT (4) (%)	2%	0%
Net finance costs	**-111,042**	**-96,333**
Loss before income tax	**-36,784**	**-90,033**
Net margin before income tax (%)	-1%	-3%
Loss of the year	**-63,400**	**-87,543**
Loss attributable to owners of the Company	**-59,993**	**-59,405**

(1) EBIT before non-recurring items plus amortisation and depreciation

(2) EBIT plus amortisation and depreciation

(3) Operating result before non-recurring items

(4) Operating result

Viohalco consolidated **revenue** for 2015 increased by 11.3% to EUR 3,275 million, compared to the EUR 2,943 million in 2014. This growth was mainly achieved due to sales volume increase in all segments, with the exception of the steel segment, and the improved product mix for most segments. The largest volume growth was registered in the cables and steel pipes segments. Consolidated revenue was also positively affected by a 6.5% increase in the average price of primary aluminium (from EUR 1,405 per ton in 2014 to EUR 1,496 per ton in 2015), while it was negatively affected by the 4.2% decline in copper price (from EUR 5,174 per ton in 2014 to EUR 4,952 per ton in 2015).

EBIT significantly improved from EUR 4 million in 2014 to EUR 73 million in 2015, mainly due to the improvement in the operating results of aluminium, cables and steel pipes segments. EBIT was negatively affected by the sharp drop of steel scrap prices, which had a negative impact of EUR 39 million. In addition, EBIT was affected by non-recurring items that amounted to a negative EUR 6.3 million. These include EUR 10 million of impairment losses on PP&E, EUR 3.4 million of expenses incurred due to the ongoing restructuring process and EUR 7.1 million reversal of impairment losses on PP&E. In 2014, the respective figure was a positive EUR 2 million.

Net finance costs increased by 15% to EUR 111 million in 2015 from EUR 96 million in 2014, due to an increase of EUR 52 million in total debt and an increase in other interest bearing instruments to finance increased working capital needs.

Loss before income tax of Viohalco in 2015 amounted to EUR 36.8 million compared to a loss before income tax of EUR 90 million in 2014. **Loss before income tax** is the sum of operating profit of EUR 73.4 million, net finance costs of EUR 111 million and the share of profit of equity-accounted investees of EUR 1 million.

Loss of the year amounted to EUR 63.4 million in 2015, compared to a loss of EUR 87.5 million for 2014.

Summary of consolidated statement of financial position

	As at 31 December	
Amounts in EUR thousand	2015	2014
ASSETS		
Property, plant and equipment	1,814,588	1,759,024
Investment property	156,012	141,497
Other non-current assets	67,393	103,968
Non-current assets	**2,037,993**	**2,004,489**
Inventories	786,242	860,709
Trade and other receivables	538,165	535,085
Cash and cash equivalents	136,296	99,612
Other current assets	7,038	12,639
Current assets	**1,467,740**	**1,508,045**
TOTAL ASSETS	**3,505,734**	**3,512,534**
EQUITY	**1,174,763**	**1,243,006**
LIABILITIES		
Loans and borrowings	895,863	944,599
Deferred tax liabilities	151,365	138,091
Other non-current liabilities	97,429	100,775
Non-current liabilities	**1,144,656**	**1,183,465**
Loans and borrowings	739,139	638,848
Trade and other payables	419,201	430,718
Other current liabilities	27,894	16,497
Current liabilities	**1,186,234**	**1,086,064**
TOTAL LIABILITIES	**2,330,891**	**2,269,529**
TOTAL EQUITY & LIABILITIES	**3,505,734**	**3,512,534**

Non-current assets increased from EUR 2,004 million in 2014 to EUR 2,038 million in 2015. This increase is mainly due to the increase in PP&E (EUR 56 million) and investment property (EUR 15 million) and was partially offset by the lower value of other non-current assets (EUR 37 million).

Capital expenditure during the year amounted to EUR 206 million and **depreciation** of the year to EUR 125 million.

Current assets decreased by 2.7% from EUR 1,508 million to EUR 1,468 million. This is mainly due to lower inventories (EUR 74 million), largely offset by the increase (EUR 37 million) in cash and cash equivalents and trade and other receivables (EUR 3 million).

Liabilities increased by 2.7% from EUR 2,270 million in 2014 to EUR 2,331 million in 2015, mostly driven by higher financial debt by EUR 52 million. Viohalco companies' financial debt comprises of 55% long term and 45% short term facilities, of which 89% are extended by Greek banks or their subsidiaries abroad and 11% by international banks and supranational financial institutions. Short term facilities are predominately revolving credit facilities, which are annually reviewed with anniversaries spread throughout the year. These facilities are customarily reapproved on these anniversaries and based on budgeted projections are increased accordingly. Within those revolving credit facilities, short term loans of various maturities are drawn and, when matured, are renewed automatically if needed.

Performance by business segment

Viohalco's financial performance is impacted by the performance of its key subsidiaries, which in turn, are significantly affected by market conditions in their respective sectors.

ALUMINIUM

The companies of Viohalco's aluminium segment offer a variety of aluminium products, including coils, strips, sheets and foil for numerous applications, coils for lithographic printing, as well as architectural and industrial aluminium profiles.

Activities

The aluminium segment is actively involved in the processing, manufacturing and marketing of aluminium product solutions in various markets. With state-of-the-art production facilities in Greece, the United Kingdom and Bulgaria, as well as a dynamic commercial presence in most of their key geographical markets, aluminium segment companies maintain a solid position within the global aluminium industry.

Aluminium segment companies have established international presence in over 90 countries thanks to a solid commercial structure, which operates through Viohalco companies owned sales offices and teams and long-standing sales agents, part of a wider commercial network. This network includes business associates in Austria, Belgium, Bulgaria, France, Germany, Italy, Luxembourg, the Netherlands, Romania, Russia, Turkey, Ukraine, the United Kingdom and Ireland.

Product portfolio

Rolled products

- **Construction**: Mill finish and coated aluminium coils and sheets, composite panels, corrugated and perforated sheets for building facades, roofing, rainwater gutters and other construction applications;
- **Rigid packaging**: Aluminium for food and beverage cans, closures, packaging caps and precision valves;
- **Flexible packaging**: Aluminium foil for household use and industrial applications, cigarette packaging, food, pharmaceutical and aseptic packaging;
- **Transportation sector**: Aluminium products for the automotive, marine, road and rail industries, and the HVAC sector;
- **Lithographic coils**: Coils for the production of lithographic plates used in printing lines;
- **Household use**: Aluminium sheets and circles used as semi-finished product by manufacturers of domestic ware and cookware;
- **Industrial applications**: Aluminium sheets, coils and circles for engineering applications.

Extruded products

- **Architectural systems**: Aluminium systems for doors, windows, building facades, curtain wall systems, sun shading systems, rolling shutters, ventilated facades systems, security systems, etc.
- **Industrial aluminium applications**: Aluminium profiles and processed hard alloy bars for various industrial uses:
  - General engineering applications: furniture, ladders, machine benches, heat sinks for electrical applications;
  - Building applications: scaffolding systems, lighting systems and special shading applications;
  - Energy applications: photovoltaic systems, solar water heaters, heat exchangers;
  - Transportation: aluminium profiles for truck bodies, trailers, bicycles and marine applications.
- **Automotive applications**: Extruded aluminium profiles and parts that have undergone special tooling and machining, and are used in car chassis, suspension systems, doors and decorative aluminium profiles for roof railings.

Solutions

One of the main competitive advantages of aluminium segment companies lies in their technical capability of delivering innovative solutions, largely due to the significant investments and strategic focus on R&D. Internally, R&D centres, such as the Elval Technology Centre, have been founded, while externally, dynamic working relationships have been established with research institutes and scientific bodies aiming to facilitate the exchange of technical and operational expertise. These relationships include among others, the Elkeme, Hellenic Research Centre for Metals S.A., Manchester University's School of Materials and the Research and Development Department of the United Aluminum Company of Japan (UACJ Corp.).

Viohalco's companies benefit from their focusing on product research and they continually develop new ways to improve clients' manufacturing processes. Indicative examples are the highly-resistant special products with anti-slip properties, products subjected to deep drawing and

extrusion, tension levelled sheets with top-quality lacquer-coatings and products made of 100% recycled aluminium.

Elval and its subsidiaries manufacture environmentally friendly products, such as:

- Elval Colours' aluminium composite panels and Elval ENF coated aluminium sheets for architectural applications;
- Green alloy: an alloy produced solely from aluminium scrap;
- Brazing alloys: high-tech, multi-layer alloys for heat exchangers;
- Aluminium alloys for multi-layer tubes;
- Wide tread plates and mill finish sheets for wind turbines and solar panels for the renewable energy industry.

Key companies

The key companies and business units in the Viohalco aluminium segment are:

Elval S.A. is active in the production of a wide range of rolled aluminium products. Elval's offices and production facilities are located in Oinofyta, Greece.

Symetal, an Elval business unit, produces a variety of aluminium foil products, both plain and converted, providing diverse alternatives to numerous companies, mainly in the food, tobacco and pharmaceutical sector. Symetal manufacturing takes place at two production plants located in the Oinofyta and Mandra regions of Greece.

Elval Colour S.A. with production plant in Agios Thomas, Greece, produces and sells a full range of coated aluminium products for the building envelope. Custom-made solutions in application and colour shade are some of its core competencies.

Vepal S.A. with production unit in Thiva, Greece, engages in aluminium coil and sheet coating.

Etem Bulgaria S.A. manufactures aluminium profiles for architectural and industrial applications, such as the automotive industry, ship-building and photovoltaic systems, and markets its products worldwide.

Etem S.A. promotes the Group's aluminium architectural systems in the Greek market.

Bridgnorth Aluminium Ltd is headquartered in the United Kingdom and produces lithographic coils, semi-finished coils and electrical strip for transformer windings.

Viomal S.A. is a producer of aluminium rolling shutter and insect screen systems, spacers for double glazing and retractable security doors. Its plant is located in Evia in Greece.

Afsel S.A. is a joint venture between Elval and the United Aluminum Company of Japan (UACJ Corp.). It is active in the marketing of aluminium products to manufacturers of automotive heat exchangers, mainly in Europe.

Viohalco's main subsidiaries in the aluminium segment are:

Viohalco S.A.

Aluminium segment

Elval — Bridgnorth Aluminium — Etem Bulgaria

Symetal* — Elval Colour

* Business Unit

It should be noted that following the completion of the cross-border merger by absorption of the Greek companies (Elval Holdings, Alcomet and Diatour) and the Luxembourg company Eufina by Viohalco S.A. in February 2016, Elval Holdings has been delisted from the Athens Exchange.

Corporate Strategy

The key strategic pillars of Viohalco's aluminium segment are the following:

Production and quality

- To increase production capacity and further improve manufacturing effectiveness and operational competitiveness through investing in innovation, automation, business process reengineering, and advanced personnel training;
- To remain focused on maintaining top quality attributes across all product categories and fully utilise the cooperation of the companies with major European research centres and United Aluminum Company of Japan (UACJ Corp).

Commercial activity

- To strengthen the product portfolio with innovative solutions, supported by pre-sales and after-sales services;
- To fortify its presence and increase its share within existing and new international markets;
- To place greater emphasis on the commercial activity in the extrusion sector;
- To expand its presence in the lithography market;
- To increase sales volumes based on increased production capacity and subsequently achieve a commercial shift towards high added value products.

Sustainable Development

- To promote corporate responsibility, protect the environment, and put emphasis on Health and Safety measures at the workplace through continuous investments.

Production Facilities

The aluminium manufacturing base includes twelve production facilities in Greece, Bulgaria, and the United Kingdom:

Elval rolling plant | Oinofyta (Greece)
Annual production capacity: 260,000 tons
Elval's plant at Oinofyta is the aluminium segment's main production facility. It is active in aluminium rolling, manufacturing a wide range of products from coils and sheets for industrial applications, to beverage and food cans. Elval S.A. is certified as per ISO 9001:2008, ISO/TS 16949:2009, ISO 14001:2004, OHSAS 18001:2007 accredited for design, production and sales of aluminium rolled / painted products, manufacturing of aluminium rolled products intended for automotive industry, environmental management, and health and safety management, respectively. Elval S.A. is also certified by the major classification communities (DNV, ABS, TUV) as an approved manufacturer for Hi-Mg transportation products.

Anoxal plant | Agios Thomas (Greece)
Annual production capacity: 26,000 tons
Through a horizontal casting facility, three casting furnaces and three homogenisation furnaces, Anoxal's Agios Thomas plant specialises in recycling and casting aluminium, as well as manufacturing billets and slabs.

Vepal plant | Thiva (Greece)
Annual production capacity: 25,000 tons
Elval Colour's plant in Thiva processes sheets and coils using wet and electrostatic powder coating in order to produce aluminium products for the construction, food, and automotive industries.

Elval Colour plant | Agios Thomas (Greece)
The Agios Thomas plant manufactures composite panels and corrugated sheets for the building sector. Elval Colour is certified as per ISO 9001:2008, ISO14001:2004, OSHAS 18001:2007 accredited for production and quality control, environmental management, and health and safety management systems, respectively. Elval Colour is a member of the European Aluminium Association Building Board (EAA), of the Aluminium Association of Greece, and of the European Coil Coating Association (ECCA).

CCS plant | Oinofyta (Greece)
The CCS plant in Oinofyta moulds aluminium sheets into various shapes for use on roofs and building façades, meeting a number of construction sector requirements.

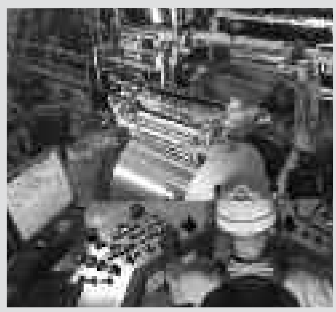
Elval foil plant | Oinofyta (Greece)
Annual production capacity: 50,000 tons
The Symetal plant produces aluminium foil in various forms and sizes. It produces a wide variety of products from household foil, yoghurt lids, candy wrappers and cigarette packs, to foil for cables and insulation applications.

Elval foil plant | Mandra (Greece)
Annual production capacity: 20,000 tons
The Mandra plant complements the Oinofyta foil production facility by receiving semi-ready foil products and processing them further through coating and embossing. The plant produces inner wrappers for cigarette packs, chocolate, chewing gum and other food packaging, as well as yoghurt and jam covers, and pharmaceutical products.

Viomal plant | Nea Artaki (Greece)
Annual production capacity: 4,500 tons
At the Nea Artaki plant, Viomal manufactures aluminium rolls for doors, windows and garage doors, screen and shading systems, and retractable security doors.

Bridgnorth Aluminium plant (Bridgnorth – United Kingdom)
Annual production capacity: 110,000 tons
The Bridgnorth plant produces lithographic sheets for the manufacture of litho plates for offset printing, as well as manufactures semi-finished coils for the production of aluminium foil, coils for the electrical transformer industry and heat and sound shielding raw material for the automotive sector.

Etem Bulgaria plant | Sofia (Bulgaria)
Annual production capacity: 27,000 tons
Etem Bulgaria's industrial complex in Sofia consists of a




WIMO

logistics centre which serves customers seeking extruded products in Central and Eastern Europe and the Balkans. It is active in aluminium extrusion, manufacturing architectural, automotive and industrial profiles. The Etem Bulgaria plant features four extrusion lines, a vertical electrostatic powder coating line, a horizontal electrostatic powder coating line, a horizontal electrostatic powder coating line for wood-like surfaces, and a thermo-break aluminium systems production line.

2015 Financial Performance

Revenue increased by 8% to EUR 1,133 million, versus EUR 1,052 million in 2014, largely driven by higher conversion prices, metal premiums, a 6.5% increase in the price of primary aluminium and a volume increase of 1.5%. **Profit before income tax** amounted to EUR 38 million compared to EUR 20 million in 2014. In the rolling segment, improved profitability was mainly derived from the enhanced product mix, higher conversion prices, increased sales volume and cost reduction. In the extrusion segment, despite extraordinary losses, the loss for the year narrowed down compared to 2014, due to a shift to industrial aluminium profiles.

The summary consolidated statement of profit or loss of the **aluminium segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	2015	2014
Revenue	**1,133,375**	**1,052,226**
Gross profit	**118,726**	**82,759**
Gross profit (%)	10%	8%
EBITDA before non-recurring items (1)	**116,684**	**78,323**
EBITDA before non-recurring items (1) (%)	10%	7%
EBITDA (2)	**107,735**	**78,323**
EBITDA (2) (%)	10%	7%
EBIT before non-recurring items (3)	**66,719**	**32,956**
EBIT before non-recurring items (3) (%)	6%	3%
EBIT (4)	**57,770**	**32,956**
EBIT (4) (%)	5%	3%
Profit before income tax	**37,913**	**20,090**

(1) EBIT before non-recurring items plus amortisation and depreciation
(2) EBIT plus amortisation and depreciation
(3) Operating result before non-recurring items
(4) Operating result

The key focus during 2016 will be the conclusion of the investment program at the Bridgnorth plant in the UK and the enhancement of the Group's commercial presence in existing markets. The market for heat exchangers for automotive industries is seen attractive and will be exploited through the jointly established company with UACJ Corp, in Germany. In addition, Elval will finalise the restructuring process to streamline its structure.

Further information on Elval is available on the Elval SA website:

www.elval.gr

COPPER

Activities

Viohalco is active in the copper industry through Halcor S.A. and its subsidiaries, Sofia Med S.A. in Bulgaria and Fitco S.A. in Greece. Through a wide product portfolio which primarily comprises copper and brass tubes, copper and titanium zinc rolled products and copper and brass extruded products, Halcor Group corresponds to the complex needs of its international clientele, across most of the major geographical markets. In addition to this, its subsidiary Hellenic Cables S.A. produces cables, conductors, enamelled wires, and rubber and plastic compounds (Cables segment).

Halcor Group's production base includes manufacturing facilities in Greece, Bulgaria and Romania.

Product portfolio

From copper and brass tubes to copper and brass rolled products, Halcor and its subsidiaries provide their clients with versatile solutions which cover most of consumer and industrial needs. The Group's main product categories are:

- **Tubes**: Talos®, Talos®EcuthermTM, Cusmart®, Talos® Gas, Talos® Med, Talos® ACR, Talos® ACR Inner Grooved, Talos® ACR EcuthermTM, Talos® Geotherm, Talos® EcuthermTM Solar, Talos® Solar Plus, Talos® ACR Linesets, Talos® Form, and Talos® Plated copper tubes.
- **Rolled products**: Copper and brass strips, sheets, discs and plates, titanium-zinc sheets and strips, and special copper alloy strips.
- **Extruded products**: Copper bus bars and rods, brass rods and tubes, profiles and wires.
- **Cables**: Cables and conductors, enamelled wires, copper and aluminium wire rods, as well as plastic and rubber compounds.

Over time, Halcor Group has built a solid track record in developing various products which expand its reach, broaden its market, and further strengthen its commercial presence.

Some key product examples include:

- Talos® EcuthermTM: pre-insulated copper tube with advanced insulating characteristics;
- Cusmart®: a patented flexible copper tube coated with a special PE compound;
- Talos® Geotherm: coated, PVC-insulated copper tube used in geothermal applications;
- Talos® ACR Inner Grooved tubes: high-technology tubes with inner grooves and minimum wall thickness of 0.25mm. Halcor is one of the few European manufacturers who can deliver products by using micro groove technology, and produce inner grooved tubes with a cross-section of 5mm for the HVAC industry;
- Talos® plated copper tubes: combine excellent technical attributes with a unique design for installation applications;
- Talos® Form: copper tubes for exceptional forming capability.

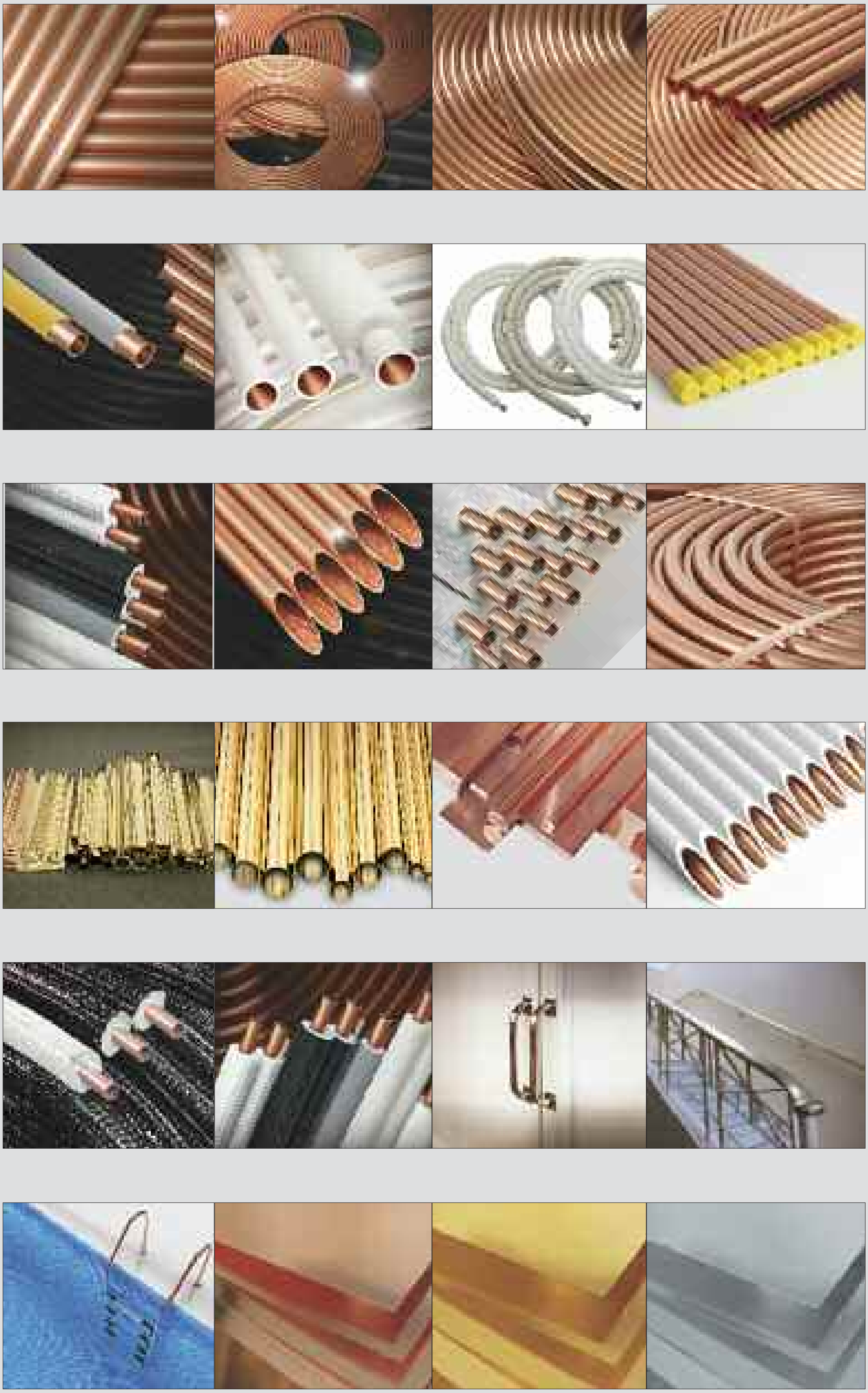
Key companies

Halcor Group's key companies in the copper segment are the following:

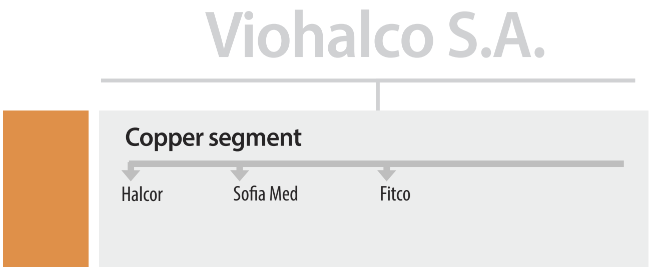
Halcor S.A. is the parent company of the Group, listed on the Athens Exchange. Through several production units in Oinofyta in Greece, Halcor is active in the manufacturing of copper tubes for building installation and industrial applications. Uses of its products include water supply, heating, cooling and natural gas networks, air-conditioning and refrigeration.

Sofia Med S.A. in Sofia in Bulgaria, produces copper, copper alloy and titan zinc rolled products, as well as copper extruded products.

Fitco S.A.'s production facility in Oinofyta in Greece primarily deals with the production of brass extrusions, manufacturing bars, profiles, rods, wires, copper alloy mesh and net for fish farm cages and tubes.



The main subsidiaries of Viohalco in the copper segment are:



Corporate Strategy

The key strategic pillars of Halcor Group are the following:

Product and service portfolio

- To reinforce Halcor Group's product portfolio with innovative, high added value products through continuous focus on R&D activities; and
- Establishment of a customer oriented business approach across all activities and processes and further improvement of its exemplary after-sales service.

Commercial development

- To further increase international sales through the expansion of underdeveloped product segments in attractive geographical regions, such as the US, Benelux, N. Africa, Scandinavia, Canada, the Baltic countries and Poland, and fortification of the Group's leading position in South-Eastern Europe;
- To focus on commercial utilisation of the Group's reorganised production base and commercial synergies; and
- To continue the efforts to promote selected product categories of high value, including innovative tubes, high and extra high voltage cables.

Production and operations

- To further improve Halcor Group's efficiency and decrease its fixed production costs;
- To maintain a nurturing working environment;
- To carry on the efforts to improve the Group's environmental performance;
- To increase the share of copper scrap used by the Group;
- To insist in maintaining high quality attributes in the Group's products.

Production Facilities

Halcor Group's industrial base comprises ten primary manufacturing facilities in Greece, Bulgaria and Romania.

Halcor Foundry | Oinofyta (Greece)
Annual production capacity: 235,000 tons
The company's foundry in Oinofyta produces mainly semi-finished copper, copper alloys, brass and zinc products in billet and slab forms. The plant has a fully operational copper and copper alloy scrap sorting and recovery centre and it is fully certified under ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007.

Halcor Copper Tubes plant | Oinofyta (Greece)
Annual production capacity: 75,000 tons
The state-of-the-art copper tubes plant in Oinofyta produces copper tubes for heating, water supply, natural gas, air conditioning and industrial applications, including fittings, filters and cable shoes. Its manufacturing facilities are certified under ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

Fitco Extrusion plant for Brass Bars and Tubes | Oinofyta (Greece)
Annual production capacity: 40,000 tons
Fitco primarily produces solid and hollow brass rods and profiles, brass wire and bars, seamless brass tubes of different cross-sections, welded brass tubes with a circular cross-section and copper alloy wire and net for fish farm cages. The plant's facilities are certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007 and its products comply with several quality specifications (EN, DIN, BS, NF, ASTM).

Sofia Med Copper Processing plant | Sofia (Bulgaria)
Annual production capacity: 155,000 tons
Sofia Med is active in the production of copper, brass, zinc and special copper alloy flat products, and copper bus bars and rods. Its production facilities are certified under ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007.

Being strategically focused on the competitive advantages derived from innovation, Halcor has allocated significant resources to Research and Development. Within this framework, among other initiatives, Halcor Group supports the Elkeme Hellenic Research Centre for Metals S.A. Elkeme to conduct applied technological research related to the quality characteristics and attributes of metal products, the development of new, innovative solutions and the improvement of current production processes.

2015 Financial Performance

Revenue in 2015 increased by 13% to EUR 783 million compared to EUR 695 million in 2014, largely attributable to an improved product mix (i.e. copper tubes sales increased by 14,5%) and an overall 1.5% increase in sales volumes, despite a 4.2% decline in the price of copper. **Loss before income tax** remained at EUR 26 million. These results were achieved, despite a metal loss of EUR 14.8 million (EUR 4.8 million in 2014).

The summary consolidated statement of profit or loss of the **copper segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	2015	2014
Revenue	**783,494**	**695,492**
Gross profit	**29,555**	**29,655**
Gross profit (%)	4%	4%
EBITDA before non-recurring items (1)	**16,279**	**17,894**
EBITDA before non-recurring items (1) (%)	2%	3%
EBITDA (2)	**16,279**	**17,602**
EBITDA (2) (%)	2%	3%
EBIT before non-recurring items (3)	**2,470**	**3,329**
EBIT before non-recurring items (3) (%)	0%	0%
EBIT (4)	**2,470**	**3,036**
EBIT (4) (%)	0%	0%
Loss (-) before income tax	**-25,863**	**-25,682**

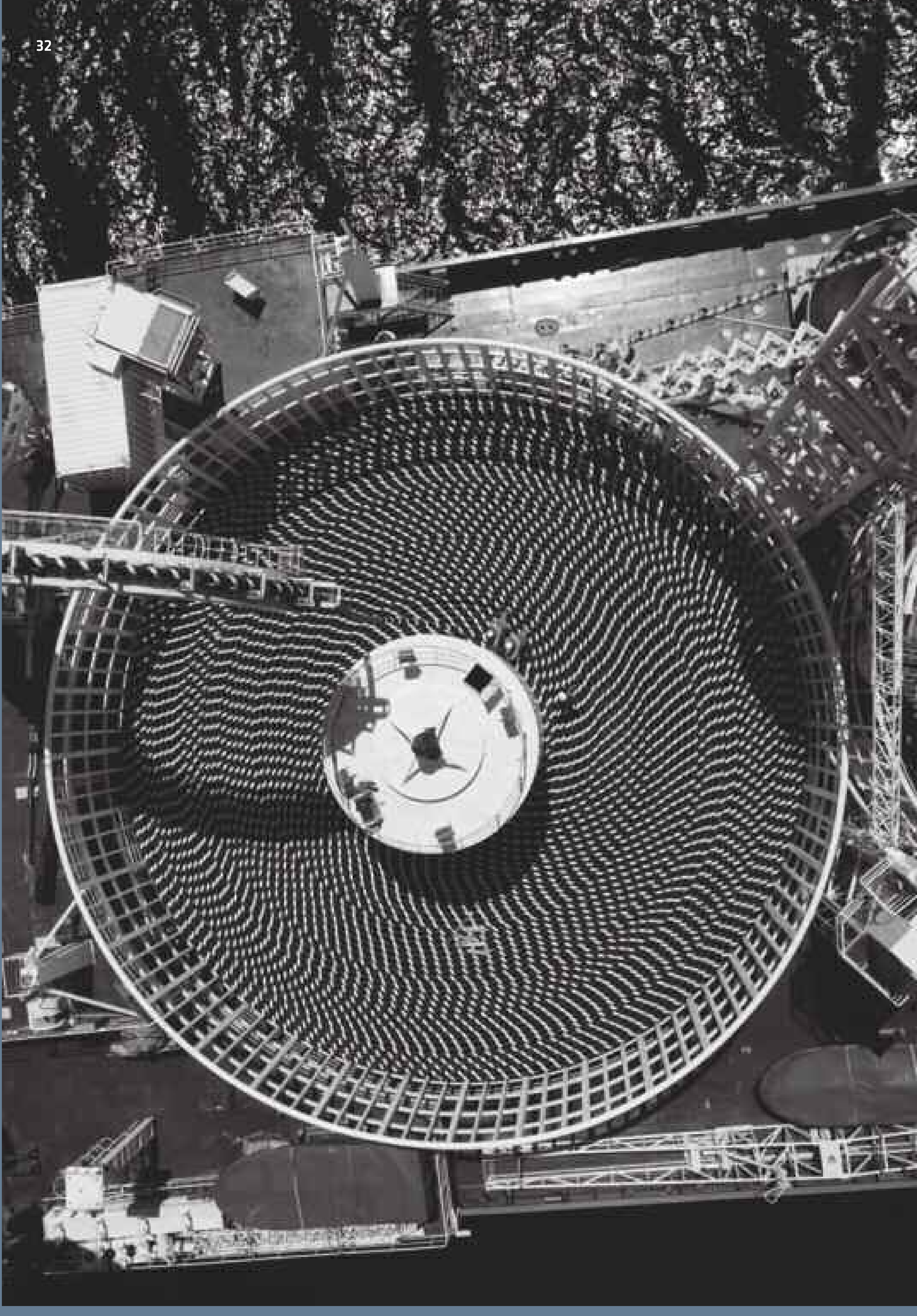
(1) EBIT before non-recurring items plus amortisation and depreciation
(2) EBIT plus amortisation and depreciation
(3) Operating result before non-recurring items
(4) Operating result

In 2016, Halcor and its subsidiaries will retain the strategic goal of growing market shares in industrial products and strengthening activity in new markets that provide potential and higher growth perspectives.

Further information on the Halcor Group is available on the Halcor SA website:

www.halcor.com


ΧΑΛΚΟΡ



CABLES

Activities

Hellenic Cables is a subsidiary of Halcor, which is separately listed on the Athens Exchange. Its product range consists of high and extra high voltage power transmission cables, submarine power and telecommunication cables, power distribution cables, building network cables, data and signalling cables, fibre optic cables, as well as enamelled wires. Over the past decade, the Cablel ® Hellenic Cables Group has evolved into the largest cable manufacturer in South-Eastern Europe, exporting to more than 50 countries. Its production base comprises six plants in Greece, Romania and Bulgaria which manufacture a wide range of products from high voltage submarine cables to extra high voltage power cables and enamelled wires. The Hellenic Cables Group's product portfolio is commercially traded under the registered brand Cablel ®.

Product portfolio

Cablel® Hellenic Cables Group's product portfolio includes a variety of cables and wires catering to various demands, from high profile individual projects to generic industrial applications. More specifically, product solutions provided by Hellenic Cables and its subsidiaries are used in the building, telecommunication and energy industries, as well as for specialised industrial applications. The key product categories are as follows:

- **Power cables**: Submarine cables, medium, high and extra high voltage cables, internal installation cables, control cables, cables for industrial applications and external installations, fire-retardant, fire-resistant and halogen-free cables, marine cables, copper conductors (grounding), aluminium, ACSR and ACSS/TW conductors.
- **Telecommunication cables**: Conventional telephone cables, telephone exchange and data transmission cables (LAN), fibre-optic (single-mode and multi-mode), submarine cables, and signalling cables.
- **Enamelled wires**: Enamelled copper and aluminium wires (round and rectangular) for electric motors and transformers, and copper wires for grounding, earthing and welding applications (can industry). Hellenic Cables is the sole manufacturer of enamelled wires in Greece.
- **Plastic and rubber compounds**: PVC-based plastic compounds, low smoke halogen free polyolefin-based plastic compounds and rubber compounds.

Solutions

One of Cablel® Hellenic Cables Group's competitive advantages is its ability to provide turnkey solutions to its customers. The Group's capabilities include the following:

- System design and engineering;
- Cable route survey;
- Design and manufacturing of suitable underground and submarine cable types;
- Loading and transportation of cables to the project site;
- Installation of cables (with the use of specialised cable laying vessels for submarine cables);
- Protection of cables along the cable route;
- Supply and installation of repair joints, transition joints and cable terminations;
- Supply and installation of terminal equipment;
- System testing and commissioning;
- Project management;
- Training of customer personnel in the operation of the system; and
- Provision of maintenance and repair solutions.

Viohalco's main subsidiaries in the cable segment which constitute the Cablel ® Hellenic Cables Group are:

Hellenic Cables S.A. is active in the manufacturing of telecommunication and low, medium, high and extra high voltage power cables, enamelled wires and plastic as well as rubber compounds, individually tailored to customers' specifications. The production base of the company and its subsidiaries includes six plants in Greece, Romania and Bulgaria. Hellenic Cables S.A. shares are listed on the Athens Exchange.

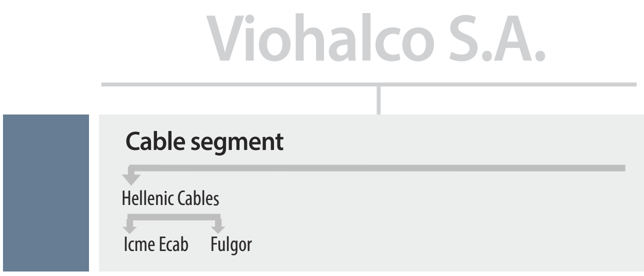
Fulgor S.A. has industrial facilities in Soussaki, Corinth, Greece, and manufactures medium, high and extra high


CABLEL

voltage submarine cables, submarine fibre optic cables, composite cables, special purpose cables, and copper and aluminium wires and rods. Fully-equipped port facilities operate within the plant to ensure immediate cable loading onto cable ships.

Icme Ecab S.A. has industrial facilities in Bucharest, Romania. The company has a wide product portfolio which includes cables for indoor installations, energy, control, industrial and external applications, low and medium voltage, fire-retardant, fire-resistant and halogen-free cables, mine cables, marine and special-requirement cables, telecommunication cables, signalling, remote control and data transmission cables, copper and aluminium conductors, as well as plastic and rubber compounds. A well-equipped research and development unit which operates in the plant is responsible for the on-going improvement of product quality.

Lesco Ltd. is a wooden reels and pallets plant in Blagoevgrad, Bulgaria.



Corporate Strategy

The strategic objectives that guide the operational activities of Hellenic Cables and its subsidiaries are the following:

- To capitalise commercially on Hellenic Cables Group's investments by focusing on added value products such as high voltage submarine cables and extra high voltage underground cables;
- To promote Hellenic Cables Group's activities in geographical regions outside Europe, mainly in markets which invest heavily in the development of power and telecommunication networks, and in renewable energy projects;
- To increase the level of direct sales to energy network operators;
- To boost the Group's productivity by further rationalising its cost base, enforcing stricter inventory management and further improving the operational performance of the production units;
- To further intensify the Group's liquidity through prudent working capital management;
- To preserve appropriate focus on the Group's human assets and on the sustainable development of its companies.

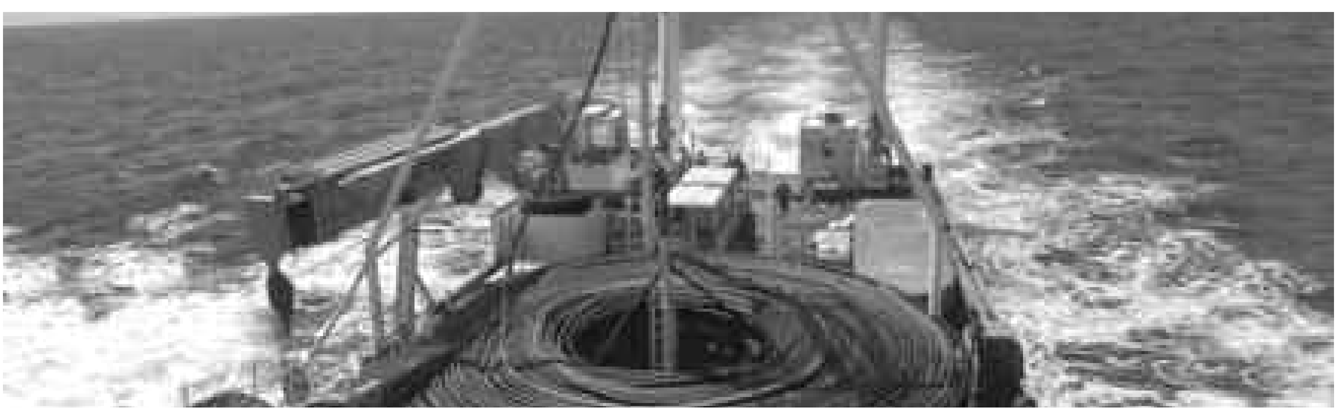
Production facilities and port

Having invested significantly in the expansion and improvement of its manufacturing facilities, Hellenic Cables Group and its subsidiaries operate an effective production base that comprises four plants in Greece, one in Romania and one in Bulgaria:

Hellenic Cables Power and Optical Fibres Cable plant | Thiva (Greece)
Annual production capacity: 60,000 tons
The group's Thiva plant primarily produces power, control and internal installation cables, medium, high and extra high voltage power cables, fire-retardant halogen-free cables, marine and offshore cables, and fibre-optic cables. The plant has been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Fulgor Cable plant and port | Soussaki, Corinth (Greece)
Annual production capacity: 50,000 tons of cables and 120,000 tons of 8mm diameter copper wire rod.
Fulgor has industrial facilities in Soussaki, Corinth, Greece, and manufactures medium, high and extra high voltage submarine cables, submarine fibre optic cables, composite cables, special purpose cables, and copper and aluminium wires and rods. The Fulgor plant has been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007 standards and one of its competitive advantages is the fully operational port facility which enables direct loading of products onto cable ships.

Icme Ecab Cable plant | Bucharest (Romania)
Annual production capacity: 50,000 tons
Icme Ecab has industrial facilities in Bucharest, Romania. The company has an extensive product portfolio which includes cables for indoor installations, energy, control, industrial



and external applications, low and medium voltage, fire-retardant, fire-resistant and halogen-free cables, mine cables, marine and special-requirement cables, telecommunication cables, signalling, remote control and data transmission cables, copper and aluminium conductors, as well as plastic and rubber compounds. A well-equipped research and development unit which operates in the plant is responsible for the on-going improvement of product quality. Its facilities have been certified under ISO 9001:2008 and ISO 14001:2004.

Hellenic Cables enamelled wires plant | Livadia (Greece)
Annual production capacity: 14,000 tons
The Livadia plant manufactures copper wires for grounding, earthing and welding applications, as well as enamelled copper and aluminium wires. Its production units have been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Hellenic Cables plastic and rubber compounds plant | Oinofyta (Greece)
Annual production capacity: 24,000 tons
The Oinofyta plant produces rubber and plastic compounds for the insulation, filling and sheathing production lines for finished cables. Part of the production facilities are used by the parent company Halcor in the manufacture of ECUTHERM® and CUSMART® products. The facilities have been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Lesco Ltd. | Blagoevgrad (Bulgaria)
Wooden reels and pallets plant

2015 Financial Performance

Revenue in 2015 increased by 37% year-on-year to EUR 447 million, versus EUR 327 million in 2014. The increase in revenue generated by the segment, is attributable to higher sales volume, as well as the execution of two significant submarine cable projects in Greece, the Cyclades interconnection and St. George Island interconnection. During 2015, **profit before income tax** amounted to EUR 8 million compared to a loss of EUR 26 million in 2014. The improvement in results was achieved despite the metal loss of EUR 5.7 million, due to the drop in copper prices. Also, for the first time and following the completion of an intensive investment programme, all production units in the Hellenic Cables' subsidiary, Fulgor were put to operation, by the commencement of execution of all contracts of submarine cables.

The summary consolidated statement of profit or loss of the **cables segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	**2015**	**2014**
Revenue	**447,285**	**327,090**
Gross profit	**42,270**	**6,465**
Gross profit (%)	9%	2%
EBITDA before non-recurring items (1)	**37,017**	**686**
EBITDA before non-recurring items (1) (%)	8%	0%
EBITDA (2)	**42,207**	**686**
EBITDA (2) (%)	9%	0%
EBIT before non-recurring items (3)	**26,357**	**-8,494**
EBIT before non-recurring items (3) (%)	6%	-3%
EBIT (4)	**31,547**	**-8,494**
EBIT (4) (%)	7%	-3%
Profit/Loss (-) before income tax	**8,300**	**-26,378**

(1) EBIT before non-recurring items plus amortisation and depreciation
(2) EBIT plus amortisation and depreciation
(3) Operating result before non-recurring items
(4) Operating result

Demand has increased in key European markets, driven by extensive spending by European utilities. Moreover, there are signs of recovery, as liquidity in the market improves and important projects gradually receive funding. Hellenic Cables remains optimistic regarding its prospects for 2016, since it has undertaken major projects for submarine medium and high voltage cables and has booked significant contracts for underground cables with European energy utilities.

(*) The financial results of Hellenic Cables are included in the published financial results of Halcor.

Further information is available on the Cablel ® SA website:

www.cablel.com

STEEL

Activities

Sidenor, Stomana Industry and their subsidiaries constitute the steel production and trading segment of Viohalco. Sidenor is the largest Greek steel producer holding a leading position in Greece and the Balkans; its subsidiaries deal in the production, manufacture and sales of steel products.

Steel segment's wide-ranging product portfolio, which includes long and flat steel products, and downstream products, is manufactured across ten primary facilities in Greece, Bulgaria, FYROM and Australia. Project locations span Greece, Bulgaria, Cyprus, France, Croatia, Tunisia and the U.S.A., making the steel group a global supplier.

Product portfolio

From buildings, road works, metro stations, bridges and shopping malls, to hydroelectric dam projects, the steel segment companies serve the diverse needs of international clients via a portfolio of value added products and solutions. The steel segment companies' product family is structured as follows:

- **SD integrated reinforcing system**: The SD integrated concrete reinforcing system represents Sidenor's approach when addressing significant demand for high ductility steel provided for increased protection against earthquakes. The system consists of SD concrete reinforcing steel, SD stirrup reinforcing mesh, Sidefit special mesh, SD wire mesh, Sidefor and Sidefor Plus prefabricated stirrup cages, Inomix steel fibres and lattice girders.
- **Merchant bars**: Sidenor is the sole producer of merchant bars in Greece. Its portfolio of merchant bars consists of hot-rolled square bars, hot-rolled flat bars of rectangular cross-section, hot-rolled round bars of circular cross-section, hot-rolled equal angle bars with round edges, I-section beams (IPE), and UPN channels.
- **Wire rod**: Wire rod of S.A.E 1006, 1008, 1010 grades, RSt37-2 electrode quality, in cross sections from Ø5.5 to Ø16.0, which is suitable for a wide range of size reduction applications and meets all low-carbon wire production needs.
- **SBQ-Special steels**: Hot-rolled round bars (diameter: 22-120mm) and peeled turned and polished round bars (diameter: 30-115mm) used in the automotive industry and in various industrial applications.
- **Steel plates**: They are manufactured in accordance with the EN and ASTM European and American standards and also more specific certifications for shipbuilding, boilers, etc. Plates are intended for general construction purposes, shipbuilding, manufacturing of tanks, pressurised boilers, bridges, coach works, pipes, agricultural machinery, machinery components, etc.
- **THN Mining Profiles**: They have been developed for use in the manufacturing of steel arches in public works (tunnels and road works), in underground quarries and mines, and they offer high resistance and superior support.
- **Boron flats**: They are widely used in the forklift industry for the manufacture of lifting forks, which require high resistance, hardness and weldability.
- **Steel balls**: Steel balls are produced in various diameters ranging from 40mm to 120mm. They are used in special machinery (grinders) that separate metals from gold, copper, lead, zinc, nickel and silver.
- **Other products**: Double-twist hexagonal mesh (serasanetti), wire products (galvanized and black), welding products and metallurgical by-products.

In order to achieve the optimum balance between operational and commercial flexibility, and production effectiveness, the steel segment has adopted an operational structure focusing on the following three areas:

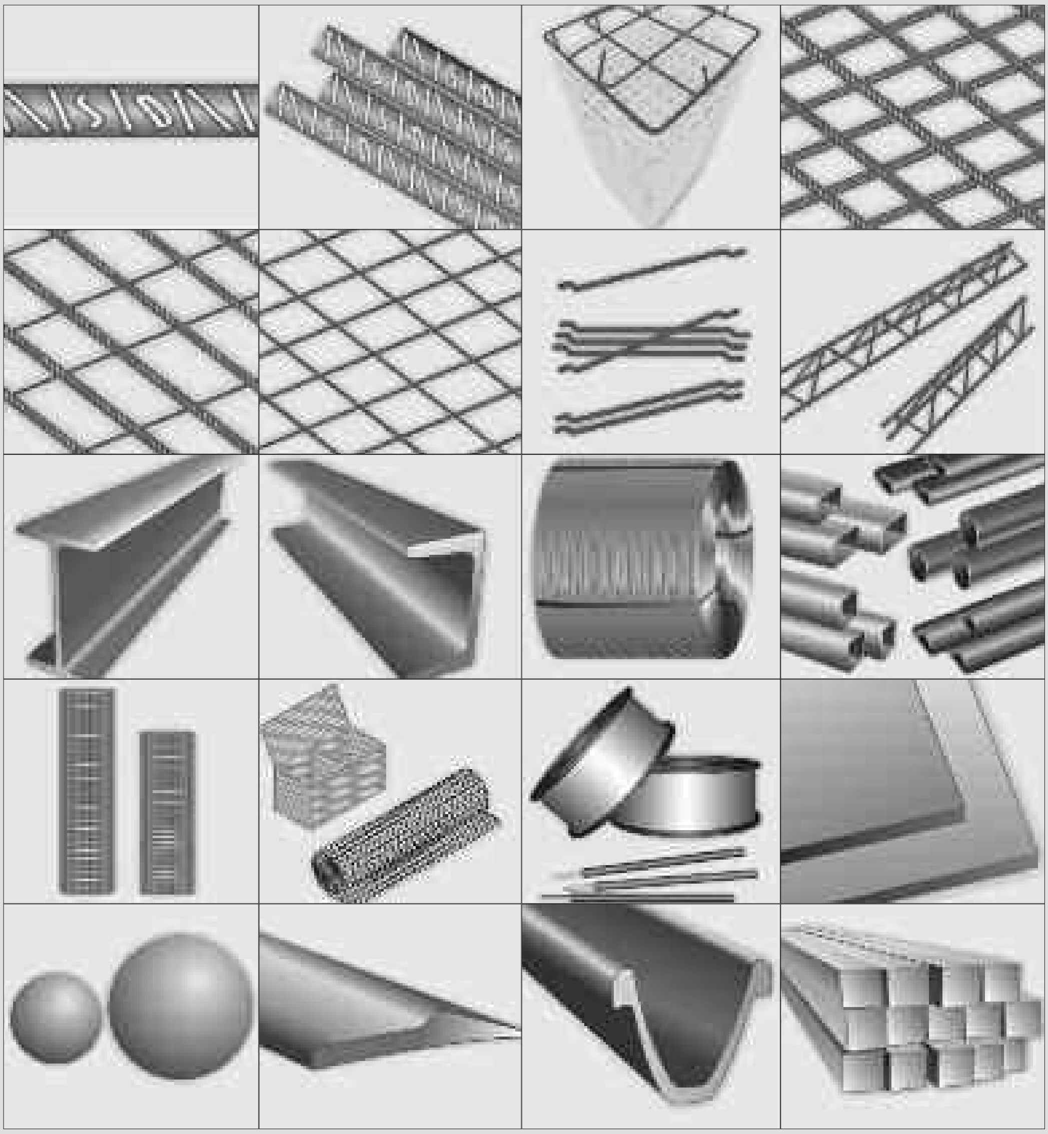
- Mini-mills;
- Downstream operations for steel product processing;
- Sales and distribution.

Key companies

Steel segment key companies are:

Sidenor Steel Industry S.A. produces a wide range of steel products from billets to SD concrete reinforcing steel (in bars and coils), wire rods and merchant bars.

Sovel S.A.'s Almyros production facility manufactures SD concrete reinforcing steel in bars, spooled coils and mesh as well as Sidefit, Sidefor and Sidefor Plus lines of products.



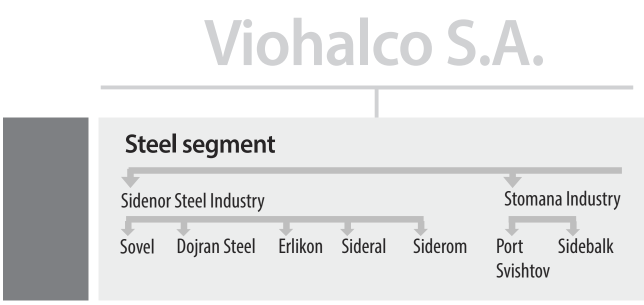
Stomana Industry S.A. has production facilities in Pernik, Bulgaria, which manufacture a variety of steel products, from steel quarto plates to SBQs, SD concrete reinforcing steel in bars, steel balls, special profiles and merchant bars.

Dojran Steel S.A. has production facilities in Nikolic, FYROM. The company is active in the production of merchant bars, as well as concrete reinforcing products, wire mesh and girders.

Erlikon is the sole producer of welding products in Greece. Erlikon primarily manufactures welding electrodes, copper-plated wires, galvanized and black wires, galvanized meshes in rolls and sheets and concrete reinforcing steel fibres.

Port Svishtov West was acquired as part of steel segment's growth strategy and in support of strengthening Stomana Industry's links with Central and Western Europe. The port is situated in the banks of the Danube River, at a distance of 1,840 km from the port of Regensburg, where materials are frequently dispatched by barges and from there are subsequently delivered by trucks/wagons to their final destination point.

SmartReo manufactures prefabricated reinforcing steel for the Australian market utilising Synthesis™ in conjunction with other state-of-the-art technologies at a high-tech facility situated in Wacol, Brisbane, QLD, Australia. The company is a Joint Venture (JV) between Sidenor and Thiess, one of Australia's biggest construction companies.



Corporate Strategy

Viohalco's steel companies have the following strategic objectives:

- Continuous investment to further improve international competitiveness;
- Leveraging high capacity production facilities and broad sales network in order to establish a fortified market position in Central Europe, the Balkans and the neighbouring countries of the Eastern Mediterranean;
- Further optimisation of operating performance through cost reduction, strict working capital management, updated logistics processes and ongoing investment in personnel training;
- Continuous efforts to reduce environmental footprint.

Production facilities and port

To establish and maintain a strong competitive advantage, Viohalco's steel companies have focused on and invested significantly in the fortification of their production base over the past two decades. Through long-term efforts to modernise and upgrade their manufacturing sites, Sidenor, Stomana and their subsidiaries have become a vertically integrated group, capable of delivering high value-added solutions.

Viohalco's steel manufacturing facilities are as follows:

Sidenor Steel Industry plant | Thessaloniki (Greece)
Annual production capacity: meltshop: 800,000 tons, long products rolling mill: 800,000 tons (upon completion of investments).
Sidenor Steel Industry's Thessaloniki plant produces primarily billets, SD concrete reinforcing steel (in bars and coils), merchant bars and wire rod products. Its facilities have been qualified under ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007.

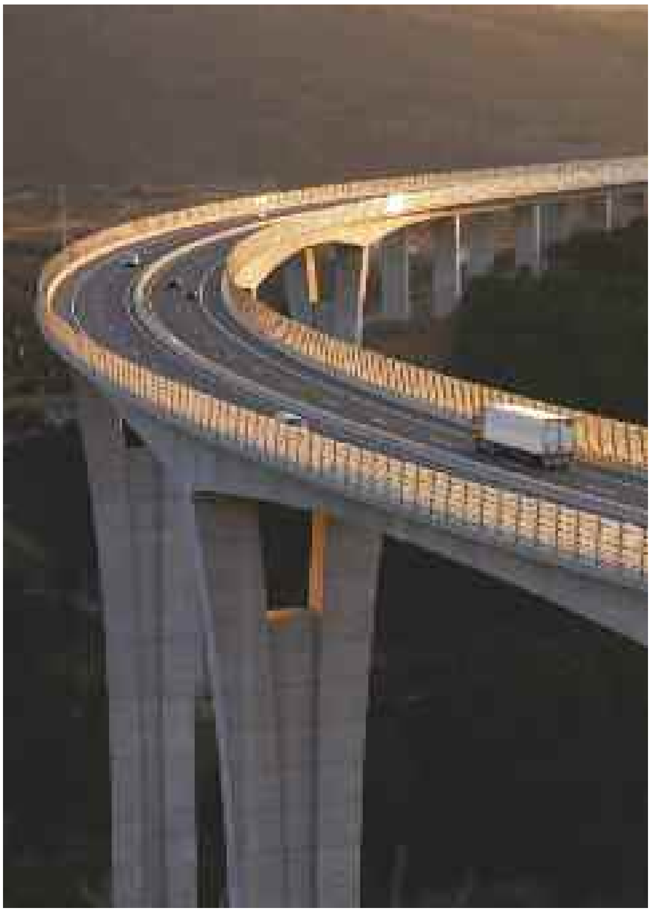
Sovel plant and port | Almyros (Greece)
Annual production capacity: meltshop: 1,350,000 tons, long products rolling mill: 1,200,000 tons.

Sovel's state-of-the-art production facilities produce a wide range of products from billets, SD concrete reinforcing steel, SD spooled coils, SD wire mesh, SD stirrup reinforcing mesh SIDEFIT special mesh and SIDEFOR and SIDEFOR PLUS prefabricated stirrup cages. The plant has access to privately owned port facilities and is certified under ISO 9001:2008, ISO 14001:2004, and OHSAS 18001:2007.

Stomana Industry plant | Pernik (Bulgaria)
Annual production capacity: meltshop: 1,400,000 tons, long products rolling mill: 1,000,000 tons, plate products rolling mill: 400,000 tons.
The Stomana Industry plant represents a key investment. Its product portfolio includes SD concrete reinforcing steel, steel quarto plates, SBQ-Special Steels, merchant bars, steel balls, special profiles, beams and continuously cast semi-products (billets, blooms and slabs). The plant is certified under ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 and its products meet the requirements of EN, DIN, ASTM, JIS, BS, Lloyd's Register and Germanischer Lloyd.

Erlikon plant | Kilkis (Greece)
Erlikon is the sole producer of welding products in Greece and its Kilkis production plant primarily manufactures welding electrodes, copper-plated wires, galvanised and black wires, galvanised mesh in rolls and sheets and concrete reinforcing steel fibres. Its facilities are certified under ISO 9001:2008 and OHSAS 18001:2007.

Dojran Steel plant | Nikolic (FYROM)
Annual production capacity: long products rolling mill: 200,000 tons, wire mesh production unit: 20,000 tons, lattice girders unit: 10,000 tons.
The Dojran Steel plant in FYROM is active in the production of SD concrete reinforcing steel, merchant bars, SD wire mesh and Double-twist hexagonal mesh (serasanetti). Its facilities are certified under ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.



Port Svishtov West I (Bulgaria)
As mentioned above, in the context of the steel segment's strategy to link Stomana Industry with Central and Western Europe in a more efficient way, it acquired the "Port Svishtov West S.A." on the banks of the Danube River, 1,840 km from the port of Regensburg.

2015 Financial Performance

Revenue in 2015 decreased by 11% year-on-year to EUR 573 million. **Loss before income tax** amounted to EUR 68 million compared to a loss of EUR 47 million in 2014. Despite unfavourable economic conditions in Greece and abroad, during 2015, Sidenor Steel Industry, Stomana Industry and their subsidiaries managed to maintain their market shares. Meanwhile, constant pressure on international steel prices, due to reduced demand and the channeling of raw materials and products with lower production and processing costs from China, drove the selling price of finished goods to historically low levels. In addition, the sharp drop of the steel scrap prices in 2015 had a significant negative effect on the results of the segment. However, the companies in the segment adapted to the circumstances, by reducing both direct production costs through integrated investments of new machinery (induction furnaces in Sovel plant and Sidenor plant) and operating costs, in order to keep losses at the lowest level.

The summary consolidated statement of profit or loss of the **steel segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	**2015**	**2014**
Revenue	**572,963**	**641,362**
Gross profit	**36,463**	**56,920**
Gross profit (%)	6%	9%
EBITDA before non-recurring items (1)	**-471**	**19,649**
EBITDA before non-recurring items (1) (%)	0%	3%
EBITDA (2)	**-471**	**19,092**
EBITDA (2) (%)	0%	3%
EBIT before non-recurring items (3)	**-33,039**	**-13,444**
EBIT before non-recurring items (3) (%)	-6%	-2%
EBIT (4)	**-33,039**	**-14,001**
EBIT (4) (%)	-6%	-2%
Loss (-) before income tax	**-68,113**	**-46,970**

(1) EBIT before non-recurring items plus amortisation and depreciation
(2) EBIT plus amortisation and depreciation
(3) Operating result before non-recurring items
(4) Operating result

Following the completion of the investment programme into Sidenor's production facilities, the competitiveness of Viohalco's **steel segment** has been reinforced. As such, Sidenor's level of exports is expected to rise going forward. Higher levels of efficiency and improvement in overall financial performance are expected, as a result of several key factors, including the full operation of new induction furnaces at the Sovel and Sidenor plants; the transfer of the production of merchant bars from the Sidenor plant to Dojran Steel in FYROM; investments at Siderom in Romania into the production of mesh products; continuous development of the steel product portfolio; as well as expansion of the segment's activities into new geographical markets.

Further information on the steel segment is available on the Sidenor S.A. website:

www.sidenor.gr

STEEL PIPES

Activities

Corinth Pipeworks represents Viohalco's steel pipes segment and is separately listed on the Athens Exchange.

With industrial plants in Greece and Russia, and substantial experience in the implementation of demanding projects worldwide, Corinth Pipeworks Group is a supplier of choice for oil and gas companies and international construction companies. Corinth Pipeworks Group mainly produces steel pipes for oil, gas and water transportation, oil and gas extraction and hollow structural sections for a large number of construction applications.

Corinth Pipework's clients include Chevron, BP, BG, Shell, Greek Public Natural Gas Corporation (DEPA), Natural Gas National System Operator S.A. (DESFA), OMV, GRTGAZ, Snam, National Grid, RWE, Spectra Energy, Energy Transfer, Denbury, Kinder Morgan, DCP Midstream, Pioneer pipes, Mamuth pipes, Plain All American, McJunkin, Spartan, EPCO, Spectra, Enbridge, Cheniere Energy, Talisman, STEG, Sonatrach, PDO, OGC, Aramco, Socar, ABB, EDF, TIGF, Saipem, Genesis, Allseas, Subsea, etc.

The Group's operational efficiency and commercial achievements are based primarily on its ability to manufacture technologically advanced products and try to remain ahead of the latest developments in its field. To this end, Corinth Pipeworks collaborates with international research organisations, such as the European Pipeline Research Group (EPRG) and the Welding Institute, and regularly participates in research projects which are linked to its core business activities.

Prosal Tubes plant in Bulgaria is also a part of Viohalco's steel pipes segment.

Product Portfolio

Corinth Pipeworks produces steel pipes for oil, gas, CO_2, water and slurry pipelines, as well as casing pipes for drilling operations. The Group also produces a wide range of structural hollow sections for the construction sector. Its long history of innovation and 'one-stop-shop' integrated services have designated Corinth Pipeworks' position as one of the major steel pipe suppliers.

The Group's three main product categories are:

- **Line pipes**: They are manufactured either in the Group's high frequency induction welding unit (HFW) or the helically submerged arc welding unit (HSAW). Their primary uses are in oil, gas, CO_2 and water transportation networks. A new LSAW/JCOE pipe mill has recently been installed for the manufacture of medium/large diameter and heavy gauge pipelines, to meet the increasing market demand for offshore and deep offshore pipelines.
- **Casing pipes**: These high-frequency induction welded pipes (HFW) are used in oil and gas extraction drills. The product range offered for this application has been expanded by the installation of the new LSAW mill.
- **Hollow structural sections**: Used in the construction sector.

Services

- Internal and external coating of pipes produced by other pipe manufacturers;
- Accredited laboratory for raw material and pipe testing, in accordance with EN/ISO 17025;
- In-house corrosion testing laboratory for sour service applications;
- Weld on connector facilities for casing pipes;
- Pipe storage;
- Supply of pipes or assignment of pipe coating outside the Group's product portfolio to third party authorised subcontractors, in the context of major project implementation;
- Pipe transportation.

Key companies

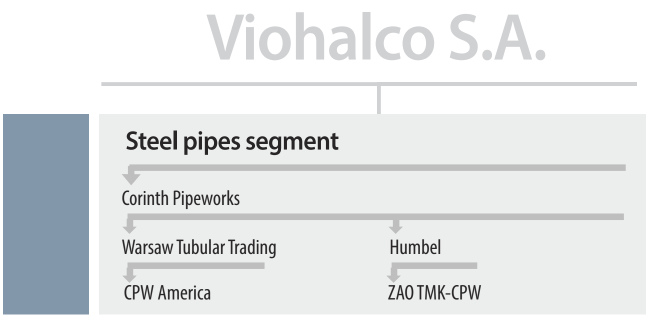
Corinth Pipeworks S.A. is the Group's core business. With state-of-the-art facilities in Thisvi, in the Viotia province of Greece, its product portfolio includes steel pipes solutions for oil and gas transportation and hollow structural sections for the




construction industry. The Company is able to offer competitive pricing and fast delivery of products thanks to its exclusive use of port facilities located approximately 1.5 km from the plant.

ZAO TMK-CPW is a joint venture between Corinth Pipeworks (through its 100% subsidiary Humbel Ltd., which controls 49% of the joint venture) and TMK, the largest manufacturer of steel pipes in Russia and one of the top three globally. ZAO TMK-CPW has its production facilities in Polevskoy, Russia, where they manufacture pipes and hollow structural sections.

Prosal produces and trades pipes made of cold and pre-galvanised steel.



Corporate Strategy

Corinth Pipeworks has solid experience carrying out complex projects for the energy sector worldwide and is an approved supplier to major oil and gas companies and EPC contractors, with a track record in both offshore and onshore projects around the globe. The Company offers full services to its customers, from the initial analysis and compliance with technical requirements of a project through to the completion and delivery to the final site. Corinth Pipeworks aims to meet the needs of the international energy market by focusing on the following strategic priorities:

- Growth across Europe, Middle East, North Africa, North America, as well as the emerging markets of East and West Africa and the CIS;
- Leveraging the Group's LSAW investment to offer one of the widest product ranges of welded products in the world (HFW, HSAW, LSAW), which meets the highest international standards. The Group acts as an integrated "one-stop-shop" for energy steel pipe products and related services;
- Constant improvement in the operating efficiency of production plants to strengthen the Group's competitive and financial position;
- Cultivating long-term strategic cooperation with top quality raw material manufacturers for the steel industry worldwide.

Production Facilities and ports

Corinth Pipeworks Group's industrial plants are located in Thisvi, Viotia, Greece and Polevskoy, Russia. Details for each of these plants are below:

Corinth Pipeworks plant and port | Thisvi (Greece)
Annual production capacity: 925,000 tons
The Thisvi plant produces pipes and hollow structural sections, using state-of-the-art machinery. The plant's facilities cover a total surface area of 103,000 sq.m. and are located within an area of 497,000 sq.m. in Thisvi, Viotia, Greece. The plant is approximately 1.5 km away from the Group's dedicated port facilities. This is strategically important as the Thisvi port enables Corinth Pipeworks to achieve better transportation costs on raw materials, more competitive pricing on its products and faster delivery times. The port includes a fully operational set of cranes, forklifts and other machinery in line with the provisions of the International Ship and Port Facility Security Code.

The facilities include a 26" line for high frequency welded pipes (HFIW), a 100" line for spiral submerged arc welded pipes (SAWH), a 7 5/8" line for high frequency welded pipes (HFIW), lines for pipe internal and external coating, and a weld-on-connectors welding unit in cooperation with the MITE and OSI companies in order to provide integrated final

products for casing pipes. A new state-of-the-art 56" LSAW/JCOE pipe mill is operational since mid-2015.

ZAO TMK-CPW plant | Polevskoy (Russia)
Annual production capacity: 200,000 tons.
Corinth Pipeworks Group's plant in Russia manufactures high frequency welded pipes and hollow structural sections, with a total annual production capacity of 200,000 tons. The equipment used has very high technical specifications and allows for the production of pipes measuring 168-530mm in diameter, with 2.9-12.7mm wall thickness and up to 18m in length, and hollow sections in accordance with international quality standards.

Prosal tubes plant | Pernik (Bulgaria)
Prosal is active in the production and trading of pipes made of cold and pre-galvanised steel.

2015 Financial Performance

Revenue increased by 66% year-on-year to EUR 288 million in 2015, compared to EUR 174 million during 2014. **Profit before income tax** amounted to EUR 13 million, versus losses of EUR 8 million during 2014. Despite the postponement of a number of energy projects worldwide following the declining oil and natural gas prices, there was a significant improvement in results driven by higher sales and new value-added projects, such as the three energy projects executed by Corinth Pipeworks in the US. At the same time, the investment plan that commenced in 2013, and was related to the construction of the new LSAW production unit (for large diameter pipes for deep off-shore pipelines), a new production unit for 24 meters diameter pipes and the units for internal and external coating of 24 meters diameter pipes, was completed. Another notable development in 2015 was the Trans Adriatic Pipeline AG (TAP) contract award to Corinth Pipeworks for the supply of approx. 270,000 tons of large diameter pipes for the onshore part of the pipeline across Greece, for a total length of approximately 495 km, to be delivered in 2016 and 2017.

The summary consolidated statement of profit or loss of the **steel pipes segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	**2015**	**2014**
Revenue	**287,540**	**173,720**
Gross profit	**69,686**	**19,262**
Gross profit (%)	24%	11%
EBITDA before non-recurring items (1)	**26,299**	**3,246**
EBITDA before non-recurring items (1) (%)	9%	2%
EBITDA (2)	**28,220**	**3,246**
EBITDA (2) (%)	10%	2%
EBIT before non-recurring items (3)	**17,740**	**-6,323**
EBIT before non-recurring items (3) (%)	6%	-4%
EBIT (4)	**19,662**	**-6,323**
EBIT (4) (%)	7%	-4%
Profit/Loss (-) before income tax	**12,830**	**-7,600**

(1) EBIT before non-recurring items plus amortisation and depreciation
(2) EBIT plus amortisation and depreciation
(3) Operating result before non-recurring items
(4) Operating result

The international economic environment remains volatile. The prices of oil and natural gas are extremely low, negatively affecting demand for products in the energy sector. However, Corinth Pipework's significant order backlog (after the award of 270,000 tons of steel pipes for the project TAP), the expected strong USD versus the Euro in levels that render the company's products more competitive, and the low raw materials prices are all factors that are expected to contribute positively to the operations.

Further information on the Corinth Pipeworks Group is available on the corporate website:

www.cpw.gr

REAL ESTATE

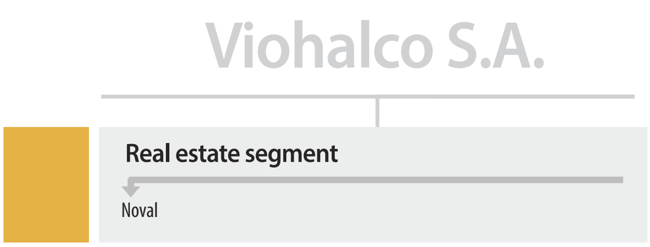
Real Estate

Viohalco derives value from the real estate assets of its subsidiaries by developing and managing large-scale commercial and industrial properties.

The real estate development segment focuses on the development of commercial and industrial properties, for Viohalco S.A. and its subsidiaries. Properties may include former Viohalco production or office facilities which are idle or have been relocated, due to the expansion of urban areas or for reasons of operational efficiency. Viohalco's main subsidiary in this segment is Noval S.A., which is wholly-owned.

Activities

Noval S.A.'s main objective is to optimise the use of Viohalco's real estate holdings. Viohalco S.A. and its companies develop a wide portfolio of commercial and industrial properties. The most important properties which are or were developed by Viohalco, are located in Greece (in Athens, Thessaloniki, Piraeus, Aspropyrgos, Corinth) and Bulgaria and include, among others, office complexes, shopping malls, industrial buildings and warehouses. In addition, Viohalco holds a number of significant plots in prime locations for future development. The investment property has a total value of EUR 156 million.



The table below summarizes Viohalco's most important properties:

REAL ESTATE	LOCATION	'000 m^2 (1)
Ikea store & River West shopping mall	96, Kifissos Av., Egaleo, Greece	123.5
Hotel	Karaiskaki Square, Athens, Greece	23.4
Industrial buildings & offices (ex-BIC plant)	Oinofyta, Greece	9.5
Mare West (former premises of Corinth Pipeworks)	Corinth, Greece	14.0
Office Complex	115, Kifissias Ave., Athens, Greece	39.5
Office Complex	57, Ethnikis Antistasseos St., Halandri, Greece	6.0
Office Complex	26, Apostolopoulou St., Halandri, Greece	10.9
Office Building	53A, Nikola Vaptzarov Blvd, Sofia , Bulgaria	5.0

(1) refers to built surface

In 2015, due to the wide economic and local real estate market instability, Viohalco companies within the **real estate segment** remained focused on the repositioning and development of old production or office facilities and sites which were idled and relocated, either due to the de-industrialisation of now urban areas or to operations efficiency reasons.

In respect of this framework, the tenant mix of the IKEA/River West Shopping Mall was enhanced through the addition of well-known and highly popular brands, resulting in an occupancy rate of 93% as of 30 September 2015 and a yearly footfall

of 4.5 million (increase by 20% over 2014, based on an annualised projection for the whole 2015). These figures highlight the strong potential of the River West Shopping Mall, with the possibility of expansion of the shopping mall currently under review.

Alongside, the Mare West Retail Park in Corinth was completed in June 2015. The project entailed the conversion of the old facilities of Corinth Pipeworks into a retail park. Due to the enforcement of capital controls in the Greek economy at that time, the Mare West Retail Park only began its operations in September 2015. In December 2015, 18 units had been leased, covering 71% of the gross leasable area (GLA). Since then, the occupancy rate continues to increase.

In addition to the development of the abovementioned commercial properties, discussions relating to the lease of the Hotel on Karaiskaki Square, continued throughout 2015. With regard to other real estate assets, discussions and negotiations with potential tenants are ongoing.

For the **real estate segment**, the focus in 2016 will be on optimising development and lease of office complexes on Kifissias Avenue and Apostolopoulou Street. At the same time, the strong performance of the River West Shopping Centre and the potential growth of the Mare West Retail Park will be leveraged through further enhancement of the tenant mix and a review of expansion opportunities. Negotiations with interested parties in relation to the leasing of other assets will continue and a more effective corporate structure for the segment is expected to be in place in early 2017.

TECHNOLOGY AND R&D

Viohalco's portfolio includes research and development (R&D) companies which focus on new and high value added products, efficient solutions for the optimisation of industrial and business processes, research into the environmental performance of plants and impact assessment of sustainable growth.

The portfolio also includes engineering, automation and informatics companies with over 30 years' experience producing innovative applications in industry, energy and environment. IT activities include pioneering solutions in the fields of ERP, CRM, BI, traceability and others.

To stay ahead of technological developments, Viohalco companies carry out continuous R&D and develop innovative solutions. They also maintain strategic partnerships with scientific bodies, international research centres and other international pioneer companies. Scientific research carried out at Viohalco's copper, aluminium and steel foundries and their respective production plants, has resulted in significant in-house knowledge in metallurgy.

One of the competitive advantages of Viohalco's companies is their expertise in building and upgrading plants, and their experience in planning, re-engineering, process optimisation and supervisory control systems.

Another key strength is human capital; leading process, mechanical and electrical engineers and metallurgists guarantee a steady increase in quality alongside a continuous increase in productivity.

Key companies

Elkeme, Hellenic Research Centre for Metals S.A.: Elkeme's main focus is applied industrial research and technological development or analysis of the four major metals sectors (aluminium, copper, steel and zinc). The Centre provides R&D services and technical solutions for new products, and the optimization of existing business and plant production processes.

Teka Systems S.A. undertakes demanding engineering projects in the steel, aluminium, copper, power and telecommunication cables industries. It is active in engineering and construction, the commissioning of industrial equipment and the process and automation of technologies in integrated projects. It also implements IT projects in the fields of ERP, CRM, BI, analytics and others.

Praksys S.A. develops, markets and oversees the implementation of new technologies in structural and concrete reinforcing steel.

Elval Technology centre develops highly-resistant special products with non-skid properties. Elval also produces extra flat sheets with top-quality lacquer-coatings, products made of 100% recycled aluminium and deep drawing and extrusion products.

Symetal's Technology department undertakes innovative surface design and the control of aluminium affinity for laminates and coatings, customised mechanical characteristics for flawless forming, and the application of the latest European Food Contact Legislation, in line with the company's strategic presence in the food and pharmaceutical packaging industries. Alongside these R&D resources, additional research is performed by established, specialised institutions meeting customer requirements.

Halcor operates a new laboratory to test the thermal performance of inner grooved tubes (IGT). This allows the company to improve the energy efficiency of its products and also offer a new range of services.

Cablel® Hellenic Cables Group has established a state-of-the-art Polymer Laboratory at its plant in Oinofyta. The laboratory mainly conducts chemical analyses and identification of raw materials, with an emphasis on quality control and the analysis of polymers for high and extra high underground and submarine cables. Research and development of new plastics and elastomer compounds takes place in the laboratory.


Struers

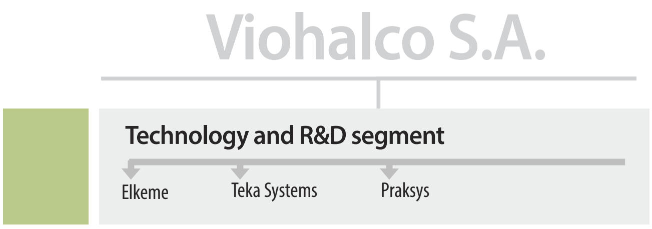
Etem continually develops product solutions for the automotive industry, investing in dedicated machines and processing tools and undertaking vigorous testing to deliver high quality products. Following years of development and collaboration with customers and European institutes and research centres, Etem is a Tier 2 and Tier 1 supplier to the automotive industry, certified to produce aluminium profiles and parts for crash relevant systems. Furthermore, Etem develops its architectural systems to comply with the strictest European standards. Certified by leading European accredited laboratories, high quality seals all Etem products.

Sidenor's long-standing culture of innovation is exemplified in its research and considerable investment in hi-tech machinery. The Group is proud to have gone one step ahead and developed a technology in house, patented under the name Synthesis™. Synthesis™ is a unique system for the industrial-scale prefabrication of reinforcing steel. The Synthesis concept was developed by Sidenor's R&D arm, Praksys, which also developed a complete software package to accompany the technology, including components, such as product design, machine operation control, e-ordering, production planning and logistics.
Sidenor has also adopted new production solutions in both of its Greek plants, in Almyros and Thessaloniki. Induction reheating furnaces have replaced gas-fired furnaces leading to significantly reduced carbon emissions during the process of production, natural gas conservation and energy demand reduction per ton of produced steel.

The field of oil and gas exploration and production in which **Corinth Pipeworks** activities are focused, is emphasising on ongoing technological developments and the use of advanced technologies.

Keeping themselves up-to date with the latest developments, Corinth Pipeworks constantly monitors the following R&D activities:

- Implementation of process optimisation techniques combined with continuous internal trial productions, aiming to narrow down the optimum working range for all variables targeting higher product uniformity;
- Broadening its production range in terms of thickness and grade;
- Development of advanced tracking, process control systems, advanced non-destructive inspection techniques and controls;
- Development and manufacturing of pipes for extreme applications (sour service, offshore, high strain applications such as reeling, etc);
- Application of advanced corrosion and mechanical protection systems;
- Collaboration with international research organisations and institutes (EPRG, TWI, Elkeme);
- Participation in major European and international projects targeting both the development of pipe properties and pipeline integrity (JIP and RFCS projects).




65 κουτιά ≃
1 κιλό ≃ € 1.20

RECYCLING

Viohalco's recycling segment trades and processes secondary raw materials, undertakes waste management, environmental operations, and provides services to consumers and corporate companies. Recycling is one of Viohalco's most rapidly developing segments. It was formed as the outcome of Viohalco's commitment to the continuous improvement of its companies' environmental performance, and a desire to utilise waste for sustainable development. In recent years, Viohalco's waste management companies have extended their services and expertise to a large number of external organisations, including multinational companies, public utilities, municipalities and extended producers responsibility schemes.

Key companies

The key companies in the recycling segment are:

Established in 2001, **Aeiforos S.A.** processes 400,000 tons of industrial waste per year through its two recycling plants in Greece. The company provides among others, waste management services to steelmaking plants, non-ferrous metals smelters, refineries and scrap shredders. Aeiforos also operates an end-of-life vehicle depollution center, and a 6,000 sq.m. warehouse for metallic scrap trading.

Secondary raw materials produced by Aeiforos are used in the production of metals, road construction, where slag aggregates are used in asphalt layers, and cement plants, where secondary fuel from Aeiforos's new post-shredder-treatment plant is used for energy recovery. Aeiforos holds all waste collection permits required for its operations in Greece, including a license for hazardous waste management. The Company's plants are certified for quality and environmental performance according to ISO 9001 and ISO 14001.

Established in 2004, **Aeiforos Bulgaria S.A.** processes more than 100,000 tons of industrial waste per year. Situated in Pernik, Bulgaria, the Company focuses on the recovery of steelmaking residues like steel slag, heavy shredder fraction, used refractories and scrap sorting residues. Aeiforos Bulgaria's products are being recycled for use in road construction, cement production and metals production. The Company has also gradually expanded into other waste management activities, including waste stabilisation and, with the establishment of Integrated Waste Management S.A. in 2015, hazardous waste disposal. Aeiforos Bulgaria's plant is certified for quality and environmental performance according to ISO 9001 and ISO 14001.

Integrated Waste Management is currently constructing an industrial waste landfill in Pernik. It will be operational in 2016 and licensed to accept both hazardous and non-hazardous waste. The landfill occupies 144 ha and will have a total capacity of around 1.6 million cubic meters, serving various industries including the steelmaking, aluminium and copper production industries.

Anamet S.A. is the leading recycling company of Greece. Although it was originally a metal scrap trader during its establishment in 1966, Anamet now offers a wide range of waste management services to both Viohalco companies and other clients, including multinational companies and public utilities. The services include servicing industrial sites, the recovery and uptake of secondary raw materials, and the safe disposal of non-recyclable process residues. Anamet also retains contractual agreements with most of the extended producer responsibility schemes operating in Greece. Anamet is certified for quality, health and safety, and its environmental performance according to ISO 9001, ISO 18001, ISO 14001 and regulation 2009/1221/EC (EMAS), respectively. It is also certified according to the regulation 2011/333/EC for establishing end of waste criteria for ferrous and aluminium scrap. The company carries out corporate social responsibility initiatives to promote recycling, counter illegal activities and establish win-win practices for all stakeholders (public, NGOs, governmental bodies, industry). These include the programmes: metal alert (www.metal-alert.gr), car4care (www.car4care.gr) and green auto parts (www.greenautoparts.gr).

Bianatt S.A. specialises in the processing and depollution of Waste Electrical and Electronic Equipment (WEEE). The company is equipped with processing lines for all WEEE categories, from fridges and other large domestic

appliances to the smallest electronic equipment. The company is affiliated with Appliances Recycling, the collective take-back system for WEEE in Greece, and is licensed to process 50,000 tons of WEEE per annum. Bianatt is certified for quality, health and safety, and environmental performance according to ISO 9001, ISO 18001, ISO 14001 and regulation 2009/1221/EC (EMAS). Furthermore, the company offers safe data destruction services (Total Erase TM) and is certified according to ISO 27001. Bianatt is committed to promoting a culture of responsible WEEE management and as such, offers information programs in schools and a free library of information on its website.

Metalvalius Ltd. founded in 2004, purchases, processes and trades non-ferrous scrap, and offers a turn-key service for Sofia Med's scrap feed.

The company is certified for quality, health and safety, and its environmental performance according to ISO 9001, ISO 18001, ISO 14001 and regulation 2009/1221/EC (EMAS), respectively. It is also certified according to regulations 2011/333/EC and 2013/715/EC for establishing end of waste criteria for ferrous, aluminium and copper scrap.

Inos Balkan Doo was founded in Serbia in 1951 and processes and trades ferrous and non-ferrous scrap metals. Unlike other companies in the recycling segment, Inos Balkan is a retail operator. It has five yards, and purchases from individuals and small businesses.

Inos Balkan is certified for quality, health and safety, and its environmental performance according to ISO 9001, ISO 18001 and ISO 14001, respectively.

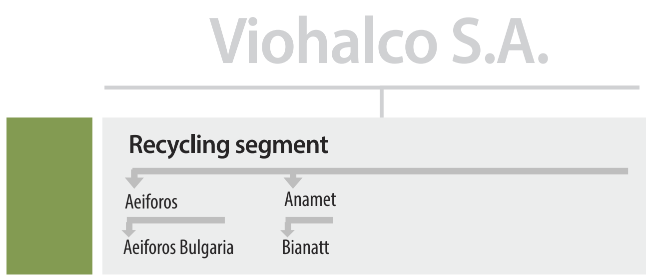
Novometal Doo is one of FYROM's major recycling companies. It collects and processes different types of waste materials including metals, electrical and electronic equipment (WEEE), end-of-life vehicles (ELVs), and demolition waste.

Novometal began operations in 2008 and was the first scrap processing company in FYROM to become ISO 9001, ISO 14001 and OHSAS 18001:2007 certified.

Thermolith S.A. is a refractory producer recently acquired by Aeiforos. Thermolith exploits olivine deposits in Northern Greece for the production of EBT filler sand, slag conditioner and foundry sand. Olivine is also used as raw material in the refractory industry.

In a second facility located near Thessaloniki, Greece, Thermolith produces refractory mixes for steel manufacturing (tundish mixes, ramming and gunning mixes) and other industries.

Combining mining and processing, Thermolith managed to render itself as a reliable partner and a consistent producer of high quality olivine and refractory products worldwide.



2015 Financial Performance

*The financials of **Real estate, Technology and R&D** and **Recycling** segments are reported on an aggregated basis, under Real estate and other activities.*

Aggregated revenue for the segment decreased by 7% year-on-year to EUR 50 million in 2015, compared to EUR 54 million during 2014. **Rental income from investment property** amounted for 2015 to EUR 5.7 million, increased by 13% compared to prior year, and is included in "Other income" of consolidated statement of profit or loss. **Loss before income tax** amounted to EUR 2 million, versus losses of EUR 3 million during 2014.

The summary consolidated statement of profit or loss of the **Real estate and other activities segment** is as follows:

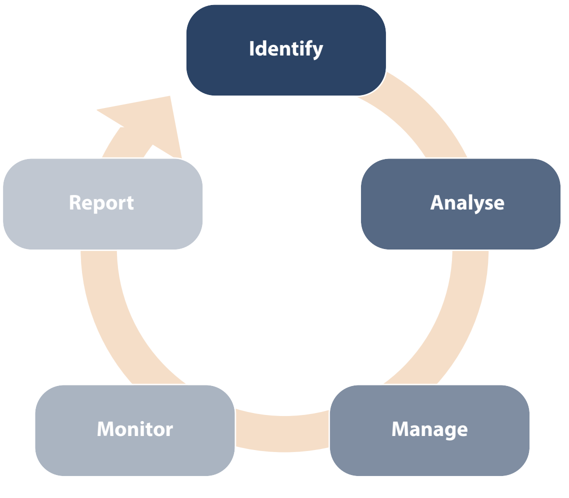
	For the year ended 31 December	
Amounts in EUR thousand	**2015**	**2014**
Revenue	50,078	53,573
Rental income from investment property	5,713	5,043
EBITDA	-217	674
EBIT	-5,033	- 3,080
Loss before income tax	-1,851	- 3,493

4. Risks and Uncertainties

Viohalco's Board of Directors is responsible for assessing the Company's risk profile. Yet since Viohalco is a holding company and since it does not have any production operations, neither customers and suppliers, nor personnel (except 7 employees), the risks affecting the Company are mainly factors such as market conditions, competitor positioning, technology developments etc. related to its subsidiaries. Each of Viohalco's subsidiaries is responsible for the mitigation of its own risks. In turn, Viohalco's executive management is tasked with successfully exploiting business opportunities, whilst at the same time limiting possible business losses.

In order to achieve this, Viohalco has established a risk management system. The aim of this system is to enable the Company to identify risks, either own or related to its subsidiaries, in a proactive and dynamic way and to manage or mitigate these identified risks to an acceptable level, to the extent possible. Internal controls exist throughout the operations of Viohalco to provide management with reasonable assurance of the Company's ability to achieve its objectives. These controls cover the effectiveness and efficiency of operations (including the mitigation of fraud), the reliability of financial processes and reporting and the compliance with applicable laws and regulations.

Risk management process
Viohalco has implemented a five-step risk management process.



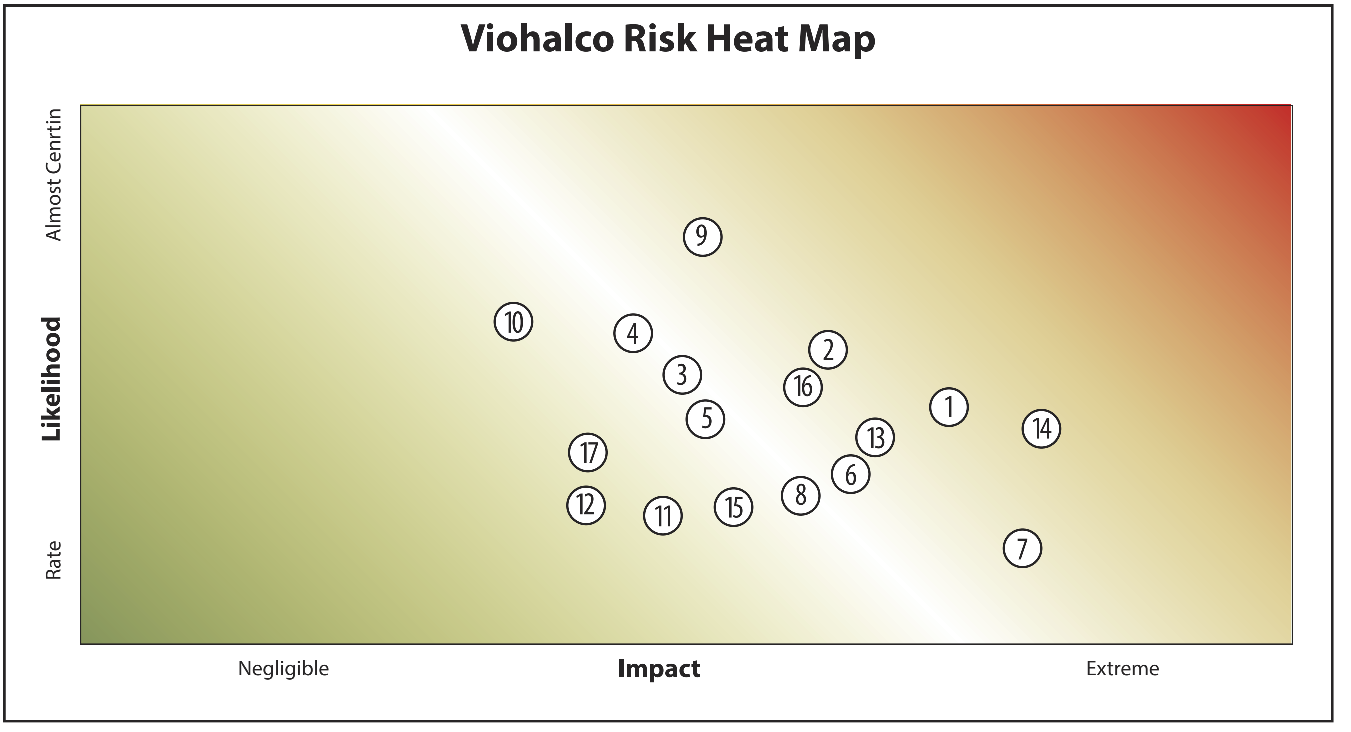
Risks are identified through a periodic process that is undertaken both at a Viohalco and at a segmental level. This results in the drafting of the Risk Universe, which is then subject to both quantitative and qualitative analysis and assessment, in order to define Viohalco's updated Risk Profile.

This list of prioritised risks is then subject to an extensive review, in order to ensure correct and up-to-date mapping with the applicable Risk Response, i.e. the structures, policies, procedures, systems and monitoring mechanisms put in place by executive management in order to manage these risks. The Company officials responsible for ownership / oversight for each risk are also identified and agreed.

A consolidated review takes place at the level of the executive management, the outcome of which is presented to the Audit Committee and to the Board of Directors. The Audit Committee monitors the effectiveness of the Company's internal control and risk management systems and looks into specific aspects of internal control and risk management on an on-going basis.

Key risks
Viohalco's risks, either own or related to its subsidiaries, are organised in four major categories (each category is further broken down in risk sub-categories, which are in turn disaggregated into specific risk events):

- **Strategic & markets risk** – External forces that could affect the viability of Viohalco's business model, including the fundamentals that drive the overall objectives and strategies that define that model.
- **Operations risk** – The risk that operations are inefficient and ineffective in executing Viohalco's business model, satisfying customers and achieving the Company's quality, cost and time performance objectives.
- **Financial risk** – The risk that cash flows and financials are not managed cost-effectively, in order to (a) maximise cash availability; (b) reduce uncertainty of currency, interest rate, credit, commodity and other financial risks; or (c) move cash funds quickly and without loss of value to wherever they are needed most.
- **EHS (Environment, Health & Safety) & compliance risk** – The risk of non-compliance with prescribed organisational policies and procedures or laws and regulations, including environmental and health & safety rules, which may result in penalties, fines, property damage, injury and / or reputational loss.



Viohalco risk universe

Strategic & markets	Operations	Financial	EHS & compliance
1. Country risk	6. Sourcing risk	11. Interest rate risk	16. Environmental and Health & Safety risk
2. Industry risk	7. Business interruption risk	12. Currency risk	17. Compliance risk
3. Competitor risk	8. Product failure risk	13. Commodity risk	
4. Channel effectiveness risk	9. Human resources risk	14. Liquidity risk	
5. Technological innovation risk	10. Information technology risk	15. Credit risk	

A graphical representation of Viohalco's and its subsidiaries current exposure to risks (in terms of potential impact and likelihood) is provided. This is accompanied by a short description of each risk**.*

1. Country risk
Adverse political actions may threaten the Company and its subsidiaries resources and future cash flows in a country in which Viohalco has invested significantly, is dependent on for a significant volume of business or has entered into a significant agreement with a counterparty subject to the laws of that country.

The Company and its subsidiaries address this exogenous risk by differentiating its companies' manufacturing and, especially, their market reach. Viohalco's companies currently have manufacturing sites in 6 countries, a commercial network in 21 countries, while their products are distributed in more than 100 countries worldwide.

2. Industry risk
Changes in opportunities and threats, capabilities of competitors, and other conditions affecting the companies' industries may threaten the attractiveness or long-term viability of these industries. Industry risk for Viohalco is primarily associated with the cyclicity of demand and the substitution rate of some of its companies' products.

The companies manage the former by expanding their exports to global markets, to differentiate cyclical exposure across geographical areas. The risk of substitution is addressed through the differentiation of their product mix, for example by shifting part of the production to products where the substitution rate is lower.

3. Competitor risk
Actions of competitors or new entrants to the market may impair Viohalco's companies' competitive advantage or even threaten their ability to survive.

* *Please note that this information is likely to change at any time and is given only as an indication. Viohalco makes no declarations, warranties or commitments of any kind as to the relevancy accuracy or comprehensiveness of this information.*

** *Where mentioned, the term 'Viohalco' also includes the various segments and companies.*

Exposure to competitor risk is captured through daily review of market information. Strategic issues regarding response to competition are assessed as part of the annual budget process and the strategic markets plan by each subsidiary. Relevant mitigating actions include a strong commitment to quality throughout the production phase, a competitive pricing policy in commodity products and a targeting on high-margin products and market diversification.

4. Channel effectiveness risk

Poorly performing or positioned distribution channels may threaten Viohalco's companies' capacity to effectively and efficiently access current and potential customers and end users.

Viohalco's companies manage the channel effectiveness risk through commercial executives per project / market. Budgets are the main tools used for the setting up and monitoring of distribution channel objectives.

5. Technological innovation risk

Viohalco's companies may not be leveraging advancements in technology in their business model to achieve or sustain competitive advantage or may be exposed to the actions of competitors or substitutes that do leverage technology to attain superior quality, cost and/or time performance in their products, services and processes.

This risk is primarily managed by the Viohalco's companies through the establishment of technical assistance and knowledge transfer agreements with global leaders in various sectors where the companies are active. Viohalco's companies also cooperate with scientific bodies and prominent international research centres. This strong focus on technology and innovation is additionally demonstrated through dedicated research and development departments at a number of Viohalco's companies.

6. Sourcing risk

Limited sources of energy, metals and other key commodities, raw materials and component parts may threaten Viohalco's companies' ability to produce quality products at competitive prices on a timely basis.
The companies constantly and actively strive to minimise the likelihood of such a risk occurring. Relevant measures include maintaining a wide and diverse supplier base where possible, especially geographic; the existence of alternate material lists; the establishment of Service Level Agreements with key vendors; and the reduction of exposure to the spot market through long term contracts.

7. Business interruption risk

Business interruptions stemming from the unavailability of raw materials, information technologies, skilled labour, facilities or other resources may threaten Viohalco's companies' capacity to continue operations.

In order to manage this risk, companies' plant equipment is maintained thoroughly by the corresponding maintenance departments, according to a planned maintenance schedule. Plant equipment and production lines are also upgraded systematically. All spare parts and consumables are gauged on criticality and safety stock levels are monitored. Some of the plants, facilities and production lines are interchangeable and have been mapped to ensure shifting and continuation of production if such a need arises. Regarding information technology, disaster recovery plans have been defined per segment and facility.

8. Product failure risk

Faulty or non-performing products may expose Viohalco's companies to customer complaints, warranty claims, field repairs, returns, product liability claims, litigation and loss of revenues, market share and business reputation.

In order to proactively mitigate the risk of arising from actual or claimed defects in its products, Viohalco's companies have established rigorous quality management systems at their plants, by applying fixed and formalised quality control procedures and also maintain appropriate insurance coverage against such claims. The quality control procedures include sample testing per production batch or at item level at specific phases of production; establishment of monitoring equipment at set production phases and production lines and work centres to capture defects; implementation of end-to-end traceability systems, etc.

9. Human resources risk

Possible lack of requisite knowledge, skills and experiences Viohalco's companies key personnel may threaten the execution of business model and achievement of critical business objectives.

In order to mitigate the above risk, top management at both company and segmental level regularly perform comprehensive reviews regarding key personnel. There is also a continuous effort to develop junior staff and also rotate, where possible, more senior staff in key positions across the companies.

10. Information technology risk

Viohalco's companies may not have the information technology infrastructure it needs to effectively support the current and future information requirements of the business in an efficient, cost-effective and well-controlled fashion. Additionally, failure to adequately restrict access to information (data or programs) may result in unauthorised knowledge and use of confidential information or a compromise of its integrity.

Teka Systems, a subsidiary of Viohalco that is focused on the implementation, customisation and support of information systems, is the official customer competence centre of Viohalco.

11. Interest rate risk

Significant movements in interest rates may expose

Viohalco and its companies to higher borrowing costs, lower investment yields or decreased asset values. Floating rate payables expose Viohalco and its companies to a cash flow risk, while fixed rate liabilities entail assumption of the risk of a change in fair value.

In order to manage interest rate risk, Viohalco and its companies hold interest rate swaps which convert floating into fixed interest rates.

12. Currency risk

Volatility in foreign exchange rates may expose Viohalco and its companies to economic and accounting losses.

Viohalco and its companies offset this risk through hedging practices, such as the use of forward contracts, cross currency swaps, and also natural hedging (i.e. anticipated sales and purchases, as well as receivables and liabilities, in foreign currency).

13. Commodity risk

Fluctuations in commodity prices (particularly copper, zinc and aluminum) may expose Viohalco's companies to lower product margins or trading losses.

Companies active in metals that are traded in the London Metal Exchange (LME) mitigate this risk by hedging, through trading in future contracts on the LME. Specifically, all metal price fixing sales and purchase contracts are netted daily and the change in the net open commodity is generally hedged by LME future contracts so that Viohalco's companies are not exposed to commodity price risk.

14. Liquidity risk

Exposure to lower returns or the necessity to borrow due to shortfalls in cash or expected cash flows (or variances in their timing). Exposure to loss due to participation in a narrow market consisting of a limited group of counterparties (i.e. financial institutions) resulting in inability to consummate transactions at reasonable prices within a reasonable timeframe.

In order to avoid liquidity risks, Viohalco and its companies set up a provision for cash flows when preparing the annual budget and a monthly rolling provision of three months, so as to ensure sufficient cash on hand to meet its operating needs, including coverage of its financial obligations. The cash needs of Viohalco's companies are monitored by their respective financial departments and are communicated to Steelmet S.A., a Viohalco's company, which agrees upon financing terms with credit institutions in Greece and other countries.

In Greece, where most of Viohalco's subsidiaries are located, the continuous negotiations in 2015 in respect of the re-evaluation of the terms of the Greek finance program have rendered the macroeconomic and financial environment volatile. The return to economic stability depends largely on the actions and decisions of the financial institutions in Greece and in the Eurozone. This uncertainty in the economic and financial environment in Greece constitutes a key risk factor and any development in this respect is likely to affect the operations and activities of Viohalco's subsidiaries in Greece, and their financial performance and position. However, Viohalco's companies' strong customer base outside Greece along with their established facilities abroad minimize the liquidity risk which may arise from the uncertainty of the economic environment in Greece. In addition, Viohalco's companies' debt amounting to EUR 1,635 million comprises of 55% long term and 45% short term facilities, of which 89% are extended by Greek banks or their subsidiaries abroad and 11% by international banks and supranational financial institutions.Short term facilities are predominately revolving credit facilities, which are annually reviewed with anniversaries spread throughout the year. These facilities are customarily reapproved on these anniversaries and based on budgeted projections are increased accordingly. Within those revolving credit facilities, short term loans of various maturities are drawn and, when matured, are renewed automatically if needed.

15. Credit risk

Viohalco's companies' customers may default on their obligations. Credit risk may be accentuated if a significant portion of business is concentrated to customers that are similarly impacted by events.

This risk is mitigated by no one customer accounting for 10% of total revenue and by credit insurance. In addition, Viohalco's companies mitigate credit risk through robust creditworthiness checks via banks and other credit ratings and also by setting payment terms and credit limits. They demand real or other security (e.g. letters of guarantee) in order to secure its receivables, where possible. They also record an impairment provision representing its loss estimate in terms of trade and other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated.

16. Environmental and Health & Safety risk

Activities harmful to the environment may expose Viohalco's companies to liabilities for bodily injury, property damage, shut down of sites or part of sites, cost of removal, punitive damages, and unwelcome media attention. This risk also includes the potential non-conformance with environmental licenses and regulations, which could cause fines and reputation damage. Additionally, failure to provide a safe working environment for workers may expose Viohalco's companies to compensation liabilities, loss of business reputation and other costs. Incidents at plants could cause death / injuries or personnel might suffer health problems due to heavy machinery and production processes and materials. Consequences relate to loss of key personnel and resources, prosecution, fines, imprisonment, compensation pay-outs and other financial implications, reputation damage and business interruptions.

Viohalco's companies have established extensive environmental and health and safety policies and procedures, for each individual facility. Detailed risk assessments are performed annually and regular reviews and audits are carried out to ensure all preventive measures exist and operate as they should in order to manage the environmental and health and safety risks.

17. Compliance risk

Non-compliance with customer requirements, prescribed organisational policies and procedures or laws and regulations (including listing requirements) may result in lower quality, higher production costs, lost revenues, unnecessary delays, penalties, fines, etc. for Viohalco's companies.

With regard to requirements arising from its stock exchange listings, Viohalco has established the necessary structures and procedures in order to ensure continuous compliance, including the adoption of its Corporate Governance Charter, which covers issues such as Directors' and Managers' accountability, good governance principles, insider dealing, and conflicts of interest. Also in order to mitigate the risk of arising from actual or claimed defects in its products, Viohalco's companies have established rigorous quality management systems at their plants and also maintain appropriate insurance coverage against such claims.

5. Circumstances that may considerably impact the development of Viohalco

Circumstances which may considerably have impact on the development of Viohalco are reported in the section Risk and Uncertainties.

Corporate Governance Statement

Introduction

Viohalco applies standards compliant with the Belgian Code on Corporate Governance of 12 March 2009 (the 2009 Code) to its governance practices and policies as a company listed on the Brussels Stock Exchange (Euronext Brussels). The 2009 Code is available on the website of the Corporate Governance Committee (www.corporategovernance-committee.be). The Corporate Governance Charter (the Charter) is available on the Company's website (www.viohalco.com).

The 2009 Code is based on a «comply or explain» rule. Belgian listed companies must abide by the 2009 Code but are authorised to deviate from certain provisions of the Code, as long as they provide a justified explanation for such deviation. The internal organisation of Viohalco deviates from the following principles of the 2009 Code:

- **Principle 6.2** "The executive management comprises at least all executive Directors".

  Explanation: certain Directors are considered to be executive Directors due to the management functions they assume in one of the companies of Viohalco Group, without being part of the Company's executive management.

- **Principle 7.11** "For the interests of an executive manager to be aligned with those of the Company and its shareholders, an adequate partof an executive manager's remuneration package is structured in such a way as to be linked to both the individual and corporate performance".

  Explanation: The remuneration policy of the Company is set out in the remuneration report. Such policy does not include variable remuneration. The Board of Directors will consider the proposals submitted by the Nomination and Remuneration Committee in order to determine whether, and to what extent, a modification of this policy is justified in light of the Company's specific nature and strategy.

Viohalco's Board of Directors will periodically review the Company's corporate governance and will adopt any amendments deemed to be necessary and appropriate. The Charter includes the rules and policies of Viohalco and must be read in combination with the Company's Articles of Association, the Corporate Governance Statement in the annual report and the corporate governance provisions set forth in the Belgian Companies Code (BCC). The Board will update the Charter on 30 March 2016.

Given the secondary listing of Viohalco's shares on the Athens Exchange (Athex), the Greek Law 3340/2005, implementing into Greek legislation the Directive 2003/6/EC on confidential dealing and market manipulation (market abuse), as currently applicable, and the Athex Rules of Operation also apply to the Company, in addition to Belgian laws and regulations.

Board of Directors

1. Role

The Board is vested with the power to perform all necessary or useful actions in order to attain the Company's objectives, with the exception of actions specifically reserved by law or the Articles of Association to the shareholders' meeting or other management bodies.

Specifically, the Board is responsible for:
- defining the general policy orientations of the Company;
- taking decisions on the main strategic, financial and operational matters of the Company;
- supervising the executive management of the Company;
- taking all measures necessary to guarantee the quality, reliability, integrity and timely publication of the Company's financial statements and other financial or non-financial information pertinent to the Company;
- monitoring and reviewing the effective operation of the Audit Committee and the Nomination and Remuneration Committee;
- adopting an internal control and risk management framework established by the executive management;
- monitoring the quality of the services provided by the external auditor(s) and the internal audit, taking into account the assessment made by the Audit Committee;
- approving the remuneration report; and
- all other issues conferred to the Board by the Belgian Companies Code.

Within certain limits, the Board is entitled to delegate part of its powers to the members of the Executive Management. Moreover, it has delegated the day-to-day management of Viohalco to the managing director (CEO). Viohalco has not chosen to establish a Management Committee (executive committee) as defined by Belgian law.

2. Composition of Board of Directors

In accordance with the article 8 of Viohalco's Articles of Association, the Board of Directors is composed of minimum five members and maximum fifteen members. As of 31 December 2015, the Board of Directors comprises twelve members:

Name	Position	Term started	Term expires
Nikolaos Stassinopoulos	Non-executive Director, President	2015	2016
Jacques Moulaert	Executive Director, Vice-President	2015	2016
Evangelos Moustakas	Executive Director, CEO	2015	2016
Michail Stassinopoulos	Executive Director	2015	2016
Ippokratis Ioannis Stasinopoulos	Executive Director	2015	2016
Jean Charles Faulx	Executive Director	2015	2016
Xavier Bedoret	Non-executive Director	2015	2016
Rudolf Wiedenmann	Non-executive Director	2015	2016
Efthimios Christodoulou	Non-executive Director, Independent	2015	2016
Yvan de Launoit	Non-executive Director, Independent	2015	(September 2015)
Francis Mer	Non-executive Director, Independent	2015	2016
Thanassis Molokotos	Non-executive Director, Independent	2015	2016
Vincent de Launoit	Non-executive Director, Independent	(October 2015 appointment by cooptation)	2016

3. Information on the Directors

Over the past five years, the Directors have held the following positions (apart from their directorship of the Company) and maintained associations with the following bodies which, in theory, could become the source of conflict of interests:

Nikolaos Stassinopoulos, non-executive Director, President. Mr. Stassinopoulos holds a master's degree from the Athens University of Economics and Business. He served as Vice-president and President of Viohalco Hellenic. In the past, Mr. Stassinopoulos was also a member of the Board of the Directors of National Bank of Greece and the Eurobank-Ergasias Bank.

Jacques Moulaert, executive Director, Vice-president. Mr. Moulaert holds a Ph.D in law from the University of Ghent and a master's degree in public administration from Harvard University. He serves as honorary managing Director at Groupe Bruxelles Lambert SA and as honorary Chairman of the board of ING Belgium SA/NV. He is the founder and honorary Vice-president of the Louvain Foundation. In the past, Mr. Moulaert served as visiting professor at the Catholic University of Louvain (UCL).

Evangelos Moustakas, executive Director, CEO. Mr. Moustakas joined Viohalco Hellenic group in 1957 and has held various technical and managerial positions at the company, in particular the position of President of the Board of Directors of several subsidiaries of Viohalco Hellenic, such as Hellenic Cables SA and Etem SA. He serves as President of the Board of Directors of the Hellenic Copper Development Institute and is a member of a considerable number of metals-related institutes abroad, such as ICA, IWCC, ECI and others, which are active in the development and promotion of copper and cable products around the world.

Michail Stassinopoulos, executive Director. Mr. Stassinopoulos holds a master's degree from the London School of Economics, a degree from City University in London and a master's degree in shipping, trade and finance from City University. He has served as a member of the executive Committee of Viohalco Hellenic since 1995 and of the Board of Directors of Elval Hellenic Aluminium Industry SA. In the past, Mr. Stassinopoulos served as a member of the Board of Directors of the Hellenic Federation of Enterprises and the Greek-Japanese Chamber of Commerce.

Ippokratis Ioannis Stasinopoulos, executive Director. Mr. Stasinopoulos holds a master's degree in management sciences from City University and a master's degree in shipping, trade and finance from City University's Business School. He serves as a member of the General Council of SEV (Hellenic Federation of Enterprises), the Young Presidents Organisation, and the Board of Directors of Endeavor Greece. Mr. Stassinopoulos holds a managerial position at the Viohalco Hellenic group since 1995.

Jean Charles Faulx, executive Director. Mr. Faulx holds a master's degree in economic sciences from the Catholic University of Louvain (UCL). He was a member of the Board of Directors of Cofidin, Genecos SA (Paris), Terra Middle East (Dusseldorf), Base Metals (Istanbul), and Metal Agencies (London). He was also member of the Board of Directors of International Trade SA and Cofidin Treasury Center SA prior to their absorption by Cofidin in August 2013. Mr. Faulx also serves as CEO of Tepro Metall AG, a subsidiary ofViohalco, Studio58 SA and Promark SPRL. In the past, Mr. Faulx held various positions at Techno Trade SA, JCT Invest and Elval Automotive SA.

Xavier Bedoret, non-executive Director. Mr. Bedoret holds a master's degree in law from the Catholic University of Louvain (UCL). He serves as internal auditor and member of the Audit and Risk Management Committee at Group GDF Suez. Prior to joining GDF Suez, he worked as a certified public accountant, senior bank and financial risk manager, and senior manager at KPMG (Brussels).

Rudolf Wiedenmann, non-executive Director. Mr. Wiedenmann holds a master's degree in chemistry from Ludwig-Maximilians Universität München and a PhD in natural sciences. He is a member of the Board of Directors of Icme Ecab SA. In the past, he worked in the research and development department, as well as in other departments such as that of energy cables, of Siemens in Germany. He served as president in the European Association of Cable Manufacturers.

Efthimios Christodoulou, non-executive and independent Director. Mr. Christodoulou holds a BA in economics from Hamilton College and an MA in economics from Columbia University. He served on the staff of the National Bureau of Economic Research (New York) and was a lecturer at New York University. Mr. Christodoulou was also Governor of the National Bank of Greece, President of the Union of Hellenic Banks, and Director General of the National Investment Bank for Industrial Development (ETEBA). He also acted as President of the Board and CEO of Olympic Airways, Executive President of Hellenic Petroleum SA, and was a member of the European Parliament. He was Minister of Foreign Affairs and Minister of National Economy in Greece. Until June 2013, Mr. Christodoulou also served as President of EFG Eurobank. He is also President of various philanthropic institutions.

Yvan de Launoit, non-executive and independent Director. Mr. Yvan de Launoit holds a Ph.D in science from the Université Libre de Bruxelles. He worked in the medical research sector, particularly in experimental cancerology, and is currently director of a research laboratory in CNRS at the Institut Pasteur de Lille (France). He serves in numerous scientific councils. Yvan de Launoit is also actively involved in the associative sector in Belgium: he is the Vice-president of the Queen Elisabeth Music Competition.

Francis Mer, non-executive and independent Director. Mr. Mer holds a master's degree from Ecole Polytechnique and a master's degree in engineering from Ecole des Mines. He serves as honorary President of Safran Group. In the past, Mr. Mer held various positions at Usinor Sacilor Group, including President of the Board of Directors and CEO, and served as President of Cockerill Sambre, Eurofer (European Steel Association) and the International Iron and Steel Institute. He was President of the French Steel Federation, the National Technical Research Association, EpE (Entreprises pour l'Environnement) and the Cercle de l'Industrie, and co-president of the Board of Arcelor. Mr. Mer was the French Minister of Economy, Finance and Industry from 2002 to 2004.

Thanasis Molokotos, non-executive and independent Director. Mr. Molokotos holds a master's degree in mechanical engineering and a master's degree in marine engineering and naval architecture from the Massachusetts Institute of Technology (Cambridge, MA), and a master's degree in mechanical engineering from Tuft University (Medford, MA); he is President and chief executive officer of Assa Abloy Americas. In the past, he served as general manager of Molokotos Textile Corporation and design specialist at Rangine Corporation.

Vincent de Launoit, non-executive and independent Director. Mr Vincent de Launoit serves as CEO at Water and Laser Cutting S.A., Water Cutting Luxembourg S.A. and Laserys S.A.

All directors' mandate will expire at the shareholders' Ordinary General Meeting of 31 May 2016, when Count Vincent de Launoit's appointment with co-optation on 1 October 2015 will also be confirmed.

4. Appointment of Directors

The members of the Board of Directors are elected by the Shareholders' Meeting following a Board's proposal. The Directors' appointment requires a quorum of two thirds of the share capital. If this quorum is not reached, a second meeting may be convened with the same agenda and shall lawfully meet if 60% of the share capital is present or represented. If this quorum is not reached, a third meeting may be convened and shall lawfully meet if 58% of the share capital is present or represented. The Directors are elected with a 75% majority of the votes. If a Director's position becomes vacant, the remaining Directors may co-opt a Director to cover it on a temporary basis. In this case, the definite appointment will take place in the next Shareholders' Meeting. On 29 September 2015, the Board acknowledged the resignation of Count Yvan de Launoit and proceeded to the co-optation of Count Vincent de Launoit, with effect from October 1st.

The Directors are appointed for a one-year term. This term is renewable. If a Director does not take part in any Board meeting for six months without a valid reason, he is considered as having resigned from the Board.

The Nomination and Remuneration Committee examines the nominations proposed, particularly by the shareholders, and seeks to ensure a satisfactory balance of experience and knowledge among the Board of Directors members. The Committee submits proposals to the Board which decides on the documented proposals to be made to the General Meeting.


FULGOR

Pursuant to article 518 bis, § 3 of the BCC, at least one third of the Company Board members must be of a different sex than the others, as of the financial year starting on 1 January 2019. The Board is aware of that.

5. Criteria for Independence

The Board of Directors indicates those members who meet the independence criteria. To be considered as independent, a Director must meet the criteria defined in article 526ter of the BCC. All independent Directors who no longer fulfil the aforementioned criteria of independence must immediately inform the Board thereof.

The Board of Directors of Viohalco has reviewed all criteria applying to the assessment of Directors' independence pursuant to the BCC and the 2009 Code. Based on the information provided by all Directors on their relationships with Viohalco and its subsidiaries, the Company has decided that Messrs. Efthimios Christodoulou, Yvan de Launoit until his resignation and Vincent de Launoit as of his co-optation, Francis Mer and Thanasis Molokotos are independent according to the criteria of the BCC and the 2009 Code.

6. Functioning

The Board has elected a President among its members, Mr. Nikolaos Stassinopoulos. The President ensures that all Directors receive accurate, timely and clear information. He manages all discussions, draws the relevant conclusions and, if necessary, puts to vote the resolutions that require a decision.

The Board has appointed Mr. Jacques Moulaert to consult the Board on all governance matters (the Corporate Governance Secretary).

The Board meets as often as required by the interests of the Company and, in any case, at least five times a year. Most of the Board meetings take place in Belgium.

The Board of Directors met in Brussels on 30 March 2015, with two Directors absent and represented.

It was held by telephone on 29 April 2015, with four Directors absent and represented,

It was held by telephone on 2 June 2015, with one Director absent,

It was held in Athens on 29 September, with one Director absent and not represented and another Director absent and represented,

It was held by telephone
- on 4 December, with one Director absent and represented;
- on 7 December, with two Directors absent and represented; and
- on 22 December, in the presence of five Directors in Brussels and the rest of them by telephone, except three Directors who were absent and represented.

Committees of the Board of Directors

In 2015, the Board of Directors was assisted by two committees, entrusted to assist the Board and make recommendations in specific sectors: the Audit Committee and the Nomination and Remuneration Committee. The competences of these committees are mainly defined in the Corporate Governance Charter.

1. Audit Committee

In 2015, the Audit Committee was composed of Mr. Efthimios Christodoulou (President), Mr. Xavier Bedoret and, until his resignation, the Count Yvan de Launoit, replaced on 1 October by Count Vincent de Launoit. All are non-executive Directors and two are independent.

All Directors belonging to the Audit Committee meet the criteria of competence by their training and experience acquired during their previous functions.

Pursuant to the Charter, the Audit Committee is convened at least four times a year and meets with the statutory auditors at least twice a year.

The Audit Committee consults the Board of Directors on accounting, audit and internal control matters. In particular, its tasks include:
- monitoring the financial reporting process;
- monitoring the effectiveness of the Company's internal control and risk management systems;
- monitoring the internal audit and its effectiveness;
- monitoring the external audit of annual and consolidated accounts, including any follow-up on the external auditor's potential questions and recommendations; and
- verifying and monitoring the external auditor's independence, particularly when the auditor provides additional services to the Company.

The Audit Committee met five times: on 13 March in Athens, on 30 March and 26 May in Brussels, on 29 September in Athens and on 4 December 2015 in Brussels, with all members present. Both the internal auditor and the external auditor attended two meetings.

2. Nomination and Remuneration Committee

In 2015, the Nomination and Remuneration Committee was composed of Mr. Nikolaos Stassinopoulos (President), Mr. Francis Mer and Mr. Efthimios Christodoulou.

Messrs. Mer and Christodoulou are independent non-executive Directors.

The Committee meets twice a year. The president had reported to the Board of Directors on the Committee's effectiveness on 3 December 2014.

The Nomination and Remuneration Committee mainly consults the Board of Directors on matters concerning the appointment and remuneration of Directors and senior management. In particular, its tasks include:

- submitting proposals to the Board of Directors concerning the remuneration of directors and executive management;
- submitting a remuneration report to the Board of Directors;
- making recommendations to the Board of Directors concerning the appointment of the directors, the CEO and the vice-president;
- periodically assessing the Board's composition and size and making recommendations to the Board of Directors with respect to any potential changes;
- identifying and nominating, for the Board of Directors' approval, candidates for vacant positions; and
- giving advice on proposals for appointment submitted by third parties.

The Nomination and Remuneration Committee met twice, on 30 March and 26 September 2015 in Brussels, with all its members present. The Committee submitted its recommendations to the Board of Directors on the Directors' remuneration, the succession of Yvan de Launoit, and the CEO and Vice-president's remuneration.

Assessment of the Board of Directors and its Committees

The Board of Directors, in its meeting of 3 December 2014, entrusted its President with a first evaluation of the functioning of the Board, and its Committees, the executive management and in particular the CEO, of each Director's contribution to the Board functioning, and of the existing relationships between the executive management and the Board.

Executive Management

The executive management is ensured by four persons: the Managing Director and CEO Mr. Evangelos Moustakas, the executive Vice-president Mr. Jacques Moulaert, the CFO Mr. Dimitris Kyriacopoulos and the accounting and fiscal affairs manager Mr. Panteleimon Mavrakis. The four members of the executive management act by virtue of a one-year term of office lasting from one Ordinary General Meeting until the next one of the following year, which is renewable by the Board of Directors. The actual term of office expires at the Ordinary General Meeting of 31 May 2016 and can be renewed.

The managing Director is assigned to the task of day-to-day management. He carries out the decisions of the Board of Directors and reports to the latter. In this task, he is assisted by his three colleagues.

The Chairman of the Board maintains a close cooperation with him, assists and consults him while respecting his autonomy.

The Board has assigned the following missions to the executive management:

- to carry out the day-to-day management of the Company;
- to apply the Company's internal control system, without prejudice to the monitoring role undertaken by the Board of Directors and, on its behalf, by the Audit Committee;
- to present to the Board of Directors, within the required deadlines, a thorough, reliable and accurate report of the Company's financial statements, in line with the accounting standards and policies established by the latter;
- to disclose mandatorily financial statements and other essential information on the Company's financial and non-financial position;
- to present to the Board of Directors a balanced and comprehensible evaluation of the Company's financial position;
- to provide the Board of Directors, within the required deadlines, with the information required by the latter to carry out its duties;
- the financial responsibility towards the Board of Directors for the execution of its responsibilities.

Remuneration report

1. Remuneration policy

The policy regarding the remuneration of executive and non-executive Directors is determined by the Board of Directors, on the basis of a proposal from the Nomination and Remuneration Committee. It leads to proposals that must be approved by the shareholders during the Annual Ordinary General Meeting as far as the Directors are concerned. The Nomination and Remuneration Committee makes its proposals based on a review of the current market conditions with respect to responsibilities and comparable companies.

The Nomination and Remuneration Committee had reported to the Board of Directors, during its meeting of 31 March 2014, on the remuneration policy proposed to it, as well as on the individual remuneration amounts. Those were confirmed in 2015.

Viohalco does not foresee any significant change in its actual remuneration policy for the years 2016 and 2017.

2. Board of Directors

The remuneration policy for the year 2015-2016 foresees a fixed fee for each Director amounting to EUR 25,000, plus an equal sum in case they are members of a committee.

That was the Board's remuneration initially decided during the Extraordinary Meeting of Shareholders of 24 October 2013 and confirmed by the General Meeting of June 2014.

The remuneration of the Board's chairman is equal to that of the other non-executive Directors.

These fees are allocated pro rata temporis for the period lasting from one Ordinary Meeting to that of the following year, and are due at the end of such period. No variable remuneration is foreseen.

The following table provides an overview of the fees paid to the Board of Directors members during their term of office (2015-2016):

Name for members (amounts in EUR)	Fixed amount for members of the Board	Fixed amount for members of the Audit Committee	Fixed amount for the members of the Nomination and Remuneration Committee	Total
Nikolaos Stassinopoulos	25.000	0	25.000	50.000
Jacques Moulaert	25.000	0	0	25.000
Evangelos Moustakas	25.000	0	0	25.000
Michail Stassinopoulos	25.000	0	0	25.000
Ippokratis Ioannis Stasinopoulos	25.000	0	0	25.000
Jean Charles Faulx	25.000	0	0	25.000
Xavier Bedoret	25.000	25.000	0	50.000
Rudolf Wiedenmann	25.000	0	0	25.000
Efthimios Christodoulou (*)	0	0	0	0
Yvan de Launoit	20.833	20.833		41.666
Francis Mer	25.000	0	25.000	50.000
Thanasis Molokotos	25.000	0	0	25.000
Vincent de Launoit	0	0	0	0
Total Remuneration	270.833	45.833	50.000	366.666

(*) This director has waived all remuneration.

The total remuneration paid to the non-executive Directors is presented in the above table, with the exception of Mr. Wiedenmann's, who received an additional sum of EUR 2,400 by ICME ECAB.

3. Executive Directors and Executive Management:
The remuneration policy for the executive Directors and members of the executive management of Viohalco foresees a fixed fee. They are entitled to neither stock options nor a supplementary pension scheme. No contingent or deferred compensation has been paid by the Company to the executive Directors or the members of the executive management. They do not have any contract with the Company which would entitle them to benefits by the end of their term of office.

The remuneration scheme for the managing Director and the executive Vice-president does not include a variable part. The fee of other executive Directors and proxy-holders is not determined by the Company but by its subsidiaries. The managing Director's fee for the fiscal year 2015 amounts to EUR 1,287 thousands (in addition to his fee as member of the Board).

The fee paid in 2015 to the executive Directors and the members of the executive management by Viohalco and its subsidiaries, excl. the managing Director, amounts to EUR 1,161 thousands (in addition to the executives Directors' fee listed in the above table).

No member of the executive management left Viohalco in 2015.

External Audit

Two statutory auditors, appointed by the General Meeting of Shareholders among the members of the Belgian Institute of Company Auditors, are entrusted with the audit of the Company's financial statements.

On 24 October 2013, the Company appointed KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises SCRL ("KPMG"), represented by Benoit Van Roost and Renaud de Borman Réviseurs d'Entreprises-Bedrijfsrevisoren SPRL, represented by Renaud de Borman, as statutory auditors for a three-year period. KPMG has been appointed to audit the Company's consolidated financial statements.

The statutory auditors' mission and powers are those defined by the law. The General Meeting of Shareholders sets the number of statutory auditors and determines their remuneration in compliance with the law. Statutory auditors are appointed for a renewable term of three years which cannot be revoked by the General Meeting of Shareholders without a good reason.

Risk Management and Internal Control

The Belgian legislative and regulatory framework on risk management and internal control consists of the relevant provisions of the Acts of 17 December 2008 and of 6 April 2010 (on Corporate Governance), as well as of the 2009 Code on Corporate Governance.

As mentioned in the "Risks and uncertainties" chapter of this annual report, the executive management is responsible for risk management and the internal control systems. The main risks faced by Viohalco and its companies are identified and managed at the appropriate Company level. The internal control is a control environment mechanism, defined and implemented under the responsibility of the executive management. It involves a set of means, procedures and actions which:

- contribute to the control of activities, the effectiveness of operations and the efficient use of resources, and
- must allow major risks to be taken properly into account, whether they are operational, financial or related to conformity.

Specifically, the internal control mechanism aims at ensuring:

- conformity with laws and regulations;
- application of instructions and guidelines specified by the executive management;
- proper execution of internal Company processes, especially those contributing to the protection of its assets;
- reliability of financial information.

The internal audit services are provided to the Company by Steelmet S.A. (a Viohalco company) pursuant to a subcontracting agreement, under the leadership of Mr. Karonis.

The internal audit is an independent and objective activity which guarantees the Company adequate control of its operations, provides advice for their improvement and contributes to the creation of added value.

The internal audit helps the Company achieve its objectives by systematically and methodically evaluating its risk management, control and corporate governance procedures, and by submitting proposals to enhance their effectiveness. The person responsible for the internal audit reports to the Audit Committee at least twice a year.

The Audit Committee supervises the audit function and ensures compliance with the internal audit Charter within the Company. It ensures the auditors' independence, objectivity and competence, proper mission planning, and the effective implementation of the auditing recommendations by the executive management.

Risk assessment

Risks are identified through a periodic process that is undertaken both at a Viohalco and at a segmental level. This process results in the drafting of the Risk Universe, which is then subject to both quantitative and qualitative analysis and assessment, in order to define updated Risk Profile.

This list of prioritised risks is then subject to an extensive review, in order to ensure correct and up-to-date mapping with the applicable Risk Response, i.e. structures, policies, procedures, systems & monitoring mechanisms put in place by management in order to manage these risks. A consolidated review takes place at the level of the executive management, the outcome of which is presented to the Audit Committee and to the Board of Directors. The Audit Committee monitors the effectiveness of the Company's internal control and risk management systems and looks into specific aspects of internal control and risk management on an on-going basis.

Each of Viohalco's segment is responsible for the mitigation of its own risks.

A graphical representation of Viohalco's current exposure to risks, along with a description of each risk, is provided in the relevant section of this report ('Risks and Uncertainties').

Control Activities and Relationship with subsidiaries

Viohalco, being purely a holding company operates in a decentralised way. Each one of Viohalco's companies is responsible for its results and performance. The management of subsidiaries is organised around solid global and regional teams, with responsibility assigned to the members of their respective executive management.

All Viohalco's companies are accountable for their internal control responsibilities, implemented at all segments, locations and production installations. The objective of each Policy is to define the strategy and goals on each particular area, to provide the necessary guidance for their achievement, and to set the framework that should lead behaviours and actions.

Financial reporting and Monitoring Activities

Viohalco has established procedures for the collection of financial and operational information from its various subsidiaries. These also aim to ensure reconciliation of separate transactions and the homogenous implementation of accounting principles.

Each segment submits to Viohalco a monthly report with financial information including P&L, Balance Sheet, Cash Flow, Receivables and Gross Margin Analysis. In addition to this, a Working Capital Scorecard is communicated monthly at group level regarding the actual commitment of cash though working capital versus targets.

A detailed report on the performance of the major subsidiaries of each segment is presented to the Board three times per year. This report compared to the budget provides operational and financial information and is a key component of Viohalco's decision-making process. The Audit Committee is responsible, on behalf of the Board of Directors, to monitor this process and the effectiveness of the Company's control systems and risk management of the Company as assumed by the internal audit.

The Internal Audit implements a risk-based audit plan that focuses on the proper application of policies and procedures which have been put in place to manage risk. Internal control deficiencies are communicated to the Audit Committee and Management in a timely manner and periodic follow-up is performed to verify the implementation of the agreed corrective measures.

Conflicts of Interests

Article 10 of the Governance Charter defines Viohalco's policy concerning the transactions or other contractual relationships that may arise between the Company, including its affiliated companies, and the Directors, when such transactions are not governed by pertinent legal provisions.

In case of conflicts of interests with a Director, a shareholder or another company of Viohalco Group, the Board of Directors must apply the specific procedures set out in articles 523 and 524 of the BCC.

In general, each Director and member of the executive management must act without conflict of interests and always put the interests of Viohalco before his or her individual interest. To achieve this objective, each Director and member of the Executive Management must organise his or her personal activities accordingly.

All Directors must inform the Board of Directors of any conflict of interests once it arises. If the conflict of interests concerns patrimonial interests, they must abstain from participation in the discussions and deliberations on the matter pursuant to article 523 of the BCC. The minutes of the meeting during which the conflicts of interests arose must be included in the Company's annual report.

If the conflict of interests is not governed by the provisions of the BCC and involves a transaction or a contractual relationship between Viohalco or one of its related entities, on the one hand, and any Director or member of the Executive Management (or a company or entity closely related to this Director or member of the Executive Management), on the other, such Director must inform the Board of Directors of the conflict. The Board of Directors must then take steps especially to ensure that the approval of the transaction is motivated by the sole interest of Viohalco and takes place at arm's length.

In all cases involving a conflict of interests not governed by article 523 of the BCC, the Director affected by the conflict of interests shall be responsible for judging whether he or she should abstain from participating in the Board discussions and vote.

Since the listing of the Company, the Board of Directors has not been notified of any transaction or other contractual relationship between Viohalco and its Board of Directors members which caused a conflict of interests within the meaning of articles 523 and 524 of the BCC.

Shareholders

1. Capital Structure

On 31 December 2015, the Company's share capital amounted to EUR 104,996,194.19 represented by 233,164,646 shares without nominal value. There is no authorised share capital. On 30 March 2016, following the cross-border merger in which Viohalco absorbed the Greek companies Diatour, Alcomet, Elval SA and the Luxembourg company Eufina SA, the capital amounted to EUR 141,893,811.46 represented by 259,189,761 shares.

All shares of the Company belong to the same class of securities and are in registered or dematerialised form. Shareholders may elect, at any time, to have their registered shares converted into dematerialised shares and vice versa.

No restriction of share transfer is provided in the Company's Articles of Association. Therefore, all shares are freely transferable. Each share entitles one vote. No special rights are attached to the Company shares.

2. Restrictions on Voting Rights

The Company's Articles of Association do not include any restrictions on the exercise of voting rights by the shareholders provided that the relevant shareholders are admitted to the General Meeting and their rights are not suspended. The relevant provisions governing the shareholders' admission to the General Meeting are set out in article 19 of Viohalco's Articles of Association.

Article 8.3 of the Articles of Association provides that Company shares are indivisible and that it recognises only one holder per share. The Board of Directors has the right to suspend the exercise of all rights attached to jointly owned shares until a single representative of the joint owners has been appointed.

3. Transparency

Pursuant to the Belgian law of 2 May 2007 on the disclosure of shareholdings in listed companies and containing various provisions (the Transparency Law) implementing into Belgian law the Directive 2004/109/EC, all natural and legal entities must inform the Company and the Financial Services and Markets Authority (FSMA) in the following cases:

- an acquisition or disposal of voting shares or financial instruments that are treated as voting securities;
- the holding of voting rights at the time of the initial public offering;
- the passive reaching of a threshold;
- the reaching of a threshold by persons acting in concert or a change in the nature of an agreement to act in concert;
- update of a previous notification concerning the voting securities;
- the acquisition or disposal of the control of an entity holding the voting securities; and
- the introduction by the Company of additional notification thresholds in its Articles of Association, in each case where the percentage of voting rights attached to the voting securities held by these persons reaches, exceeds or falls below the legal threshold set at 5% of the total voting rights and at 10%, 15%, 20% and so on for every 5% or, as the case may be, the additional thresholds provided in the Articles of Association.

The notification must be made as soon as possible and, at the latest, within four trading days following the acquisition or disposal of the voting rights triggering the reaching of the initial threshold. Once the Company receives a notification of information concerning the reaching of a threshold, it must publish such information within three trading days following receipt of the notification.

During a General Meeting of Shareholders of the Company, no shareholder can cast a greater number of votes than those attached to the securities or rights it has notified, pursuant to the Transparency Law, at least 20 days before the date of the General Meeting in question, subject to certain exceptions.

The form on which such notifications must be made, together with additional explanations, is available on the FSMA website (www.fsma.be).

The voting rights held by major shareholders of the Company on 30 March 2016 are provided in the section «Structure of Body of Shareholders» of chapter 7 in this report and are available on the website of Viohalco (www.Viohalco.com).

Viohalco is not aware of the existence of any agreement between shareholders concerning the transfer or exercise of the voting rights attached to the shares of the Company.

General Meeting of Shareholders

1. Meetings

The Annual General Meeting of Shareholders of the Company is held on the last Tuesday of May at 12:00 p.m. (noon) or, if the day is a public holiday in Belgium, on the previous business day, at the same time. It takes place in Brussels, at the registered office of the Company or at the place indicated in the convening notice of the shareholders' meeting.

The other shareholders' meetings of the Company must take place on the day, at the hour and place indicated in the convening notice of meeting. They may take place at locations other than the registered office.

The annual, special and extraordinary shareholders' meetings of the Company may be convened by the Board of Directors or the auditor of the Company and at the request of shareholders representing at least the one fifth of the Company's share capital.

2. Quorum and Majority Required for modification of the Articles of Association

The modification of Viohalco's Articles of Association requires that two thirds of the share capital are present or represented and that it is approved by a 75% majority of votes. If the quorum of two thirds is not reached during a first Meeting, a second Meeting can be convened with the same agenda and shall lawfully meet if 60% of the Company capital is present or represented.

If this quorum is not reached, a third Meeting could be convened and shall lawfully meet if 58% of the Company capital is present or represented.

Other information

The Management Report for the accounting period ending on 31 December 2015, consisting of pages 12 to 67, and 68 to 78 (Corporate Governance Statement), has been prepared in accordance with article 119 of the Belgian Companies Code and was approved by the Board of Directors on 14 April 2016. It includes the consolidated financial statements of Viohalco.

28 April 2016

Evangelos Moustakas
CEO

Jacques Moulaert
Vice-Executive President

Shareholder Information and Market Data

Share information and evolution of the shares

The share capital of Viohalco is set at EUR 141,893,811.46 and is divided into 259,189,761 shares without nominal value, further to the completion of the Cross-Border Merger by absorption by Viohalco of the Greek companies Elval Holdings Société Anonyme (Elval), Diatour, Management and Tourism Société Anonyme (Diatour), Alcomet Copper and Aluminium Société Anonyme (Alcomet) and the Luxembourg company Eufina S.A. (Eufina) on 26 February 2016.

The shares have been issued in registered and dematerialised form. All the shares are freely transferable and fully paid up. The company has not issued any other category of shares, such as non-voting or preferential shares.

All the shares representing the share capital have the same rights. In accordance with the articles of association of the company, each share entitles its holder to one vote.

Viohalco's shares are listed under the symbol "VIO" with ISIN code BE0974271034 on the regulated market of Euronext Brussels and on the main market of the Athens Exchange with the same ISIN code and under the symbol VIO (in latin characters) and BIO (in Greek characters).

Market data

The table below sets forth, for the periods indicated the maximum and minimum year-end closing prices, and the end of the year closing prices of Viohalco S.A. on Euronext Brussels and Athens Exchange.

Share price EURONEXT BRUSSELS in EUR	2015	2014
At the end of the year	1.61	1.91
Maximum	3.98	5.08
Minimum	1.53	1.78
Dividends	0	0
Gross annual return in %	-16.1%	-48.3%

Share price ATHENS EXCHANGE in EUR	2015	2014
At the end of the year	1.60	1.86
Maximum	4.08	5.12
Minimum	1.50	1.78
Dividends	0	0
Gross annual return in %	-14.0%	-56.1%

Investor relations

Sofia Zairi
Head of Investor Relations
Email: ir@viohalco.com

Contact Details

Viohalco S.A.	Viohalco S.A. – Greek Branch
30 Marnix Avenue,	16 Himaras Street,
1000 Brussels,	151 25 Maroussi, Athens
Belgium	Greece

Belgium tel:	(+32) 2. 224.0911
Greece tel:	(+30) 210 6861 111, (+30) 210 6787 773
Market	NYSE Euronext Brussels
Ticker	VIO
ISIN code	BE0974271034
Market	Athens Exchange
Ticker	VIO (in latin characters) and BIO (in Greek characters)
ISIN code	BE0974271034

Viohalco remains committed to high-quality and transparent financial reporting. Viohalco's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRSs as adopted by the EU").

Shareholder's structure

Following the completion of the cross-border merger by absorption by Viohalco of Elval Holdings, Diatour, Alcomet and Eufina, the latest information the company has regarding Viohalco's major shareholders is set forth in the table below:

Name (Shareholders)	% voting rights
Evangelos Stassinopoulos	42.18%
Nikolaos Stassinopoulos	30.02%
Michail Stassinopoulos	4.63%
Ippokratis-Ioannis Stasinopoulos	4.66%

As a result, the voting rights for these four shareholders are as follows:

- 42.18% of the Company's voting rights are held by Evangelos Stassinopoulos;
- 30.02% of the Company's voting rights are held by Nikolaos Stassinopoulos;
- 4.63% of the Company's voting rights are held by Michail Stassinopoulos; and
- 4.66% of the Company's voting rights are held by Ippokratis Ioannis Stasinopoulos.

Distribution and dividend policy

Since its incorporation in 2013, Viohalco does not have any history of dividend distribution.

It is the present intention of the Board of Directors that in the short term, the Company's profits shall be reinvested into the Company's businesses. This policy will be reviewed by the Board of Directors in due course and, if the policy changes, the Company will inform the market accordingly. However, no assurances can be given that Viohalco will make dividend payments in the future. Such payments will depend upon a number of factors, including Viohalco's prospects, strategies, results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors considered to be relevant by the Board of Directors. Due to its interest and participation in a number of subsidiaries and affiliated companies, Viohalco's stand-alone income and its ability to pay dividends depends in part on the receipt of dividends and distributions from these subsidiaries and affiliated companies. The payment of dividends by these subsidiaries and affiliated companies is contingent upon the sufficiency of earnings, cash flows, and distributable reserves.

Financial calendar

Date	Publication / Event
31 May 2016	Annual General Meeting 2016
30 September 2016	Half Yearly 2016 results

CONSOLIDATED FINANCIAL STATEMENTS 2015

Annual report 2015

1. Consolidated Statement of Financial Position

(amounts in EUR thousand)	Note	As at 31 December 2015	2014
ASSETS			
Non-current assets			
Property, plant and equipment	17	1,814,588	1,759,024
Intangible assets and goodwill	18	23,598	21,278
Investment property	19	156,012	141,497
Equity - accounted investees	20	16,452	18,495
Other investments	21	7,645	50,366
Derivatives	22	0	887
Trade and other receivables	15	8,033	7,624
Deferred tax assets	13	11,664	5,318
		2,037,993	**2,004,489**
Current assets			
Inventories	14	786,242	860,709
Trade and other receivables	15	538,165	535,085
Derivatives	22	3,654	9,454
Other investments	29	2,138	818
Income tax receivables		1,246	2,366
Cash and cash equivalents	16	136,296	99,612
		1,467,740	**1,508,045**
Total assets		**3,505,734**	**3,512,534**
EQUITY			
Equity			
Share capital		117,666	104,996
Share premium		453,822	432,201
Translation reserve		-13,968	-12,755
Other reserves	23	328,622	363,003
Retained earnings		42,353	32,768
Equity attributable to owners of the Company		**928,494**	**920,214**
Non-controlling interests		246,349	322,792
Total equity		**1,174,843**	**1,243,006**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	25	895,863	944,599
Derivatives	22	543	148
Employee benefits	11	25,405	25,675
Grants	27	50,549	48,632
Provisions	28	3,009	3,093
Trade and other payables	26	17,924	23,227
Deferred tax liabilities	13	151,365	138,091
		1,144,656	**1,183,465**
Current liabilities			
Loans and borrowings	25	739,139	638,848
Trade and other payables	26	419,201	430,718
Current tax liabilities		20,534	4,857
Derivatives	22	5,932	11,225
Provisions	28	1,428	415
		1,186,234	**1,086,064**
Total liabilities		**2,330,891**	**2,269,529**
Total equity and liabilities		**3,505,734**	**3,512,534**

The notes on pages a9 to a61 are an integral part of these Consolidated Financial Statements.

2. Consolidated Statement of Profit or Loss

(amounts in EUR thousand)	Note	For the year ended 31 December 2015	2014
Continuing operations			
Revenue	**7**	**3,274,735**	**2,943,462**
Cost of sales	8	-2,968,241	-2,737,809
Gross profit		**306,494**	**205,653**
Other income	8	41,307	29,460
Selling and distribution expenses	8	-150,545	-126,138
Administrative expenses	8	-91,528	-84,107
Other expenses	8	-26,027	-22,859
Operating result before non-recurring items		**79,701**	**2,011**
Non-recurring items	8	-6,325	2,083
Operating result (EBIT)		**73,376**	**4,094**
Finance income	9	14,373	14,302
Finance costs	9	-125,414	-110,635
Net finance income/costs (-)		**-111,042**	**-96,333**
Share of profit/loss (-) of equity-accounted investees, net of tax	20	882	2,206
Profit/Loss (-) before income tax		**-36,784**	**-90,033**
Income tax	13	-26,616	2,491
Profit/Loss (-) from continuing operations		**-63,400**	**-87,543**
Profit/Loss (-)		**-63,400**	**-87,543**
Profit/Loss (-) attributable to:			
Owners of the Company		-59,993	-59,405
Non-controlling interests		-3,407	-28,138
		-63,400	**-87,543**
Earnings per share (in EUR per share)		**2015**	**2014**
Basic and diluted	10	-0.27	-0.27

The notes on pages a9 to a61 are an integral part of these Consolidated Financial Statements.

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

(amounts in EUR thousand)	Note	For the year ended 31 December 2015	2014
Profit/Loss (-)		**-63,400**	**-87,543**
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		3,812	408
Available-for-sale financial assets - effective portion of changes in fair value	21	-4,378	1,107
Cash flow hedges - effective portion of changes in fair value	21	-5,566	245
Related tax	13	978	41
Items that will never be reclassified to profit or loss:			
Remeasurement of defined benefit liability	11	1,661	-5,168
Related tax	13	-494	1,355
Other comprehensive income, net of taxes		**-3,987**	**-2,011**
Total comprehensive income		**-67,387**	**-89,554**
Total comprehensive income attributable to			
Owners of the Company		-64,774	-62,518
Non-controlling interests		-2,613	-27,036
		-67,387	**-89,554**

The notes on pages a9 to a61 are an integral part of these Consolidated Financial Statements.

4. Consolidated Statement of Changes in Equity

2015

(amounts in EUR thousand)	Note	Share capital	Share premium	Other reserves	Translation reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
Balance as at 1 January 2015		**104,996**	**432,201**	**363,003**	**-12,755**	**0**	**32,768**	**920,214**	**322,792**	**1,243,006**
Total comprehensive income										
Profit/Loss (-)		0	0	0	0	0	-59,993	-59,993	-3,407	-63,400
Other comprehensive income, net of taxes		0	0	-5,215	30	0	404	-4,780	794	-3,987
Total comprehensive income		**0**	**0**	**-5,215**	**30**	**0**	**-59,589**	**-64,774**	**-2,613**	**-67,387**
Transactions with owners of the Company:										
Contributions & distributions:										
Transfer of reserves		0	0	-1,411	3	0	-890	-2,298	2,298	0
Dividend		0	0	0	0	0	0	0	-953	-953
Total		**0**	**0**	**-1,411**	**3**	**0**	**-890**	**-2,298**	**1,344**	**-953**
Changes in ownership interests:										
Acquisition of NCI SIDENOR HOLDINGS	32	12,670	21,620	-19,909	-1,170	-8,059	68,006	73,158	-73,158	0
Other changes in ownership interests		0	0	214	-76	0	2,057	2,195	-2,017	178
Balance as at 31 December 2015		**117,666**	**453,822**	**336,681**	**-13,968**	**-8,059**	**42,353**	**928,495**	**246,349**	**1,174,843**

2014

(amounts in EUR thousand)	Share capital	Share premium	Other reserves	Translation reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
Balance as at 1 January 2014	**104,996**	**432,201**	**439,411**	**-11,524**	**0**	**27,858**	**992,944**	**347,748**	**1,340,692**
Total comprehensive income									
Profit/Loss (-)	0	0	0	0	0	-59,405	-59,405	-28,138	-87,543
Other comprehensive income, net of taxes	0	0	1,393	-754	0	-3,753	-3,114	1,102	-2,011
Total comprehensive income	**0**	**0**	**1,393**	**-754**	**0**	**-63,157**	**-62,518**	**-27,036**	**-89,554**
Transactions with owners of the Company									
Contributions & distributions:									
Transfer of reserves	0	0	-77,301	-3	0	77,202	-102	474	372
Dividend	0	0	-50	0	0	0	-50	-4,269	-4,319
Total	**0**	**0**	**-77,350**	**-3**	**0**	**77,202**	**-152**	**-3,795**	**-3,947**
Changes in ownership interests	0	0	-450	-475	0	-9,135	-10,060	5,874	-4,185
Balance as at 31 December 2014	**104,996**	**432,201**	**363,003**	**-12,755**	**0**	**32,768**	**920,214**	**322,792**	**1,243,006**

The notes on pages a9 to a61 are an integral part of these Consolidated Financial Statements.

5. Consolidated Statement of Cash Flows

Cash Flows from operating activities

(amounts in EUR thousand)	Note	For the year ended 31 December 2015	2014
Profits/ loss(-) of the period		-63,400	-87,543
Adjustments for:			
Income tax	13	26,616	-2,492
Depreciation of PP&E, intangible assets and investment property	17,18,19	125,007	119,619
Impairment (reversal), write-off, retirment of PP&E, intangible assets and investment property	17,18,19	3,807	-1,219
Gain (-)/loss on sale of property, plant and equipment		-2,050	-89
Finance income	9	-14,373	-13,337
Finance expenses	9	125,414	110,650
Income from dividends	9	0	-980
Amortization of grants	27	-4,630	-4,089
Share of profit/loss of equity-accounted investees		-882	-2,206
Foreign exchange differences	9,10	-7,204	-1,056
		188,306	**117,259**
Changes			
Increase (-) / decrease in inventories		56,499	-85,184
Increase (-) / decrease in receivables		46,863	-70,330
Increase/decrease (-) in liabilities		-57,871	136,425
Increase/decrease (-) in provisions		23,356	3,463
Increase/decrease (-) in employee benefits	11	1,384	489
		70,230	**-15,135**
Cash generated from operating activities		**258,536**	**102,124**
Interest paid		-121,963	-110,327
Income tax paid		-6,567	-10,872
Net cash from/used in (-) operating activities		**130,006**	**-19,075**
Cash flows from investing activities			
Acquisition of PP&E, investment property and intangible assets	17, 18, 19	-206,032	-195,996
Proceeds from sale of PP&E, investment property and intangible assets	17, 18, 19	10,660	817
Acquisition of equity-accounted investees		-757	-2,289
Dividends received		1,699	3,571
Acquisition of available-for-sale financial assets		-60	-147
Proceeds from sale of available-for-sale financial assets		39,868	16,221
Purchase of financial assets at fair value through profit or loss		-2,326	-1,100
Proceeds from sale of financial assets at fair value through profit or loss		1,293	0
Interest received		5,278	7,747
Proceeds from collection of grants		2,038	8,371
Effect of change in holdings		698	-1,526
Net cash used in investing activities		**-147,642**	**-164,330**
Cash flows from financing activities			
Proceeds from new borrowings	13	334,516	338,791
Repayment of borrowings	13	-279,863	-226,873
Payment of finance lease liabilities		-275	-87
Dividends paid		-951	-3,888
Proceeds/payments from share capital increase (portion of minority)		0	889
Net cash from financing activities		**53,427**	**108,832**
Net decrease (-)/ increase in cash and cash equivalents		**35,791**	**-74,574**
Cash and cash equivalents at beginning of period		99,612	173,401
Effects of movements in exchange rates on cash held		893	785
Cash and cash equivalents		**136,296**	**99,612**

The notes on pages a9 to a61 are an integral part of these Consolidated Financial Statements.

6. Notes to the Consolidated Financial Statements

1. Reporting entity
Viohalco S.A. (hereafter referred to as "the Company" or "Viohalco") is a Belgian Limited Liability Company. The Company's registered office is located at 30 Avenue Marnix, 1000 Brussels Belgium. The Company's Consolidated Financial Statements include those of the Company and its subsidiaries (together referred to as "Viohalco"), and Viohalco's interest in associates accounted for using the equity method.

Viohalco S.A. is the holding company and holds participations in approximately 90 subsidiaries, three of which are listed on the Athens Exchange. With production facilities in Greece, Bulgaria, Romania, FYROM and the United Kingdom, Viohalco subsidiaries specialise in the manufacture of steel, copper and aluminium products. In addition, Viohalco owns substantial real estate properties in Greece and redeveloped some of its properties as real estate development projects. Its shares are traded on Euronext Brussels and has since February 2014 its secondary listing on the Athens Stock exchange (trading ticker "VIO").

The Company's electronic address is www.viohalco.com, where the Consolidated Financial Statements have been posted.

2. Basis of accounting
Statement of compliance
The Consolidated Financial Statements have been prepared by Management in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union up to 31 December 2015. They were autorised for issue by the Company's Board of Directors on 30 March 2016. The notes to these financial statements were finalized subsequently by Management.

Details of the Viohalco's accounting policies are included in Note 5.

These Consolidated Financial Statements are subject to the approval of the Company's Ordinary General Meeting, on 31 May 2016.

Basis of measurement
The Consolidated Financial Statements have been prepared in accordance with the historical cost principle with the exception of the following assets and liabilities which are measured on an alternative basis on each reporting date.

- Financial assets at fair value through profit or loss (fair value);
- Derivative financial instruments (fair value);
- Available-for-sale financial assets (fair value);
- Net defined benefit liability (present value of the obligation)
- Provisions (present value of the expected future cash flows).

3. Functional currency and presentation currency
The functional and presentation currency of the parent Company is EUR. All amounts in the Consolidated Financial Statements are rounded to the nearest thousand, unless otherwise indicated. As such, due to rounding, figures shown as totals in certain tables may not be arithmetic aggregations of the figures that precede them.

4. Use of estimates and judgements
Preparing Financial Statements in line with IFRS requires that Management makes judgements, makes estimates and assumptions that affect the application of Viohalco's accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.
Management's estimates and judgements are reviewed on an ongoing basis. Revisions to estimates are recognised propectively.

A. Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 5.1 and 30 - Consolidation: whether Viohalco has de facto control over an investee;

- Note 19 and 5.11 – Investment property classification of property as investment property versus owner-occupied property

B. Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 December 2015 is included in the following notes:

- Note 11 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 13 – Recognition of deferred tax assets, availability of future taxable profits against which carryforward tax losses can be used;
- Note 17, Note 18 and Note 19 – Impairment test: key assumptions underlying recoverable amounts;
- Note 28 and 34 – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 25 and 5 - Lease: whether an arrangement contains a lease;
- Note 33 and 5 – Lease classification

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

- IAS 19 "Employee Benefits – Defined Benefit Plans: Employee Contributions" (Amendment)
- Annual Improvements to IFRS 2010-2012 cycle
- Annual Improvements to IFRS 2011-2013 cycle

5.1. Basis of Consolidation
(a) Business combinations
Acquisition of subsidiaries is accounted for using the acquisition method on the acquisition date, i.e. the date on which control is transferred to Viohalco. To assess control, Viohalco takes into account substantive potential voting rights.

Viohalco and its companies measure goodwill on the acquisition date as follows:

- the fair value of the consideration paid, plus
- the value of any non-controlling interest in the acquired subsidiary less
- the fair value of identifiable assets and liabilities assumed.

Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is immediately recognized in the Consolidated Statement of Profit or Loss. Any expenses directly linked with acquisition are directly posted in the Consolidated Statement of Profit or Loss. Any contingent acquisition cost is recognized at its fair value on the acquisition date.

(b) Subsidiaries
Subsidiaries are entities controlled by Viohalco. Viohalco controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(c) Non-controlling interests
NCI are measured at fair value or at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. This measurement is done on an acquisition by acquisition basis.

Changes in Viohalco's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) Loss of control
When Viohalco and its companies lose control over a subsidiary, they derecognise the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(e) Interests in equity-accounted investees
Viohalco's interests in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which Viohalco has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which Viohalco has joint control, whereby Viohalco has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequently to initial recognition, the consolidated financial statements include Viohalco's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

(f) Transactions eliminated on consolidation
Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

5.2. Foreign currency
(a) Foreign currency transactions
Transactions in foreign currencies are translated into the respective functional currencies of Viohalco's companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional curreny at the exchange rate, when the fair value was determined. Foreign currency gains and losses are recognized and classified in the consolidated statement of profit or loss based on the nature of the related item of the consolidated statement of financial position.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising from the translation of qualifying cash flow hedges to the extent that the hedges are effective are recognised in OCI.

(b) Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into EUR at the exchange rates of the reporting date. The income and expenses of foreign operations are translated into EUR at the exchange rates at the date of the transactions. The average rate for the period is deemed to be an appropriate rate.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that the control, significant influence or joint control is lost, the cumulative amount in the translation reserve related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If Viohalco disposes of parts of its interest in the subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When Viohalco disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

5.3. Revenue
(a) Sale of goods
Viohalco's companies recognize revenue when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of the revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

The timing of the transfer of risks and rewards varies on the individual terms of the sales agreement. The transfer occurs when the product is delivered to the customer; however for some international shipments the transfer occurs on loading the goods onto the carrier at the port. For those shipments, based on the incoterms when the goods are loaded onto the ship, or other delivery vehicle, at the port of the seller, it is considered that all risks and rewards have been transferred from the seller to the buyer and revenue is then recognized.

(b) Rendering of services
Viohalco's companies recognise revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

(c) Construction contracts
Contract revenue for Viohalco's companies includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probably that they will result in revenue and can be measured reliably.

If the outcome of a construction contract can be estimated reliably, then contract revenue is recognized in the profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Contract expenses are recognized as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognized immediately in profit or loss.

(d) Investment property rental income
Rental income from investment property for Viohalco and its subsidiaries in the Real Estate Development sector is recognised as income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Rental income is recognized as "Other income".

5.4. Employee benefits
(a) Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if Viohalco and its companies have a present legal or constructive obligation to pay this amount, as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans
Defined-contribution plans are plans for the period after the employee has ceased to work during which Viohalco and its companies pay a defined amount to a third legal entity without any other obligation. The accrued cost of defined-contribution programs is recorded as an expense in the period that it concerns.

(c) Defined benefit plans
Viohalco and its companies' net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The discount rate is based on "iBoxx AA-rated EUR corporate bond 10+ year" Index.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. Viohalco and its companies determine the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. Viohalco and its companies recognise gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(d) Termination benefits
Termination benefits are expensed at the earlier of when Viohalco and its companies can no longer withdraw the offer of those benefits and when they recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

In the case of employment termination in which Viohalco and its companies are not able to determine the number of employees who will take advantage of this incentive, these benefits are not accounted for, but are recorded as a contingent liability.

5.5. Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and Viohalco's companies will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

5.6. Finance income and finance costs

Viohalco and its companies finance income and finance costs mainly include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on the disposal of available-for-sale financial assets;
- impairment losses recognised on financial assets (other than trade receivables);
- Foreign currency gains and losses from loans

Dividend income is recognised in profit or loss on the date on which their right to receive payment is established.

(a) Income from interest

Income from interest is recognised on the time proportion basis using the effective interest rate method.

Interest expense is recognized using the effective interest method.

(b) Income from dividends

Dividends are accounted for as income when a right to collect them has been established.

5.7. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

A. Current tax

Current tax comprised the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

B. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that Viohalco and its companies are able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that is has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurements of deferred tax reflects the tax consequences that would follow from the manner in which Viohalco and its companies expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

5.8. Inventories

Inventories are stated at the lower cost and net realisable value. The cost is determined by applying the method of weighted average cost and includes the production and conversion cost and all direct expenses required to bring inventories at their current condition. Financial expenses are not included in the acquisition cost. The net realisable value is estimated based on the inventory's current sales price, in the ordinary course of business activities, less any possible selling expenses, whenever such a case occurs.

The write-down of inventories to net realisable value and any reversals are recognized in 'cost of sales in the period in which the write-downs or losses occur.

5.9. Property, plant and equipment

A. Recognition and measurement

Property, plant and equipment are presented at their acquisition cost less accumulated depreciation and impairment. The acquisition cost includes all expenses that are directly associated with the asset's acquisition or self-construction. The cost of self-constructed fixed assets includes the cost of direct labour, materials and any other cost that is required for the fixed asset to be ready for use as well as any borrowing costs.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to Viohalco and its companies. Repair and maintenance costs are recorded in the Consolidated Statement of Profit or Loss when these are incurred.

On the sale of property, plant and equipment, any difference that may arise between the price that is received and the carrying value thereof is recorded through profit or loss in the category "other operating income (expenses)".

Borrowing costs related to the construction of assets are capitalised during the period required for the construction to be completed.

B. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

Buildings	10-33 years
Plants	50 years
Machinery	2-25 years
Furniture and other equipment	2-8 years
Transport means	4-15 years

Computers are included in the category "Furniture and other equipment".

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified to investment property.

The item is reclassified at its net book value at the date of reclassification which becomes its deemed cost for subsequent accounting purposes.

D. Reclassification to assets held for sale

Non-current assets and disposal groups are reclassified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use.

5.10. Intangible assets and goodwill

A. Recognition and measurement

Goodwill: Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Research and development: Expenditure on research activities is recognised in profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercial feasible, future economic benefits are probable and Viohalco's companies intend to and have sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Software programs: Software licenses are recorded at their acquisition cost less accumulated amortisation. These assets are amortised on the straight line method over their estimated useful lives, which ranges between 3 to 5 years. Expenses that are associated with the software's maintenance are recognised as expenses in the year in which they are incurred.

Other intangible assets: Other intangible assets, including customer relationships, patents and trademarks, that are acquired by Viohalco and its companies and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Other intangible assets having indefinite useful lives are measured at cost less accumulated impairment losses.

B. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

C. Amortisation and usefull lives

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill and other intangible assets with indefinite useful lives are not amortised.

The estimated useful lives for the current and comparative periods are as follows:

• Trademarks and licenses	10 – 15 years
• Software programs	3 – 5 years

Some intangible assets included in "Trademarks and licences" have indefinite useful lives and are therefore not amortised, but subject to an impairment test. See Note 18 for detailed information.
Amortisation methods, useful lives and residual values ar reviewed at each reporting date and adjusted if appropriate.

5.11. Investment property

Investment property, which mainly includes land and buildings, is owned by Viohalco and its subsidiaries in the Real Estate Development sector for the collection of rents and is not used for self-purposes. Investment property is presented at cost less depreciation. When the carrying amounts of investment property exceed their recoverable value, the difference (impairment) is directly recorded in profit and loss an an expense. The reversal of impairment losses is also recognised in profit and loss as income. The land is not depreciated. The buildings are depreciated by applying the straight line method. The expected useful life of buildings is 18-33 years.

Management exercises judgement to determine whether a property qualifies as investment property or not. The criteria related to this judgement are as follows:

- Whether a property generates cash flows derived from rentals and capital appreciation largely independently of the other assets held by the Group;
- Whether a property does not generate cash flows from the production or supply of goods or services or the use of property for administrative purposes that are attributable not only to property, but also to other assets used in the production or supply process;
- Whether a building that is vacant will be held to be leased out or for capital appreciation;
- Whether a property that is being constructed or developed for future use as investment property;
- Whether the Group holds land for a currently undetermined future use.

5.12. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, employee benefits or investment property which continue to be measured in accordance Viohalco and its companies' other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

5.13. Impairment

A. Non-derivative financial assets

Available-for-sale financial assets and financial asset interests in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to Viohalco's companies on terms that they would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payments status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group considers a decline of 20% to be significant and a period of 9 months to be prolonged.

Financial assets measured at amortized cost (Trade and other Receivables)

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. The above information will supplement the forthcoming financial statements.

B. Non-financial assets

At each reporting date, Viohalco and its companies review the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets with indefinite useful life is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss under "Non-recurring items" on the face of consolidated statement of profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.14. Leases

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

Leases, in which the lessor substantially maintains all the risks and benefits of ownership, are classified as operating leases. Payments that are made with regard to operating leases are recognised in profit and loss proportionately during the term of the lease.

5.15. Financial instruments

Viohalco and its companies classify non-derivative financial assets into the following categories: "financial assets at fair value through profit or loss", "Cash and receivables", "available-for-sale financial assets".

(a) Non-derivative financial assets and financial liabilities – recognition and derecognition

Viohalco and its companies initially recognise Cash and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

Viohalco and its companies derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Viohalco and its companies derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, Viohalco and its companies have a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Trade and other receivables less impairment losses

These assets are initially recognised at fair value and subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash on hand and equivalent cash accounts include cash on hand, sight deposits, short-term (up to 3 months) high-liquid and low-risk investments.

Available-for-sale financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognised in OCI and accumulated in the "Fair value" reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(c) Non-derivative financial liabilities – measurement
Non-derivative financial liabilities include loans and borrowings and are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

5.16. Derivatives and hedge accounting
Viohalco's companies hold derivative financial instruments for fair value and cash flow hedge. Derivatives are used to cover risks arising from changes in prices of metals, fluctuations of foreign exchange rates and changes in loan interest rates.

Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss, unless the hedge qualifies for cash flow hedge.

Fair value hedge
Derivatives are designated as fair value hedges when the exposure to changes in the fair value of a recognized financial asset or liability is hedged.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Consolidated Statement of Profit or Loss, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge
The effective proportion of change in the fair value of derivatives defined as cash flow change hedges are recorded to "Fair value reserve". The gain or loss on the non-effective proportion is recorded to the profit or loss.
The amounts accounted to "Fair value reserve" are carried forward to the results of the periods where the hedged items affect profits or losses.

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

Viohalco's companies in regular basis, examine the effectiveness of the cash flow hedge and in every reporting date records in 'Equity' the result of the valuation of the open positions to the part that valuation is effective.

5.17. Share capital
Shareholder's equity is composed of ordinary shares.

Direct expenses that are associated with the issue of shares are recorded, after the relative income tax has been deducted, as a reduction to the increase amount. Direct expenses relating to shares that have been issued for the acquisition of a company are included in the acquisition cost thereof.

5.18. Provisions
Provisions are recognised when:
(a) There is a present legal or constructive obligation as a result of past events.
(b) Payment is probable to settle the obligation.
(c) The amount of the payment in question can be reliably estimated.

Provisions are calculated at the fair value of expenses, which based on the Viohalco and its companies best estimation, are required to cover the present liability as at the reporting date. The discount rate used for the determination of present value reflects current market assessments of the time value of money and the risks specific to the obligation. Contingent assets and contingent liabilities are not recognized in the Consolidated Financial Statements.

5.19. Earnings per Share
Viohalco presents basic and diluted earnings per share. Basic earnings per share are calculated by dividing the net profits/loss (-) attributable to holders of the Company's ordinary shares by the average weighted number of outstanding ordinary shares during each period.

Diluted earnings per share are determined by adjusting the profit or loss attributable to holders of ordinary shares and the average weighted number of outstanding ordinary shares by the effect of all diluted eventual ordinary shares consisting of convertible notes and shares with options granted to the staff.

5.20. New standards and interpretations of IFRS's

A number of new standards and interpretations, and amendments to standards are effective for annual periods ending after 31 December 2015 and earlier application is permitted; however, the Group has not early applied the following new or amended standards in preparing these consolidated financial statements. The management has not determined yet the extent on impact of these standards, amendments and interpretations on the Viohalco consolidated financial statements.

New or amended standards	Summary of the requirements	Possible impact on consolidated financial statements
IFRS 9 Financial Instruments (not yet been endorsed by the EU)	IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	Viohalco is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9
IFRS 15 Revenue from Contracts with Customers (not yet been endorsed by the EU)	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.	Viohalco is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

The following other new or amended standards are not expected to have a significant impact Viohalco's consolidated financial statements.

(a) IFRS 14 Regulatory Deferral Accounts.
(b) Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11).
(c) Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38).
(d) Equity Method in Separate Financial Statements (Amendments to IAS 27).
(e) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).
(f) Annual Improvements to IFRSs 2012–2014 Cycle – various standards.
(g) Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28).
(h) Disclosure Initiative (Amendments to IAS 1).

6. Operating segments

A. Basis for the division into segments

Viohalco is divided into 6 primary business segments:

- Aluminium segment;
- Copper segment;
- Cables segment;
- Steel segment;
- Steel Pipes segment; and
- Real Estate Development & Other Services segment

For management purposes, Viohalco is split into six major strategic reportable segments which operate in different industries and are managed separately.

Such structural organization is determined by the nature of risks and returns associated with each business segment.

It is based on the management structure, as well as the internal reporting system. It represents the basis on which Viohalco reports its segmental information.

The segment analysis presented in these Consolidated Financial Statements reflects operations analysed by business. This best describes the way Viohalco is managed and provides a meaningful insight into its business activities.

The basis of segmentation has changed compared to prior year, as a result of the ongoing group restructuring that took place during the current year.

A brief description of the segments is as follows:

Aluminium segment: Elval and its subsidiaries, Bridgnorth Aluminium and Etem Bulgaria deliver a wide variety of products from aluminium coils and sheets for general applications and aluminium foil for household use, to special products, such as, rolled and extruded aluminium products for shipbuilding, automotive and construction industries, and lithographic coils.

Copper segment: Halcor and its subsidiaries produce a wide range of copper and copper alloy products that span from copper and brass tubes, copper strips, sheets and plates, to copper bus bars and rods.

Cables segment: The Cablel® Hellenic Cables Group is one of the largest cable producers in Europe, manufacturing power, telecommunication and submarine cables, as well as enamelled wires and compounds.

Steel segment: Sidenor Steel Industry, Stomana Industry and their subsidiaries manufacture long, flat and downstream steel products.

Steel Pipes segment: Corinth Pipeworks engages in the production of steel pipes for the transportation of natural gas, oil and water networks, as well as steel hollow sections which are used in construction projects.

Real estate & other activities: This segment is the aggregation of the following segments:
- **Real estate**: Viohalco creates value through the development of its former industrial real estate properties in Greece and Bulgaria.
- **Technology and R&D**: Viohalco's portfolio includes research and development (R&D) companies and R&D centres within the companies which focus on innovative and high value added products, efficient solutions for the optimisation of industrial and business processes, research into the environmental performance of plants and impact assessment of sustainable growth.
- **Recycling**: Viohalco's recycling segment trades and processes secondary raw materials, undertakes waste management and environmental operations, and provides services to consumers and corporate companies.
- **Other**: Viohalco also holds investments in smaller companies in other segments, such as ceramic sanitary ware and tiles (Vitrouvit S.A.) and insurance brokerage.

None of these segments met the quantitative thresholds for reportable segments in 2015 or 2014.

Transfers and transactions between segments take place under actual commercial terms and conditions pursuant to the provisions applying to transactions with third parties.

B. Information about reportable segments

The information disclosed in the tables below is derived directly from the internal financial reporting system used by the Board (i.e. chief operating decision maker) to monitor and evaluate the performance of the operating segments separately.

The following tables illustrate the information about the reportable segments profit or loss, assets and liabilities at 31 December 2015 and 2014, and for the years then ended. The corresponding information for 2014 are restated compared to the published prior period's amounts due to the change in the basis of segmentation compared to prior year.

Revenue and operating profit per segment for 2015 were as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel	Steel Pipes	Real Estate and Other Activities	Total
Total revenue per segment	**1,198,375**	**1,067,499**	**494,895**	**831,332**	**497,031**	**241,618**	**4,330,750**
Inter-segment revenue	-65,001	-284,005	-47,609	-258,369	-209,491	-191,540	**-1,056,015**
Revenue per segment after elimination of inter-segment revenue	**1,133,375**	**783,494**	**447,285**	**572,963**	**287,540**	**50,078**	**3,274,735**
Operating result before non-recurring items	**66,719**	**2,470**	**26,357**	**-33,039**	**17,740**	**-545**	**79,701**
Non-recurring items	-8,948	0	5,190	-432	1,921	-4,055	**-6,325**
Operating result (EBIT)	**57,770**	**2,470**	**31,547**	**-33,472**	**19,662**	**-4,601**	**73,376**
Finance income	872	1,860	6,070	1,031	-355	4,894	**14,373**
Finance costs	-21,029	-30,081	-29,317	-35,273	-8,002	-1,712	**-125,414**
Share of profit/loss (-) of equity-accounted investees, net of tax	300	-112	0	-831	1,525	0	**882**
Profit/Loss (-) before tax	**37,913**	**-25,863**	**8,300**	**-68,545**	**12,830**	**-1,418**	**-36,784**
Income tax expense	-14,677	88	-5,233	-596	-4,998	-1,201	**-26,616**
Profit/Loss (-)	**23,236**	**-25,775**	**3,066**	**-69,141**	**7,832**	**-2,619**	**-63,400**

Other information per segment for 2015 is as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel	Steel Pipes	Real Estate and Other Activities	Total
Segment assets	1,141,492	469,215	396,377	827,664	310,005	344,530	**3,489,282**
Equity-accounted investees	432	639	0	5,456	9,925	0	**16,452**
Segment liabilities	520,028	516,795	338,839	728,646	170,870	55,712	**2,330,891**
Capital expenditure	106,005	12,250	11,401	27,385	36,859	12,135	**206,034**
Depreciation and amortisation	-52,403	-14,041	-11,582	-33,488	-8,558	-4,935	**-125,007**
Non-recurring items							
Reversal of impairment losses on PP&E	0	0	5,190	0	1,921	0	**7,112**
Impairment losses on property, plant and equipment	-6,829	0	0	0	0	-3,188	**-10,017**
Restructuring expenses	-2,119	0	0	-432	0	-867	**-3,419**
Total non-recurring items	**-8,948**	**0**	**5,190**	**-432**	**1,921**	**-4,055**	**-6,325**

Revenue and operating profit per segment for 2014 were as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel	Steel Pipes	Real Estate and Other Activities	Total
Total revenue per segment	**1,116,911**	**932,936**	**361,862**	**860,131**	**205,587**	**273,667**	**3,751,094**
Inter-segment revenue	-64,686	-237,445	-34,773	-218,768	-31,867	-220,094	**-807,632**
Revenue per segment after elimination of inter-segment revenue	**1,052,226**	**695,492**	**327,090**	**641,362**	**173,720**	**53,573**	**2,943,462**
Operating result before non-recurring items	**32,956**	**3,329**	**-8,494**	**-13,444**	**-6,323**	**-6,013**	**2,011**
Non-recurring items	0	-293	0	-557	0	2,933	**2,083**
Operating result (EBIT)	**32,956**	**3,036**	**-8,494**	**-14,001**	**-6,323**	**-3,080**	**4,094**
Finance income	5,671	1,087	4,043	895	135	2,471	**14,302**
Finance costs	-18,776	-30,310	-21,894	-33,220	-3,551	-2,884	**-110,635**
Share of profit/loss (-) of equity-accounted investees, net of tax	239	505	-33	-645	2,139	0	**2,206**
Profit/Loss (-) before tax	**20,090**	**-25,682**	**-26,378**	**-46,970**	**-7,600**	**-3,493**	**-90,033**
Income tax expense	-2,912	2,898	4,681	103	-716	-1,564	**2,491**
Profit/Loss (-)	**17,178**	**-22,783**	**-21,696**	**-46,867**	**-8,316**	**-5,057**	**-87,543**

Other information per segment for 2014 is as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel	Steel Pipes	Real Estate and Other Activities	Total
Segment assets	1,079,615	428,148	400,172	923,249	321,820	341,036	**3,494,039**
Equity-accounted investees	353	8	0	6,378	11,757	0	**18,495**
Segment liabilities	475,650	449,389	338,122	737,370	200,377	68,621	**2,269,529**
Capital expenditures	61,648	16,658	31,177	29,360	50,998	6,156	**195,997**
Depreciation and amortisation	-47,807	-14,725	-9,598	-34,099	-9,569	-3,821	**-119,619**
Non-recurring items							
Impairment losses on investment property	0	-293	0	0	0	0	**-293**
Reversal of impairment losses on investment property	0	0	0	0	0	5,354	**5,354**
Impairment losses on property, plant and equipment	0	0	0	0	0	-2,421	**-2,421**
Idle costs	0	0	0	-557	0	0	**-557**
Total non-recurring items	**0**	**-293**	**0**	**-557**	**0**	**2,933**	**2,083**

Please refer to Note 8.D "Non-recurring items" for additional information on the non-recurring items.

C. Geographic information

Viohalco's segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices primarily in Greece, Germany, United Kingdom, France, Bulgaria, Romania and FYROM.

The segmental information below is based on the segment revenue from external customers by country of domicile of customers and segment assets were based on the geographic location of the assets. The global scale operations of Viohalco are divided into seven principal geographical areas. In Europe, information for Greece, and Belgium, is reported separately.

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Revenue		
Greece	476,591	350,921
Other EU Member States	1,913,130	1,819,391
Other European countries	271,395	309,159
USA	398,774	242,333
Asia	165,681	143,892
Africa	44,751	73,214
Oceania	4,413	4,553
Total	**3,274,735**	**2,943,462**

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Total Assets		
Greece	2,415,209	2,647,238
Belgium	6,421	52,420
International	1,084,104	812,876
Total	**3,505,734**	**3,512,534**

7. Revenue

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Sales of goods	3,120,917	2,869,154
Rendering of services	50,046	53,573
Construction contract revenue	103,772	20,735
Total revenue	**3,274,735**	**2,943,462**

8. Other income and expenses

A. Other income

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Government grants	174	408
Income from fees,commisions & costs recharged	5,641	8,099
Indemnity	2,133	921
Rental income from investment property	5,717	5,097
Other rentals	966	440
Reversal of provisions	2,803	865
Cost refund	1,099	0
Amortization of grants received	4,630	4,730
Foreign exchange gains	14,009	3,449
Income from consulting services	1,040	2,334
Gain on sale of property, plant and equipment	2,180	445
Other income	915	2,672
Total other income	**41,307**	**29,460**

B. Other expenses

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Production cost non allocated to cost of goods sold	-3,203	-4,157
Operation & development expenses	-707	-438
Foreign exchange losses	-6,806	-2,393
Impairment loss on trade receivables & other provisions	-2,430	-2,422
Depreciation and amortization	-4,199	-1,683
Employee benefits	-2,698	-3,073
Damages paid	-1,074	0
Other taxes	-979	0
Other expenses	-3,932	-8,693
Total other expenses	**-26,027**	**-22,859**
Other operating income-expenses (net)	**15,280**	**6,602**

The net gain from foreign exchange differences recorded as “Other income” and “Other expenses” was EUR 7.2 million (2014: 1.1 million). The increase in net gain from foreign exchange differences noted is mainly attributed to the fluctuation of EUR versus to US dollar.

C. Expenses by nature

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Cost of inventories recognized as an expense	2,316,983	2,120,585
Employee benefits	234,612	219,989
Energy	114,872	127,060
Depreciation and amortisation	120,811	116,381
Taxes - duties	6,676	2,986
Insurance premiums	18,181	10,263
Rental fees	8,015	7,761
Transportation	110,539	96,881
Promotion & advertising	3,015	1,855
Third party fees and benefits	202,729	121,669
Impairment loss on trade receivables & other provisions	5,486	4,894
Interest	42	17
Gain/(losses) from derivatives	19,151	0
Other expenses	49,200	117,711
Total cost of sales, selling & distribution & administrative expenses	**3,210,314**	**2,948,053**

Viohalco's subsidiaries invest significantly in research and development of state-of-the-art technology in order to continuously bring value-added products and services to the market and improve production processes, as well as to promote materials recycling and the proper use of natural resources.

The aggregate amount of research and development expenditure recognised as an expense during 2015 amounts to EUR 5.9 million (2014: EUR 5.2 million).

D. Non-recurring items

Amounts in EUR thousand	Note	For the year ended 31 December 2015	2014
Impairment losses of investment property	19	0	-293
Reversal of impairment losses of investment property	19	0	5,354
Impairment losses on property, plant & equipment	17	-10,017	-2,421
Reversal of impairment losses on property, plant and equipment	17	7,112	0
Idle cost		0	-557
Restructuring costs		-3,419	0
		-6,325	**2,083**

Restructuring cost has occurred during the year due to the cross-border mergers and the spin-offs in the Aluminium segment. The expenses incurred with respect to the restructuring relate to legal fees, auditor & other experts fees, transfer fees on property and other related items.

9. Net finance costs

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Income		
Interest income	783	7,303
Foreign exchange gains	8,953	6,002
Dividend income	881	980
Gains on sale of available for sale financial assets	3,756	17
Financial income	**14,373**	**14,302**
Expenses		
Interest expense and related charges	-110,541	-99,576
Finance leases	-14	-22
Foreign exchange losses	-12,445	-9,581
Interest rate swaps, fair value hedging	0	-286
Other	-2,414	-1,169
Finance cost	**-125,415**	**-110,635**
Financial cost (net)	**-111,042**	**-96,333**

10. Basic and diluted earnings per share

Considering that there are neither share options, nor convertible bonds, basic and diluted earnings per share are identical and have been based on the following profit/loss (-) attributable to the ordinary shareholders and weighted-average numbers of ordinary shares outstanding.

A. Profit/loss (-) attributable to the shareholders

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Profit/loss (-) attributable to the owners of the Company	-59,993	-59,405

B. Weighted-average number of ordinary shares outstanding

in thousands of shares	Note	2015	2014
Issued ordinary shares at 1 January		219,611	219,611
Effect of shares issued related to the merger with SIDENOR HOLDING S.A.	32	4,588	0
Weighted-average number of ordinary shares at 31 December		224,200	219,611

The weighted-average number of equity shares refers to shares in circulation during the period.

C. Earnings per share

The basic and diluted earnings per share are as follows:

Earnings per share (in EUR per share)	2015	2014
Basic and diluted	-0.27	-0.27

11. Employee benefits

Amounts in EUR thousand	2015	2014
Net defined benefit liability	25,405	25,675
Liability for social security contributions	7,845	7,795
Total employee benefit liabilities	**33,250**	**33,470**
Non-current	25,405	25,675
Current	7,845	7,795

For details on the related employee benefit expenses, see Note 12.

A. Post-employment plans

The following post-employment plans exist:

Defined contribution plan
All the employees of Viohalco's companies are insured for their main pension by the respective social insurance organizations as required by the local legislation. Once the contributions have been paid, Viohalco's companies have no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due, and as such are included in employee benefit expenses.

Defined benefit plan
The employees of Viohalco's companies in some countries, mainly in Greece and Bulgaria, are entitled to receive a lump sum when they retire. This lump sum is determined in accordance with the years of service and the salary at the retirement date. This obligation meets the definition of defined benefit plans and charges the accumulated benefits through profit or loss in each period with a corresponding increase of the retirement liability. Benefits paid to pensioners during each period are charged against this liability. Viohalco's companies' liability for personnel benefits as of 31 December 2015 and 2014 is EUR 25,397 thousand and EUR 25,675 thousand respectively. These plans are unfunded.

B. Movement in net defined benefit liability

The following table shows the reconciliation from the opening balance to the closing balances for net defined benefit liability and its components.

	Defined benefit obligation	
Amounts in EUR thousand	2015	2014
Balance at 1 January	**25,675**	**20,018**
Included in profit or loss		
Current service cost	1,613	952
Past service credit	56	216
Settlement/curtailment/termination loss	2,167	2,218
Interest cost/income (-)	319	564
	4,155	**3,951**
Included in OCI		
Remeasurement loss/gain (-):		
Actuarial loss/gain (-) arising from:		
- Demographic assumptions	278	-32
- Financial assumptions	-1,587	5,074
- Experience adjustements	-352	126
	-1,661	**5,168**
Other		
Benefits paid	-2,763	-3,461
Balance at 31 December	**25,405**	**25,675**

C. Defined benefit obligation

(a) Actuarial assumptions

The following were the weighted average principal actuarial assumptions at the reporting date by country:

Weighted average assumptions used for Greek companies	31/12/2015	31/12/2014
Discount rate	2.00%	1.50%
Price inflation	1.75%	1.75%
Rate of compensation increase	1.58%	1.61%
Plan duration	14.10	15.40

Weighted average assumptions used for Bulgarian companies	31/12/2015	31/12/2014
Discount rate	2.89%	3.29%
Price inflation	2.00%	2.00%
Rate of compensation increase	3.65%	3.54%
Plan duration	9.50	14.60

**Plan duration is expressed in years*

(b) Sensitivity analysis

The sensitivity analysis for each significant actuarial assumption which was reasonably possible, at the end of the reporting period and shows how the defined benefit obligation would have been affected by those changes is as follows:

Greece	31/12/2015	31/12/2014
Sensitivity 1 (discount rate plus 0.5%) - % Difference in DBO	-6.68%	-7.27%
Sensitivity 2 (discount rate minus 0.5%) - % Difference in DBO	7.36%	8.05%
Sensitivity 3 - Salary growth rate plus 0.5% - % Difference in DBO	7.13%	7.76%
Sensitivity 4 - Salary growth rate minus 0.5% - % Difference in DBO	-6.54%	-7.09%
Sensitivity 5 - 0% withdrawal rate assumption - % Difference in DBO	2.30%	2.67%

Bulgaria	31/12/2015	31/12/2014
Sensitivity 1 (discount rate plus 0.5%) - % Difference in DBO	-4.51%	-6.79%
Sensitivity 2 (discount rate minus 0.5%) - % Difference in DBO	4.84%	7.39%
Sensitivity 3 - Salary growth rate plus 0.5% - % Difference in DBO	4.67%	7.20%
Sensitivity 4 - Salary growth rate minus 0.5% - % Difference in DBO	-4.37%	-6.65%
Sensitivity 5 - 0% withdrawal rate assumption - % Difference in DBO*	34.12%	26.89%

** Defined Benefit Obligation*

The above sensitivity analysis is based on a change in one assumption while all other assumptions remain constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized on the statement of financial position. The methods and the formula of the assumptions used for the defined analysis have not changed compared to the previous year.

12. Employee benefit expenses

Amounts in EUR thousand	For the year ended 31 December 2015	2014
Wages and salaries	186,109	173,851
Social security contributions	40,828	40,350
Contributions to defined contribution plans	615	458
Expenses related to post employement defined benefit plans	4,155	3,951
Other employee benefits	5,603	4,453
Total	**237,310**	**223,063**
Other employee benefits		
Profits distributed to personnel	363	304
Housing, catering, clothing & training expenses	3,808	2,222
Travel & accommodation expenses	296	335
Bonus	979	947
Other	157	644
Total	**5,603**	**4,453**

Employee benefits are broken down as follows:

Amounts in EUR thousand	2015	2014
Cost of goods sold	162,323	153,444
Distribution expenses	31,433	30,020
Administrative expenses	40,856	36,526
Other expenses	2,698	3,073
	237,310	**223,063**

13. Income taxes

A. Amounts recognised in profit or loss

Amounts in EUR thousand	2015	2014
Current tax expense	**-18,921**	**-9,507**
Deferred tax expense (-) / income		
Origination and reversal of temporary differences	6,837	4,580
Change in tax rate or composition of new tax	-18,143	-3
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	444	7,449
Change in recognised deductible temporary differences	3,168	-29
	-7,696	**11,997**
Tax expense (-) / income on continuing operations	**-26,616**	**2,491**

B. Reconciliation of effective tax rate

Amounts in EUR thousand		2015		2014
Loss before income tax		**-36,784**		**-90,033**
Tax using the tax rate of 29% in Greece		10,667		23,409
Non-deductible expenses for tax purposes		-3,428		-3,292
Tax-exempt income		10,723		4,173
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period		444		7,449
Effect of tax rates in foreign jurisdictions		-7,576		-1,370
Current year losses for which no deferred tax asset is recognised		-14,750		-22,751
Temporary differences in tax base of property, plant and equipment		3,282		653
Tax-exempt reserves recognition		262		-74
Partial reversal or use of provision for taxes		0		-391
Changes in estimates related to prior years		-95		319
Withholding tax on international dividends		-268		-310
Change in tax rate or composition of new tax		-18,143		-3
Other taxes		0		-263
Reversal of deferred tax assets		-7,733		-3,239
Tax audit		0		-1,819
Income tax expense (-)/ income reported in the statement of profit or loss at the effective tax rate	**-72%**	**-26,616**	**3%**	**2,491**

According to Greek laws N. 4334/2015 and N. 4336/2015, the corporate income tax rate for legal entities in Greece is set at 29% for fiscal year 2015 and onwards, while the respective rate for 2014 was 26%. The variation of the income tax expenses was due to the recalculation of deferred taxes in 2015, resulting from the aforementioned change in the Greek corporate tax rate.

Deferred tax assets on tax losses carried forward are recognized only if it is expected to be settled with future taxable profit according to the business plan of Viohalco's companies. At 31 December 2015, deferred tax assets on tax losses carried forward amounted to EUR 19 million (31/12/2014: EUR 18.9 million) related to tax losses of EUR 65.2 million.

C. Movement in deferred tax balances

2015

						Balance at 31 December		
Amounts in EUR thousand	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Other	Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	-147,030	-6,754	0	-77	0	-153,861	6,353	-160,214
Intangible assets	2,109	-458	0	0	83	1,734	175	1,559
Investment property	-12,181	-1,119	0	0	0	-13,299	38	-13,337
Available-for-sale financial assets	6	186	329	0	826	1,347	-617	1,964
Derivatives	-2,479	-127	649	-4	-13	-1,974	114	-2,088
Inventories	52	551	0	0	0	603	601	3
Loans and borrowings	-3,527	-28	0	0	0	-3,556	0	-3,556
Employee benefits	5,241	906	-494	-1	36	5,688	798	4,890
Provisions	4,268	386	0	0	-79	4,576	169	4,407
Other items	1,829	-1,131	0	359	-998	60	342	-282
Carry forward tax loss	18,939	-108	0	-7	158	18,983	3,693	15,289
Net tax assets/liabilities (-)	**-132,773**	**-7,696**	**485**	**270**	**13**	**-139,700**	**11,664**	**-151,365**

2014

Amounts in EUR thousand	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Other	Balance at 31 December Net	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	-153,130	6,421	0	-254	-67	-147,030	2,513	-149,544
Intangible assets	2,346	-245	0	0	9	2,109	6	2,103
Investment property	-10,559	-1,621	0	0	0	-12,181	25	-12,206
Available-for-sale financial assets	153	-68	-79	0	0	6	-50	57
Derivatives	-2,163	-444	140	-13	0	-2,479	-125	-2,355
Inventories	-880	1,041	0	0	-109	52	41	11
Loans and borrowings	-4,032	504	0	0	0	-3,527	0	-3,527
Employee benefits	4,515	-580	1,355	0	-49	5,241	459	4,781
Provisions	4,011	76	0	-1	181	4,268	135	4,133
Other items	813	872	-20	147	16	1,829	273	1,556
Carry forward tax loss	12,898	6,041	0	0	0	18,939	2,041	16,898
Net tax assets/liabilities (-)	**-146,027**	**11,997**	**1,396**	**-120**	**-19**	**-132,773**	**5,318**	**-138,091**

Deferred tax assets have not been recognised in respect of tax losses carried forward for an amount of EUR 589 million (EUR 685 million in 2014) with expiration date during the period 2016-2020.

14. Inventories

Amounts in EUR thousand	2015	2014
Merchandise	70,052	76,983
Finished goods	215,128	224,187
Semi-finished goods	147,246	167,794
By-products & scrap	19,203	19,637
Work in progress	44,621	50,600
Raw and auxiliary materials, consumables, spare parts and packaging materials	315,622	329,170
Total	**811,871**	**868,370**
Write-down		
Merchandise	-5,490	-1,615
Finished goods	-10,907	-1,539
Semi-finished goods	-968	-1,268
By-products & scrap	-238	0
Work in progress	-3,099	-18
Raw and auxiliary materials, consumables, spare parts and packaging materials	-4,928	-3,222
	-25,630	**-7,661**
Total net realizable value	**786,242**	**860,709**

In 2015, the amount of inventories recognised as expense during the period and included in "Cost of sales" was EUR 2,315 million (2014: EUR 2,119 million)

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, an impairment of EUR 25,630 thousand for Viohalco's companies was recorded (2014: EUR 7,661 thousand). This amount was charged on the Consolidated Statement of Profit or Loss in "Cost of sales".

The amount of write-down is mainly for the subsidiaries which use copper and steel, namely Corinth Pipeworks S.A., Halcor Group and Stomana S.A., since the prices of those metals had a decreasing trend at the end of the year.

Inventories with a carrying amount of EUR 161.9 million are pledged as security for borrowings received by Viohalco's companies (see Note 25).

15. Trade and other receivables

Amounts in EUR thousand	31/12/15	31/12/14
Current assets		
Trade receivables	396,631	405,956
Construction contracts in progress	33,187	4,837
Less: Impairment losses	-49,104	-45,414
Net trade receivables	**380,713**	**365,378**
Other advance payments	1,871	25,386
Cheques and notes receivable & cheques overdue	24,818	26,647
Receivables from related parties	20,109	12,704
Other debtors	73,101	61,443
Tax assets	45,899	51,104
Receivables from dividends of equity-accounted investees	575	539
Less: Impairment losses	-8,923	-8,115
Net other receivables	**157,451**	**169,707**
Net current trade and other receivables	**538,165**	**535,085**
Non-current assets		
Non-current receivables from other associates	0	546
Other non-current receivables	8,033	7,079
Non-current trade and other receivables	**8,033**	**7,624**
Total receivables	**546,197**	**542,710**

A. Litigations

During 2010, the subsidiary Corinth Pipeworks SA initiated in Greece and in other jurisdictions legal actions against a former customer in the Middle-East regarding the recovery of an overdue receivable of USD 24.8 million (EUR 22.8 million as at 31 December 2015).

Following a series of court proceedings (trials and appeals), the Court of Cassation of Dubai, on 19 March 2014, finally upheld the appeal of the company of 26 September 2013 and cancelled the previous decision of the Court which had recognised the counterclaim of the customer and had ordered the off-setting of this counterclaim with the company's claim. The case was then referred back to the Court of Appeal which is now examining the validity of the counterclaim. The expected finalization of the Court hearings is unknown.

Based on an assessment of the lawyers in Dubai handling the case, it is likely that the Court of Appeal will dismiss the counterclaim raised by the customer and therefore there will be no need for off-setting this counterclaim with the company's claim for payment of the overdue receivables.

In addition, the company, in order to ensure its rights, has imposed provisional seizure on real estate assets of third parties who are involved in the case in accordance with the decision of the Court of First Instance of Athens (issued under the proceedings of interim measures).

The company recorded in 2010 an impairment loss of USD 12.5 million (EUR 11.4 million as at the reporting date) against this receivable. While judicial actions for the collection of the receivable are ongoing and since no final judgments have been issued, the company considers that there is no reason to revise the impairment at the reporting date.

B. Construction contracts in progress

Amounts in EUR thousand	31/12/2015	31/12/2014
Amount of contract revenue recognised	103,772	20,735
Gross amount due from customers for contract work	33,187	4,837
Amount of advances received	4,410	5,496
Amount of retentions	3,608	859

The amount of construction contract revenue recognized is related to the construction and installation projects of high-voltage cables. There are no contingent liabilities relating to projects under construction as at the reporting date.

C. Credit and market risks and impairment losses
Information about Viohalco's companies' exposure to credit and market risks, and impairment losses for trade and other receivables, excluding construction contracts in progress, is included in Note 29.

16. Cash and cash equivalents

Amounts in EUR thousand	2015	2014
Cash in hand and at banks	7,365	8,468
Short-term bank deposits	128,931	91,144
Total	**136,296**	**99,612**

17. Property, plant and equipment
A. Reconciliation of carrying amount

Amounts in EUR thousand	Land,Plants & Other Buildings	Machinery	Furniture and other equipment	Under construction	Total
Cost					
Balance as at 1 January 2015	**869,936**	**2,099,556**	**63,572**	**138,150**	**3,171,214**
Additions	9,184	17,623	2,552	164,057	**193,416**
Disposals	-4,702	-9,867	-2,724	-1,410	**-18,703**
Reclass due to Spin off	0	-16,712	-768	0	**-17,480**
Reclassification to investment property	-7,036	0	0	-26	**-7,062**
Other reclassifications	16,352	57,881	794	-77,211	**-2,185**
Effect of movements in exchange rates	1,032	5,196	19	1,720	**7,968**
Balance as at 31 December 2015	**884,766**	**2,153,677**	**63,445**	**225,281**	**3,327,169**
Accumulated depreciation and impairment losses					
Balance as at 1 January 2015	**-254,285**	**-1,102,281**	**-53,624**	**-2,000**	**-1,412,190**
Depreciation	-18,919	-98,750	-3,131	0	**-120,801**
Disposals	203	6,819	2,190	0	**9,213**
Reclass due to Spin off	0	16,712	768	0	**17,480**
Impairment loss	0	-7,310	0	-2,708	**-10,017**
Reversal of previously recognized impairment loss	7,112	0	0	0	**7,112**
Reclassification to investment property	757	0	0	0	**757**
Effect of movements in exchange rates	-554	-3,798	218	0	**-4,134**
Balance as at 31 December 2015	**-265,686**	**-1,188,608**	**-53,578**	**-4,708**	**-1,512,581**
Carrying amounts as at 31 December 2015	**619,080**	**965,069**	**9,866**	**220,573**	**1,814,588**

Amounts in EUR thousand	Land, Plants & Other Buildings	Machinery	Furniture and other equipment	Under construction	Total
Cost					
Balance as at 1 January 2014	**854,465**	**1,925,363**	**62,326**	**148,287**	**2,990,441**
Additions	3,445	28,787	2,338	155,493	**190,062**
Disposals	-328	-3,349	-287	-255	**-4,218**
Effect of loss of control over subsidiaries	-460	-273	-176	-57	**-967**
Reclassification to investment property	-12,624	0	0	-11	**-12,635**
Other reclassifications	24,576	144,523	-662	-167,092	**1,344**
Effect of movements in exchange rates	863	4,506	33	1,785	**7,186**
Balance as at 31 December 2014	**869,936**	**2,099,556**	**63,572**	**138,150**	**3,171,214**
Accumulated depreciation and impairment losses					
Balance as at 1 January 2014	**-240,629**	**-1,003,095**	**-52,048**	**-2,000**	**-1,297,773**
Depreciation	-18,499	-94,210	-3,222	0	**-115,931**
Disposals	76	2,500	280	0	**2,857**
(Acquisition) / Disposal through business combination	439	296	129	0	**864**
Impairment loss	0	-2,421	0	0	**-2,421**
Reclassification to investment property	4,638	0	0	0	**4,638**
Other reclassifications	-95	-1,213	1,268	0	**-40**
Effect of movements in exchange rates	-215	-4,138	-31	0	**-4,384**
Balance as at 31 December 2014	**-254,285**	**-1,102,281**	**-53,624**	**-2,000**	**-1,412,190**
Carrying amounts as at 31 December 2014	**615,651**	**997,275**	**9,948**	**136,150**	**1,759,024**

The amount in line reclassifications concerns intangible asset under construction reclassified during the year to intangible assets (see table in note 18).

B. Leased Buildings and Machinery

Viohalco's companies lease Buildings and Machinery under a number of finance leases. The leased equipment secures lease obligations.

At 31 december 2015, the net carrying amount of finance leases is as follows:

Amounts in EUR thousand	31/12/2015	31/12/2014
Buildings		
Cost	1,394	1,394
Accumulated depreciation	-267	-197
Net carrying amounts	**1,127**	**1,196**
Machinery	**31/12/2015**	**31/12/2014**
Amounts in EUR thousand		
Cost	10,311	9,447
Accumulated depreciation	-7,692	-7,391
Net carrying amounts	**2,619**	**2,055**

C. Security

Property, plant & equipment with a carrying amount of EUR 1,205 million are mortgaged as security for borrowings received by Viohalco's companies (see Note 25).

D. Property, plant and equipment under construction

The most important items in property, plant and equipment under construction as of 31 December 2015 and 2014 concern the following:

- the ongoing investment in Oinofyta's aluminium rolling plant held by Elval Group,
- the investment program in progress in the aluminium plant in the United Kingdom owned by Bridgnorth S.A., member of Elval Group,
- the investment related to the LSAW-JCOE large-diameter pipe mill for longitudinally welded pipes in Corinth Pipeworks

mill (component of steel segment) in the Industrial Area of Thisvi,

- the installment of new machinery aiming to increase product variety and quality and further decrease production and energy costs in Steel segment.

A significant part of the aforementioned investments included in property, plant and equipment under construction are expected to be completed during 2016.

Capitalized borrowing costs related to property, plant and equipment under construction amount to EUR 3,151 thousand (2014: EUR 3,618 thousand), which have been calculated using an average capitalization rate of 5.5% (2014: 5.3%).

E. Transfer to investment property

During 2015, some properties of Viohalco companies were transferred to investment property (see Note 19), because they will no longer be used for own purposes and are expected to be leased to a third party in the future. As a result, a reclassification of properties with a carrying amount of EUR 6.3 million was made from property, plant and equipment to investment property.

F. Impairment of property, plant and equipment

On December 31, 2015, an impairment test was performed for each Cash Generating Unit (further CGU), for which indications of impairment existed at 31 December 2015. The identified indications of impairment concerned the losses incurred by certain CGUs over the last years. For the calculation of recoverable amount per CGU, cash flow projections based on a period of five years were used. The results of this test concluded that the property, plant and equipment used by these CGUs were not impaired at 31 December 2015, since the recoverable amount of each CGU exceeded the respective carrying amount.

During 2015 an impairment loss was recorded on the carrying amount of certain machinery, which is no longer used by Viohalco's companies and is expected to bring zero economic benefits in the future since these assets became obsolete. This impairment loss amounted to EUR 4.1 million for machinery previously used in aluminium segment and EUR 3.2 million for machinery used for tiles production (activity which is classified in the Real estate and other services segment).

Finally, impairment losses of EUR 0.7 million and EUR 2 million were recorded on the carrying amount of a building under construction and machinery under construction, respectively. The amount of impairment losses recorded depicts an estimate of damages incurred on a certain plant.

G. Reversal of impairment of property, plant and equipment

A test has also been performed for CGUs, for which indications for reversal of previously recorded impairment existed at 31 December 2015. The impairment previously recorded in 2013 concerned administrative buildings used by those CGUs. The identified indications of reversal for previously recorded impairment concerned the improvement of expected performance of certain CGUs over the following years.

For the calculation of recoverable amount per CGU, cash flow projections based on a period of five years were used (value in use method). The results of this test concluded that the recoverable amounts of Hellenic Cables S.A. and Corinth Pipeworks S.A. exceeded the carrying amount of these CGUs and therefore previously recorded impairment should be reversed.

The amounts reversed were EUR 5.2 million for buildings used by Hellenic Cables S.A. and EUR 1.9 million for buildings used by Corinth Pipeworks S.A. The discount rates used to calculate the value in use of each CGUs were:

- For the CGU, Hellenic Cables S.A., 7.2 % to 7.6% for the five year period and 7.4% for the terminal value and,
- for the CGU, Corinth Pipeworks S.A., 7.4 % to 8.4% for the initial period and 7.7% for the terminal value.

18. Goodwill and intangible assets

A. Reconciliation of carrying amount

Amounts in EUR thousand	Goodwill	Development costs	Trademarks and licenses	Software programs	Other	Total
Cost						
Balance as at 1 January 2015	**3,132**	**534**	**16,832**	**31,032**	**2,520**	**54,049**
Additions	0	75	1,705	848	112	**2,740**
Disposals	0	-37	0	-68	0	**-106**
Reclass due to Spin off	0	0	-2	-766	3	**-765**
Reclassifications	0	0	1,119	1,136	-70	**2,185**
Effect of movements in exchange rates	0	0	0	-20	0	**-20**
Balance as at 31 December 2015	**3,132**	**571**	**19,653**	**32,161**	**2,565**	**58,083**
Accumulated amortisation and impairment						
Balance as at 1 January 2015	**-1,500**	**-534**	**-3,371**	**-26,407**	**-960**	**-32,771**
Amortisation	0	-22	-698	-1,750	-72	**-2,542**
Disposals	0	37	0	48	-2	**83**
Reclass due to Spin off	0	0	2	766	0	**768**
Effect of movements in exchange rates	0	0	-35	16	-4	**-23**
Balance as at 31 December 2015	**-1,500**	**-518**	**-4,101**	**-27,326**	**-1,039**	**-34,484**
Carrying amounts as at 31 December 2015	**1,632**	**53**	**15,552**	**4,835**	**1,527**	**23,598**

Amounts in EUR thousand	Goodwill	Development costs	Trademarks and licenses	Software programs	Other	Total
Cost						
Balance as at 1 January 2014	**3,211**	**535**	**15,503**	**28,487**	**2,266**	**50,002**
Additions	0	0	101	1,140	259	**1,500**
Disposals	-80	0	0	-44	0	**-123**
Acquisition through business combinations	0	0	0	37	0	**37**
Reclassifications	0	-2	1,227	1,417	-16	**2,626**
Effect of movements in exchange rates	0	0	0	-5	12	**7**
Balance as at 31 December 2014	**3,132**	**534**	**16,832**	**31,032**	**2,520**	**54,049**
Accumulated amortisation and impairment						
Balance as at 1 January 2014	**-1,500**	**-535**	**-2,598**	**-24,753**	**-915**	**-30,301**
Amortisation of the year	0	0	-508	-1,917	-88	**-2,512**
Disposals	0	0	0	48	0	**48**
Reclassifications	0	1	-265	214	52	**3**
Effect of movements in exchange rates	0	0	0	1	-9	**-8**
Balance as at 31 December 2014	**-1,500**	**-534**	**-3,371**	**-26,407**	**-960**	**-32,771**
Carrying amounts as at 31 December 2014	**1,632**	**0**	**13,461**	**4,625**	**1,560**	**21,278**

B. Amortisation

The amortization of trademarks & licenses with finite useful lives, software programs and other intangible assets is allocated to the cost of inventory and is included in "cost of sales" as inventory is sold, as trademarks & licenses and software programs are mainly used directly for the production of products and they are considered as production overheads. The amortization of intangible assets not used for production is allocated to administrative expenses.

C. Intangible assets with indefinite useful lives

All intangible assets have finite useful life (see Note 5.10), except for the following assets, included in trademarks and licenses category:

i. Intangible assets recognized for the CGU "Fulgor"
   a. Trade Name "Fulgor" (carrying amount of EUR 1.4 million as at 31 December 2015)
      It relates to the sector of medium voltage submarine cables and terrestrial high voltage cables that Fulgor was

operating prior to its acquisition by Hellenic Cables in 2011 and which has revealed significant economic benefits. Based on the analysis of relevant factors (e.g. knowledge, no longstanding engagement with a wide range of clientele, future development of the sector), the useful life of the brand was considered indefinite.

b. License of Port use in Soussaki, Corinth (carrying amount of EUR 8.3 million as at 31 December 2015)
Fulgor holds license for permanent and exclusive use of port located in the premises of the factory in Sousaki Corinth. The port is necessary for the production of submarine cables of medium and high voltage. The subsidiary, during the years 2012-2015 invested EUR 91 million in the upgrade and expansion of production capacity in producing high-voltage submarine cables. Since 2014, the production started as planned. The useful life of the asset is considered indefinite, since the use of these port facilities is for an indefinite period of time, in the context of the significant development of the sector.

ii. Intangible assets recognized for the CGU "Reynolds" (carrying amount of EUR 1.5 million as at 31 December 2015)
Upon the completion of the acquisition of Reynolds Cuivre by Genecos, which is a subsidiary of Elval, an intangible asset related to the brand name "Reynolds" was recognized, as significant economic benefits are expected from its use. Based on the analysis of relevant factors (e.g. knowledge of the relevant market, wide range of clientele, expected future developments), the useful life of the brand was considered indefinite.

D. Impairment testing

(a) Intangible assets recognized for the CGU "Fulgor"

As these intangible assets do not generate independent cash inflows, it was considered appropriate to carry out the impairment test on the basis of the Cash Generating Unit (CGU) of Fulgor production plant, which incorporates these assets. In order to evaluate the value in use, cash flow projections based on estimates by management covering a five-year period were used. These estimates take into consideration the contracts that the company has already signed, as well as contracts that are expected to be announced in Greece and abroad.

Cash flows after the first five years were calculated using an estimated growth rate of 0.5%, which mainly reflects management's estimates for the growth prospects of the high voltage submarine cable sector. The rate used to discount these cash flows is from 8.4 % to 10.9% for the five year period and 8.5% for the terminal value and was based on the following:

- Risk free rate was determined according to AAA Eurozone rates and has a range from 0.1% for the five years to 1.4% for the terminal value.
- The country risk for operating in Greece determined in the range of 3.1-5% for the first five years and 2.7% for the terminal value.
- The market risk premium was determined at 5.8%

The results of this test indicated that the recoverable amount as at December 31, 2015 exceeds the carrying value of the CGU amounting to EUR 121 million by EUR 55.4 million.

A sensitivity analysis was carried out on the key assumptions of the model (discount rates and growth in perpetuity), so as to examine the adequacy of the headroom. The result of the sensitivity analysis indicated that the recoverable amount still exceeds the carrying value of the CGU.

Results of the sensitivity analysis for the impairment testing:

	Assumptions used	Change in rates required for the recoverable amount to equal the carrying amount
Discount rate	8.4% to 10.9%	+2.8%
Terminal growth	0.5%	-4.4%

(b) Intangible assets recognized for the CGU "Reynolds"

The recoverable amount of the CGU that included this intangible asset (Reynolds Cuivre S.A.) was estimated based on the present value of the future cash flows expected to be derived from the CGU (value in use).

Cash flows after the first five years were calculated using an estimated growth rate of 0.5%, which reflects management's estimates for the growth prospects for the market. The rate used to discount these cash flows is 7.6% for the five year period and for the terminal value and was based on the following:

- Risk free rate was determined to be 0.6%.
- The market risk premium (which includes country risk for operating in France) was determined at 6.3%

The results of this test indicated that the recoverable amount as at 31 December 2015 exceeds the carrying value of the CGU amounting to EUR 6.9 million by EUR 5.1 million.

A sensitivity analysis was carried out on the key assumptions of the model (discount rates and growth in perpetuity), so as to examine the adequacy of the headroom. The result of the sensitivity analysis indicated that the recoverable amount still exceeds the carrying value of the CGU.

Results of the sensitivity analysis for the impairment testing:

	Assumptions used	Change in rates used required for the recoverable amount to equal the carrying amount
Discount rate	7.6%	+3.8%
Terminal growth	0.5%	-4.1%

19. Investment property

A. Reconciliation of carrying amount

Amounts in EUR thousand	2015	2014
Balance as at 1 January	**141,497**	**125,395**
Acquisitions	9,878	4,906
Transferred from property, plant and equipment	6,305	7,997
Disposals	0	-682
Impairment loss	0	-293
Reversal of impairment loss	0	5,354
Depreciation	-1,667	-1,172
Other	0	-7
Balance as at 31 December	**156,012**	**141,497**
Gross carrying amount	224,201	207,262
Accumulated depreciation and impairment losses	-68,189	-65,765
Net carrying amount as at 31 December	**156,012**	**141,497**

The table below summarizes the most important properties held by Viohalco and its subsidiaries:

Real estate	Location	'000 m^2 (1)
Ikea store & River West shopping mall	96, Kifissos Av., Egaleo, Greece	123.5
Hotel	Karaiskaki Square, Athens, Greece	23.4
Industrial buildings & offices (ex-BIC plant)	Oinofyta, Greece	9.5
Mare West shopping mall	Corinth, Greece	14.0
Office Complex	115, Kiffissias Ave., Athens, Greece	39.5
Office Complex	57, Ethnikis Antistasseos St., Halandri, Greece	6.0
Office Complex	26, Apostolopoulou St., Halandri, Greece	10.9
Office Building	53A, Nikola Vaptzarov Blvd, Sofia , Bulgaria	5.0

(1) refers to built surface

Investment property comprises a number of commercial properties that are either leased to third parties currently or will be in the foreseeable future.

Each of these leases is indexed to consumer prices. Subsequent renewals are negotiated with the lessee and on average renewal periods last for four years. No contingent rents are charged.

B. Measurement of fair value – Accumulated impairment losses

The accumulated impairment loss carried forward amounts to EUR 40.3 million. Based on management's assessment, during the current period, there were neither indications for impairment nor indications for reversal of previously recorded impairment.

The fair value of investment property held by Viohalco and its subsidiaries in the Real Estate Development sector amounts to EUR 165.8 million (31/12/2014: EUR 147.3 million).

C. Restrictions - Contractual obligations
There are neither restrictions nor contractual obligations.

20. Equity-accounted investees

A. Reconciliation of carrying amount of associates

Amounts in EUR thousand	2015	2014
Balance as at 1 January	**18,495**	**23,416**
Share of profit/loss (-) net of tax	882	2,206
Dividends received	-1,012	-2,551
Additions	757	2,289
Impairment loss	0	-20
Effects of movements in exchange rates	-2,670	-6,844
Balance as at 31 December	**16,452**	**18,495**

B. Financial information per associate

2015

Company (Amounts in EUR thousand)	Principal place of business	Profit or loss from continuing operations	Other comprehensive income	Total comprehensive income	Direct ownership interest	Ultimate ownership interest
AFSEL S.A.	Greece	599	0	599	50.00%	36.32%
DOMOPLEX LTD	Cyprus	-650	0	-650	45.00%	45.00%
ZAO TMK-CPW	Russia	3,113	0	3,113	49.00%	42.06%
SMARTREO	Australia	-1,824	0	-1,824	49.96%	49.94%
AWM SPA	Italy	1,097	0	1,097	34.00%	34.00%
HC ISITMA A.S.	Turkey	-225	0	-225	50.00%	33.17%

Company (Amounts in EUR thousand)	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue
AFSEL S.A.	Aluminum	1,537	4	-701	0	1,187
DOMOPLEX LTD	Steel	2,517	3,298	-4,331	-73	2,543
ZAO TMK-CPW	Steel Pipes	19,849	9,003	-7,611	-34	49,018
SMARTREO	Steel	1,061	3,776	-2,959	0	2,444
AWM SPA	Steel	6,988	6,650	-3,447	-2,737	17,272
HC ISITMA A.S.	Copper	451	1,457	728	0	1,776

2014

Company (Amounts in EUR thousand)	Principal place of business	Profit or loss from continuing operations	Other comprehensive income	Total comprehensive income	Direct ownership interest	Ultimate ownership interest
AFSEL S.A.	Greece	404	0	404	50.00%	36.32%
DOMOPLEX LTD	Cyprus	-563	0	-563	45.00%	33.95%
ZAO TMK-CPW	Russia	4,366	0	4,366	49.00%	32.60%
SMARTREO	Australia	-1,506	0	-1,506	49.96%	36.97%
AWM SPA	Italy	1,673	0	1,673	34.00%	25.65%

Company (Amounts in EUR thousand)	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue
AFSEL S.A.	Aluminum	862	4	0	-228	914
DOMOPLEX LTD	Steel	2,614	3,863	-4,006	-323	2,912
ZAO TMK-CPW	Steel Pipes	22,213	10,492	-7,047	-1	59,160
SMARTREO	Steel	537	3,961	-782	0	81
AWM SPA	Steel	10,181	6,212	-8,385	-1,751	21,013

During 2015, the subsidiary Halcor S.A. participated equally with Cantas A.S. (Turkey) in the establishment of the Joint Venture HC Isitma A.S. (Turkey) by paying an amount of EUR 745 thousand.

Aforementioned financial information is presented considering the following:

(a) There are no restrictions on the ability of joint ventures or associates to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity exist.

(b) The financial statements of joint ventures or associates are used in applying the equity method and as of the same date with that of Viohalco.

(c) There are no unrecognised share of losses of a joint venture or associate, both for the reporting period and cumulatively, exist.

21. Other investments

A. Available-for-sale financial assets

Amounts in EUR thousand	2015	2014
Balance as at 1 January	**50,366**	**65,765**
Additions	183	1,732
Sales	-41,086	-17,803
Change in fair value through profit or loss	2,561	-583
Change in fair value through equity	-4,378	1,116
Reclassification to commercial portfolio	0	139
Balance as at 31 December	**7,645**	**50,366**

Other investments are substantially available-for-sale financial assets and include the following:

Amounts in EUR thousand	2015	2014
Listed securities		
- Greek equity instruments	174	305
- International debt Instruments	0	19,887
- International equity instruments	2,508	23,943
Unlisted shares		
- Greek equity instruments	2,289	5,341
- International equity instruments	2,040	46
- Mutual funds	633	826
- Other	0	17
	7,645	**50,366**

22. Derivatives

The following table sets out the carrying amount of derivatives:

Amounts in EUR thousand	2015	2014
Non-current assets		
Forwards	0	739
Futures contracts	0	147
Total	**0**	**887**
Current assets		
Forwards	1,968	3,222
Futures contracts	1,686	6,232
Total	**3,654**	**9,454**
Non-current liabilities		
Interest rate swaps	0	82
Forwards	383	56
Futures contracts	160	10
Total	**543**	**148**
Current liabilities		
Interest rate swaps	91	187
Forwards	2,205	9,225
Futures contracts	3,637	1,813
Total	**5,932**	**11,225**

Hedge accounting

Viohalco's companies hold derivative financial instruments for cash flow and fair value hedges.

The abovementioned derivative financial instruments cover risks from:

- Changes in the prices of metals
- Fluctuations of foreign exchange rates
- Changes in loan interest rates

The maturity and the nominal value of derivatives held by Viohalco's companies match the maturity and nominal value of the underlying assets / liabilities (hedged items).

Derivatives held by Viohalco's companies concerns mainly:

- Future contracts to hedge the risk from the change of the price of metals listed in LME (London Metal Exchange) and used in production of Viohalco's companies (i.e. mainly copper, aluminum and zinc). Such hedges are designated as cash flow hedges.
- F-X Forward and F-X swaps to hedge the risk from the change in exchange rate of US Dollar and British Pound (i.e. currencies to which Viohalco's companies are mainly exposed). Such hedges are either designated as fair value or cash flow hedges depending on the item hedged. F-X Forwards and F-X swaps when used for hedging f-x risk on outstanding receivables and suppliers denominated in foreign currency these instruments are designated under fair value hedging. F-X forwards when used for hedging f-x risk on the forecasted sales of goods or purchase of materials executed in foreign currency f-x forward is hedging instruments designated under the cash flow method.
- Interest rate swaps to offset the impact of future changes in interest rates designated as the hedged risk on the fair value of the underlying fixed rate debt obligations. Such hedges have been designated as fair value hedges. Derivatives (hedging instruments) are recognised at fair value both initially and subsequently.

Derivatives are recognised when Viohalco's companies enter into the transaction in order either to hedge the fair value of receivables, liabilities or commitments (fair value hedges) or highly probable transactions (cash flow hedges).

Fair value hedges

Derivatives are designated as fair value hedges when the exposure to changes in the fair value of a recognized financial asset or liability is hedged. Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the Consolidated Statement of Profit or Loss, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedges

The effective portion of change in fair value of derivatives designated as a cash flow hedge is recognised in other comprehensive income (OCI), under "Hedging Reserve". The gain or loss on the non-effective proportion is recorded to the profit or loss.

The amounts accounted to "Hedging Reserve" are carried forward to the results of the periods where the hedged items are realized. This accumulated reserve (change in fair value) is reclassified to profit and loss statement at the same period in which the hedged event occurs, at the date when the forecasted transaction which constitutes the object of the hedge took place or the hedged item affects profit and loss (for example, in case of a forward sale of aluminum, the reserve is recognised in P&L statement after the net cash settlement of future contract and at the date the aluminum sold)

When a hedge item is sold or when the hedging proportion no longer meets the hedge accounting criteria, hedge accounting is discontinued prospectively, the profits and losses accrued to 'Hedging reserve' remain as a reserve and are carried forward to the results when the hedged asset affects profits or losses.

In the case of a hedge on a forecast future transaction which is no longer expected to be realized, the profits or losses accrued to Equity are carried forward to profit and loss.

The change in fair value recognized in equity under cash flow hedging as of 31 December 2015 will be recycled to P&L statement during 2016, as all the hedged events will occur (the forecasted transactions will take place or the hedged items will affect P&L statement) within 2016.

Viohalco's companies examine the effectiveness of the cash flow hedge at inception (prospectively) by comparing the critical terms of the hedging instrument with the critical terms of the hedged item, and then at every reporting date (retrospectively) it examines the effectiveness of the cash flow hedge by applying the dollar offset method on a cumulative basis.

Viohalco's companies' results from the hedging activities recorded in the statement of profit or loss for are presented for metal future contracts and FX contracts in the "Revenue" and the "Cost of sales" while for interest rate swaps in the "Finance income / (expenses)". The amounts recognized in the statement of profit or loss are the following:

Amounts in EUR thousand	**2015**	**2014**
Gain / loss (-) on future contracts	5,679	-2,550
Gain / loss (-) on FX forwards contracts	-21,966	-4,604
Gain / loss (-) on FX swaps	5,931	1,666
Amounts posted to profit or loss as income or (expense)	**-10,356**	**-5,488**

Profit or loss related to derivatives used for cash flow hedging and recognized in other comprehensive income (Hedging reserve) as at 31 December 2015 will be recognized in profit or loss during the next financial year.

23. Capital and reserves

A. Share capital and share premium

The share capital of the Company amounts to EUR 117,665,854.70 divided into 233,164,646 shares without nominal value. Holders of shares issued in 2015 are entitled to one vote per share at the general meetings of the Company.

Share premium of the Company amounts to EUR 453,822 thousand.

B. Nature and purpose of reserves

(a) Statutory reserve

Pursuant to the Belgian tax legislation, the companies are obliged, from their fiscal year profits, to form 5% as a legal reserve until it reaches 10% of their paid share capital. The distribution of the legal reserve is prohibited.

(b) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(c) Fair value reserve

Fair value reserve is comprised of:

- the hedging reserve which include the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss; and
- the cumulative net change in the fair value of the available-for-sale financial assets until the assets are derecognised or impaired.

(d) The Special reserve and Tax exempt reserve
These reserves are:
- Blocked reserves to cover equity participation of subsidized investment programs.
- Non distributed reserves recorded in accordance with tax laws.
- Special tax reserves recorded for interest income for which a tax deduction has already been made.

As far as the acquired treasury shares are concerned, please see note 32.

C. Reconciliation of other reserves

Amounts in EUR thousand	Statutory Reserve	Hedging reserve	Special reserves	Tax-exempt reserves	Other reserves	Total
Balance as at 1 January 2015	**23,217**	**4,990**	**19,174**	**239,354**	**76,266**	**363,001**
Other comprehensive income, net of taxes	0	-5,217	0	0	5	**-5,213**
Transfer of reserves	-1,049	5,012	0	0	-5,374	**-1,411**
Acquisition of NCI SIDENOR HOLDINGS	-7,298	-1,125	753	-17,220	4,980	**-19,909**
Other changes in ownership interests	0	214	0	0	0	**214**
Balance as at 31 December 2015	**14,870**	**3,874**	**19,927**	**222,134**	**75,876**	**336,681**

Amounts in EUR thousand	Statutory Reserve	Hedging reserve	Special reserves	Tax-exempt reserves	Other reserves	Total
Balance as at 1 January 2014	**21,725**	**3,732**	**17,473**	**324,961**	**71,521**	**439,411**
Other comprehensive income, net of taxes	0	1,436	-44	0	0	**1,393**
Transfer of reserves	1,134	0	1,589	-88,468	8,445	**-77,301**
Changes in ownership interests	358	-175	156	2,910	-3,700	**-450**
Dividend	0	0	0	-50	0	**-50**
Balance as at 31 December 2014	**23,217**	**4,993**	**19,174**	**239,354**	**76,266**	**363,003**

24. Capital management

Viohalco and its companies' policy consists in maintaining a strong capital structure so as to keep the confidence of investors, creditors and the market and enable the future development of their activities. The Board of Directors monitors the return on capital which is defined as net results divided by total equity save non-controlling interests. The Board of Directors also monitors the level of dividends distributed to holders of ordinary shares.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure. In this context, the Board of Directors monitors the Return on Capital Employed (ROCE) index, otherwise the Return on Invested Capital (ROIC) index, which is defined as Earnings before Interest and Tax (EBIT) divided by total Capital Employed, i.e. equity and debt. The Board of Directors seeks opportunities and examines feasibility to leverage Viohalco's companies with relatively high ROCE (in every case higher than the cost of debt) and deleverage companies that go through relatively low ROCE performance period.

25. Loans and borrowings

A. Overview

Amounts in EUR thousand	2015	2014
Non-current liabilities		
Secured bank loans	176,411	193,863
Unsecured bank loans	9,600	3,357
Secured bond issues	681,377	740,234
Unsecured bond issues	26,886	6,000
Finance lease liabilities	1,588	1,144
Total	**895,863**	**944,599**
Current liabilities		
Current portion of secured bank loans	40,161	6,453
Unsecured bank loans	554,847	599,542
Current portion of secured bond issues	142,739	13,213
Current portion of unsecured bond issues	1,043	19,368
Current portion of finance lease liabilities	349	271
Total	**739,139**	**638,848**
Total loans and borrowings	**1,635,001**	**1,583,447**

Information about the Viohalco's companies' exposure to interest rate, foreign currency and liquidity risk is included in Note 29.

The maturities of non-current loans are as follows:

Amounts in EUR thousand	2015	2014
Between 1 and 2 years	157,698	135,459
Between 2 and 5 years	712,391	751,868
Over 5 years	25,773	57,272
Total	**895,863**	**944,599**

The effective weighted average interest rates on the reporting date are as follows:

	2015	2014
Bank loans (non-current)	4.46%	5.15%
Bank loans (current)	5.95%	5.71%
Bond issues	5.01%	5.17%
Finance lease liabilities	4.53%	4.92%

All of the loans of Viohalco's companies are denominated in EUR.

During 2015, Viohalco's companies obtained new bank loans in EUR, which amounted to EUR 334.5 million and repaid bank loans of EUR 279.9 million with maturity date in 2015. The current bank loans had an average interest rate of 6.0%.

The increase in the short term borrowings of Viohalco's companies financed the working capital needs of its subsidiaries. They have available adequate credit lines to meet future needs.

Mortgages and pledges in favour of banks have been recorded on the fixed assets and inventories of subsidiaries. The carrying amount of assets mortgaged or pledged is EUR 1,336.9 million.

For the bank loans of Viohalco's companies that have been assumed from banks, there are clauses of change of control that provide the lenders with an early redemption clause.

There was in 2015 no incident of breach of the terms of the loans of Viohalco's companies.

B. Finance leases liabilities

Finance lease liabilities are payable as follows.

Amounts in EUR thousand	2015	2014
Future minimum lease payments		
Up to 1 year	375	303
From 1 to 5 years	1,450	864
Over 5 years	202	378
Total	**2,027**	**1,545**
Less: Future finance lease interest charges	-90	-130
Present value of minimum lease payments	**1,937**	**1,415**

26. Trade and other payables

Amounts in EUR thousand	31/12/15	31/12/14
Suppliers	280,758	321,821
Notes payable	57,501	42,269
Cheques payable	3	155
Down payments from customers	17,459	16,073
Social security funds	7,852	7,795
Taxes- duties	16,187	13,945
Amounts due to related parties (Note 36)	2,305	1,973
Sundry creditors	12,474	20,059
Deferred income	75	115
Accrued expenses	42,511	29,706
Proportion of third parties in payable dividends	0	32
Total	**437,125**	**453,945**
Current balance of trade and other payables	419,201	430,718
Non-current balance of trade and other payables	17,924	23,227
Balance as at 31 December	**437,125**	**453,945**

The increase in accrued expenses is attributed to the fact that the amounts of raw materials received and not invoiced yet by suppliers were significantly higher compared to the prior year. These purchases were invoiced and settled at the beginning of 2016.

27. Grants

Amounts in EUR thousand	2015	2014
Balance at 1 January	**48,632**	**45,305**
Collection of subsidies	2,038	8,371
Reversal of amortization of grants	0	641
Transfer to receivables/ payables	4,539	-955
Amortization of grants	-4,630	-4,730
Other	-29	0
Balance at 31 December	**50,549**	**48,632**

Government grants have been received for investments in property, plant and equipment. All conditions attached to the grants received by Viohalco's companies were met as of 31 December 2015.

28. Provisions

Non-current

Amounts in EUR thousand	Pending court rulings	Indemnities to customers	Other provisions	Total
Balance as at 1 January 2015	**243**	**0**	**2,851**	**3,093**
Foreign exchange differences	0	0	71	**71**
Additional provisions of the fiscal year	39	0	24	**63**
Provisions used during the fiscal year	-67	0	-152	**-219**
Balance as at 31 December 2015	**215**	**0**	**2,794**	**3,009**
Balance as at 1 January 2014	**65**	**987**	**3,012**	**4,063**
Foreign exchange differences	0	0	76	**76**
Additional provisions of the fiscal year	91	0	11	**102**
Transfer to short term provisions	138	0	0	**138**
Provisions reversed during the year	0	-142	0	**-142**
Provisions used during the fiscal year	-51	-844	-247	**-1,143**
Balance as at 31 December 2014	**243**	**0**	**2,851**	**3,093**

Current

Amounts in EUR thousand	Pending court rulings	Indemnities to customers	Other provisions	Total
Balance as at 1 January 2015	**13**	**0**	**402**	**415**
Foreign exchange differences	0	0	8	**8**
Additional provisions of the fiscal year	0	0	1,107	**1,107**
Provisions used during the fiscal year	-13	0	-90	**-102**
Balance as at 31 December 2015	**0**	**0**	**1,428**	**1,428**
Balance as at 1 January 2014	**144**	**0**	**531**	**675**
Foreign exchange differences	0	0	8	**8**
Additional provisions of the fiscal year	13	0	917	**929**
Transfer from long term provisions	-138	0	0	**-138**
Provisions reversed during the year	-1	0	0	**-1**
Provisions used during the fiscal year	-5	0	-1,054	**-1,059**
Balance as at 31 December 2014	**13**	**0**	**402**	**415**

Other provisions mainly relate to provisions for open tax years, other receivables and provisions related to obligation to cover environmental obligations.

29. Financial instruments

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including the levels in the fair value hierarchy.

31/12/15 Amounts in EUR thousand	Carrying amount	First Level	Second Level	Third Level	Total
Available-for-sale financial assets	7,645	3,316	1,353	2,976	**7,645**
Financial instruments at fair value	2,138	1,350	779	9	**2,138**
Derivative financial assets	3,654	1,686	1,968	0	**3,654**
	13,438	**6,351**	**4,101**	**2,986**	**13,438**
Derivative financial liabilities	-6,475	-3,796	-2,679	0	**-6,475**
	6,962	**2,555**	**1,422**	**2,986**	**6,962**

31/12/14 Amounts in EUR thousand	Carrying amount	First Level	Second Level	Third Level	Total
Available-for-sale financial assets	50,366	43,439	2,996	3,930	**50,366**
Financial instruments at fair value	818	809	0	9	**818**
Derivative financial assets	10,341	6,379	3,962	0	**10,341**
	61,525	**50,627**	**6,958**	**3,940**	**61,525**
Derivative financial liabilities	-11,373	-1,823	-9,550	0	**-11,373**
	50,152	**48,804**	**-2,593**	**3,940**	**50,152**

The various levels are as follows:
- Level 1: Quoted prices (unadjusted) in an active market for identical assets and liabilities.
- Level 2: Inputs that are observable either directly or indirectly.
- Level 3: Unobservable inputs for assets and liabilities.

The fair value of the following financial assets and liabilities measured at amortised cost approximate their carrying amount:
- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Loans and borrowings

The following table shows reconciliation between opening and closing balances for Level 3 financial assets:

Amounts in EUR thousand	Available-for-sale financial assets	Financial instruments at fair value through profit or loss
Balance at 1 January 2015	**3,930**	**9**
Acquisitions	60	0
Disposals	-138	0
Fair value adjustment through OCI	-876	0
Balance at 31 December 2015	**2,976**	**9**
Balance at 1 January 2014	**4,112**	**17**
Additions	35	0
Sales	-306	-8
(Impairment) / Reversal of impairment	-96	0
Reclass	184	0
Balance at 31 December 2014	**3,930**	**9**

B. Measurement of fair values

(a) Valuation techniques and significant unobservable inputs

The fair values of financial assets that are traded in active markets (stock markets) (e.g. derivatives, shares, bonds, mutual funds) are set according to the published prices that are valid on the reporting date. The fair value of financial assets is determined by their offer price, while the fair value of financial liabilities is determined by their bid price.

The fair values of financial assets that are not traded in active markets are set through the use of valuation techniques and standards that are based on market data on the reporting date.

The nominal value less allowances for doubtful commercial claims is deemed to approximate their actual value. The actual values of financial liabilities, for the purpose of being recorded in Financial Statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for Viohalco and its companies for the use of similar financial-credit means.

Inputs that do not meet the respective criteria and cannot be classified in Level 1 but are observable, either directly or indirectly, fall under Level 2. Over-the-counter derivative financial instruments based on prices obtained from brokers are classified in this level.

The financial assets, such as unlisted shares that are not traded in an active market whose measurement is based on the Viohalco's companies' forecasts for the issuer's future profitability are classified under Level 3.

The following table shows the valuation techniques used in measuring fair values, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant observable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Derivatives	*Market comparison technique*: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments	Broker quotes	Not applicable.
Equity securities traded in active markets	*Market value*: Price as traded in active market.	Not applicable.	Not applicable.
Equity securities not traded in active markets	*Discounted cash flows*: The fair value of shares not traded in an active market is defined based on the estimates of Viohalco and its companies for the future profitability of the issuer after taking into account the expected growth rate of its operations, as well as the discounted interest rate.	- Risk-free rate: 0.58% - Market risk premium: 6.00% - WACC (rounded): 9.90%	• the expected market growth rate increase (decrease) • the estimated cash flows increase (decrease) • the risk-adjusted discount rate were lower (higher)

(b) Transfers between Levels 1 and 2

There were no transfers from Level 2 to Level 1 or from Level 1 to Level 2 in 2015 and no transfers in either direction in 2014.

C. Financial risk management

Viohalco and its companies are exposed to credit, liquidity and market risk due to the use of its financial instruments. This Note sets forth information on their exposure to each one of the above risks, their objectives, the policies and procedures applied to risk measurement and management and Viohalco's Capital Management (Note 24). More quantitative particulars on these disclosures are included in the entire range of the Consolidated Financial Statements.

The risk management policies are applied in order to identify and analyze the risks facing Viohalco and its companies, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are examined from time to time so as to take into account any changes in the market and the companies' activities.

The implementation of risk management policies and procedures is supervised by the Internal Audit department, which performs ordinary and extraordinary audits relating to the implementation of procedures, whereas the results of such audits are notified to the Board of Directors.

C.1. Credit risk

Credit risk is the risk of the financial loss to Viohalco and its companies, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the companies' receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

Amounts in EUR thousand	Notes	31/12/15	31/12/14
Trade & Other receivables - Current	15	538,165	535,085
Trade & Other receivables - Non-current	15	8,033	7,624
Income tax receivable		1,246	2,366
Subtotal		**547,443**	**545,076**
Available-for-sale financial assets	21A	7,645	50,366
Financial assets at fair value through profit or loss		2,138	818
Cash and cash equivalents	16	136,296	99,612
Derivatives		3,654	10,341
Subtotal		**149,734**	**161,137**
Grand Total		**697,177**	**706,213**

(a) Trade and other receivables

The Viohalco's companies' exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the companies' management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. No client exceeds 10% of consolidated sales and, consequently, commercial risk is spread over a large number of clients.

Viohalco's companies have established a credit policy on the basis under which each new customer is examined on an individual basis in terms of creditworthiness before the standard payment and delivery terms are proposed to such customer. Viohalco's companies review includes external ratings, if they are available, and in some cases bank references. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. As a rule, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

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

Viohalco's companies record an impairment that represents its estimate of incurred losses in respect of trade and other receivables.

At 31 December, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

	Carrying amount	
In EUR thousand	**2015**	**2014**
Greece	196,314	183,922
Other EU Member States	259,766	193,683
Other European countries	26,566	59,024
Asia	33,603	26,831
USA	21,645	68,485
Africa	8,624	12,360
Oceania	925	771
	547,443	**545,076**

At 31 December, the maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows:

	Carrying amount	
In EUR thousand	**2015**	**2014**
Industrial customers	398,554	411,024
Distributors/ resellers	51,113	19,211
Other	97,776	114,840
	547,443	**545,076**

At 31 December, the aging of trade and other receivables that were not impaired was as follows:

In EUR thousand	**2015**	**2014**
Neither past due nor impaired	445,923	451,945
Overdue		
- Up to 6 months	50,910	63,869
- Over 6 months	50,610	29,261
	547,443	**545,076**

Subsidiaries' management believes that the unimpaired amounts that are past due up to 6 months and over 6 months are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available.

The movement in the allowance of impairment in respect of trade and other receivables is as follows:

Amounts in EUR thousand	2015	2014
Balance as at 1 January	**53,529**	**47,807**
Impairment loss recognized	6,809	6,255
Amounts written off	-1,875	-1,433
Impairment loss reversed	-606	-174
Transfer to other provisions	0	38
Transfer to results	0	-207
Foreign exchange differences	171	1,244
Balance as at 31 December	**58,027**	**53,529**

The impairment loss of EUR 6,808 thousand in 2015 relates to several customers that have indicated that they are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The following collateral exists for securing receivables from customers:

Amounts in EUR thousand	31/12/15	31/12/14
Bank letters of guarantee	30,563	43,300
Guarantees for securing receivables from customers	2,778	1,537
	33,341	**44,838**

(b) Debt securities

Viohalco limits its exposure to credit risk by investing mainly in liquid corporate and sovereign debt securities which yield rates and ratings are reasonable. The counterparties of the corporate bonds are mostly well known companies.

	Carrying amount	
Amounts in EUR thousand	31/12/15	31/12/14
EU Member States	0	17,149
USA	0	2,737
	0	**19,886**

In 2015 there is no carrying amount of debt securities as a few of them expired and the rest was sold in the first semester of 2015. As a result there is no exposure to credit risk for debt securities at the reporting date.

(c) Cash and cash equivalents

Viohalco and its companies held cash and cash equivalents of EUR 136,296 thousand at 31 December 2015 (2014: EUR 99.612 thousand). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from AA- to C based on ratings of Fitch.

C.2. Liquidity risk

Liquidity risk is the risk that Viohalco and its companies will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach to manage liquidity is to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to their reputation.

In order to avoid liquidity risks, Viohalco and its companies estimate the expected cash flows for the next year when preparing the annual budget and monitor the monthly rolling forecast of its cash flows for the next quarter, so as to ensure sufficient cash on hand to meet its operating needs, including coverage of its financial obligations. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

The companies monitor their cash needs through Steelmet S.A., a Viohalco's company, which agrees upon financing terms with the credit institutions in Greece and other countries.

Exposure to liquidity risk
Financial liabilities and derivatives based on contractual maturity are broken down as follows:

Amounts in EUR thousand	Carrying amount 31/12/2015	<1 year	1 - 2 years	2 -5 years	>5 years	Total 31/12/2015
Financial liabilities						
Bank loans Finance lease obligations	1,635,001	777,882	204,724	758,603	82,405	**1,823,615**
Trade and other payables	437,125	419,201	2,796	14,879	2,380	**439,255**
Derivatives	2,821	2,278	543	0	0	**2,821**
	2,074,947	**1,199,362**	**208,063**	**773,482**	**84,785**	**2,265,692**

Amounts in EUR thousand	Carrying amount 31/12/2014	<1 year	1 - 2 years	2 -5 years	>5 years	Total 31/12/2014
Financial liabilities						
Bank loans Finance lease obligations	1,583,447	658,144	163,642	792,079	66,549	**1,680,415**
Trade and other payables	453,945	430,718	6,269	15,048	5,029	**457,064**
Derivatives	1,033	1,771	-738	0	0	**1,033**
	2,038,425	**1,090,634**	**169,173**	**807,127**	**71,578**	**2,138,512**

Viohalco's companies have syndicated loans that contain loan covenants. A future breach of covenants may require the companies to repay the loans earlier than indicated in the above table. Under the agreement, the covenants are monitored on regular basis by Steelmet S.A. and regularly reported to companies' management to ensure compliance with the agreements.

C.3. Market risk
Market risk is the risk that changes in the market prices – such as commodity prices, foreign exchange rates and interest rates - will affect Viohalco and its companies income or the value of their financial instruments. Viohalco's companies use derivatives to manage market risk.

All such transactions are carried out through Steelmet S.A. Generally, the companies seek to apply hedge accounting to manage volatility in profit or loss.

(a) Currency risk:
Viohalco and its companies are exposed to currency risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Viohalco and its companies, which is mainly EUR. The most important currencies in which these transactions are held are mainly EUR, USD and GBP.

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

Loan interest is denominated in the same currency with that of cash flows, which arises from the Viohalco's companies' operating activities.

The investments of Viohalco and its companies in their subsidiaries are not hedged, because these exchange positions are considered to be long-term and have been made mainly in EUR.

The summary quantitative data about Viohalco and its companies' exposure to currency risk as reported is as follows.

31 December 2015

Amounts in EUR thousand	EURO	USD	GBP	LEV	DINAR	RON	OTHER	TOTAL
Trade and other receivables	411,941	51,014	29,807	25,923	11,021	15,083	2,655	**547,443**
Loans and Borrowings	-1,536,231	-21,340	-38,637	-35,418	0	-3,289	-86	**-1,635,001**
Trade and other payables	-339,951	-25,661	-26,592	-31,758	-696	-12,322	-145	**-437,125**
Cash & cash equivalents	110,359	13,988	4,019	2,027	1,865	2,957	1,081	**136,296**
	-1,353,883	18,000	-31,402	-39,226	12,191	2,429	3,504	**-1,388,387**
Derivatives for risk hedging (Nominal Value)	-1,410	27,529	-6,321	0	0	0	23	**19,821**
Exposure	**-1,355,293**	**45,530**	**-37,723**	**-39,226**	**12,191**	**2,429**	**3,527**	**-1,368,566**

31 December 2014

Amounts in EUR thousand	EURO	USD	GBP	LEV	DINAR	RON	OTHER	TOTAL
Trade and other receivables	364,920	104,223	30,498	21,146	544	15,528	7,659	**544,517**
Loans and Borrowings	-1,501,716	-4,985	-31,121	-36,695	-4,862	-4,041	-27	**-1,583,447**
Trade and other payables	-359,186	-34,300	-22,357	-29,506	-1,389	-6,765	-442	**-453,945**
Cash & cash equivalents	76,418	7,600	9,708	1,270	1,123	2,633	860	**99,612**
	-1,419,564	72,538	-13,272	-43,785	-4,585	7,355	8,050	**-1,393,263**
Derivatives for risk hedging (Nominal Value)	328	144,988	-17,388	0	0	0	-628	**127,300**
Exposure	**-1,419,236**	**217,525**	**-30,660**	**-43,785**	**-4,585**	**7,355**	**7,422**	**-1,265,964**

The following exchange rates have been applied during the year.

	Average exchange rate		Year end spot rate	
	2015	**2014**	**2015**	**2014**
USD	1.11	1.33	1.09	1.21
GBP	0.73	0.81	0.73	0.78
LEVA	1.96	1.96	1.96	1.96
RON	4.45	4.44	4.52	4.48
DINAR	61.50	89.41	61.42	91.09

A reasonably possible strengthening (weakening) of the EUR, US dollar, pound sterling, DINAR, or RON against other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The Bulgarian currency LEV is not analysed below due to its fixed currency rate at 1.956 LEV/EUR.

	Profit or loss		Equity, net of tax	
Effect In EUR thousand	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
31/12/2015				
USD (10% movement in relation to EUR)	-4,136	4,136	-1,777	1,777
GBP (10% movement in relation to EUR)	3,429	-3,429	408	-408
RON (10% movement in relation to EUR)	-149	149	0	0
DINAR (10% movement in relation to EUR)	-1,108	1,108	0	0
31/12/2014				
USD (10% movement in relation to EUR)	-6,582	6,582	-10,149	-10,197
GBP (10% movement in relation to EUR)	1,209	-1,209	1,217	-1,307
DINAR (10% movement in relation to EUR)	417	-417	0	0
RON (10% movement in relation to EUR)	-560	560	0	0

(b) Interest rate risk:

Viohalco's companies during the prolonged low interests period have adopted a flexible policy of ensuring that between 0 % and 20% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed–rate instruments and partly by borrowing at a float rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The interest rate profile of Viohalco's companies' interest-bearing financial instruments, as reported is as follows.

	Nominal amount	
Amounts in EUR thousand	**2015**	**2014**
Fixed-rate instruments		
Financial liabilities	-20,605	-38,912
Variable-rate instruments		
Financial liabilities	-1,614,396	-1,544,535

A change of 25 basis points in interest rates would have a positive or negative effect of EUR 96 thousand after tax (2014: EUR 91 thousand) in consolidated statement of Profit or Loss.

A reasonably possible change of 0.25% in interest rates at the reporting date would have increased/ decreased (-) equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular foreign currency exchange rate, remain constant.

	Profit or loss		Equity, net of tax	
Effect In EUR thousand	**0.25% increase**	**0.25% decrease**	**0.25% increase**	**0.25% decrease**
31 December 2015				
Financial liabilities	-2,866	2,866	0	0
Interest rate swaps	0	0	0	0
Cash flow sensitivity (net)	**-2,866**	**2,866**	**0**	**0**
31 December 2014				
Financial liabilities	-2,988	2,988	0	0
Interest rate swaps	0	0	55	-55
Cash flow sensitivity (net)	**-2,988**	**2,988**	**55**	**-55**

C.4. Risk of macroeconomic and financial environment in Greece

In Greece, where most of Viohalco's subsidiaries are located, the macroeconomic and financial environment continues to be volatile.

The Greek government has completed the negotiation with the Institutions, (IMF, EU, ESM, ECB), for the formulation of a lending package, which was voted by the Greek parliament, the European parliament and the ESM. The recapitalization of the Greek banks was completed successfully at the end of 2015 but the negotiations with the institutions is continuing with the aim to close the evaluation of the current restructuring program. The successful conclusion of those negotiations and the return to economic stability largely depends on the actions and decisions of the Greek Government and Institutions. This uncertainty in the economic and financial environment constitutes a key risk factor and any development in this respect is likely to affect the operations and activities of Viohalco's subsidiaries in Greece, and their financial performance and position.

However, it is noted that the capital controls imposed in Greece since last June did not prevent Viohalco's companies to continue their activities with no production delays and timely execution of all customers' orders. More specifically, the production capacity of the units, production costs and raw supplies have not been affected by the capital controls and the reduction in domestic demand. Therefore, cash flows from operational activities of Viohalco's companies have not been disrupted by the current situation in Greece.

Additionally, Viohalco's companies' strong customer base outside Greece along with their established facilities abroad minimize the liquidity risk which may arise from the uncertainty of the economic environment in Greece. In addition, Viohalco's companies' debt amounting to EUR 1,635 million comprises of 55% long term and 45% short term facilities, of which 89% are extended by Greek banks or their subsidiaries abroad and 11% by international banks and supranational financial institutions. Long term facilities have an average maturity of three years. Short term facilities are predominately revolving credit facilities, which are reviewed annually with anniversaries spread throughout the year and, within those revolving credit limits, short term loans of various maturities are drawn and when matured are renewed automatically if needed. There are sufficient credit limits in place to serve working capital requirements and refinance short term loans.

Viohalco and its Companies follow closely and on a continuous basis the developments in the international and domestic environment and timely adapt their business strategy and risk management policies in order to minimize the impact of the macroeconomic conditions on their operations.

30. Subsidiaries

The Viohalco's subsidiaries and the percentages held by the parent company at the end of the reporting period are as follows:

SUBSIDIARIES COMPANIES		Country	Participation 2015	percentage 2014
AEIFOROS S.A.	(2)	GREECE	90.00%	67.89%
AEIFOROS BULGARIA S.A.	(2)	BULGARIA	90.00%	67.89%
AL - AMAR S.A.	(3)	LIBYA	65.37%	65.37%
ALCOMET S.A.	(1)	GREECE	99.36%	99.36%
ALUBUILD SRL	(3)	ITALY	72.63%	72.63%
ALURAME SPA	(3)	ITALY	71.53%	71.53%
ANOXAL S.A.	(3)	GREECE	72.63%	72.63%
ANAMET DOO	(1)	SERBIA	92.71%	88.62%
ANAMET S.A.	(1)	GREECE	92.71%	88.62%
ANTIMET AE	(1)	GREECE	100.00%	100.00%
ATTIKI S.A.	(1)	GREECE	75.00%	75.00%
BET S.A.	(2)	GREECE	92.85%	77.02%
BLYTHE LTD	(3)	CYPRUS	0.00%	72.63%
BOZETTI LTD	(2)	CYPRUS	0.00%	75.45%
BRIDGNORTH LTD	(3)	ENGLAND	54.47%	54.47%
CLUJ INTERNATIONAL TRADE SRL	(1)	ROMANIA	100.00%	100.00%
COMMERCIAL PARK CORINTHOS S.A.	(1)	GREECE	100.00%	100.00%
CONSUTANT & CONSTRUCTION SOLUTION S.A.	(3)	GREECE	72.63%	72.23%
COPPERPROM LTD	(4)	GREECE	0.00%	57.25%
CORINTH PIPEWORKS S.A.	(1)	GREECE	85.83%	66.54%
CPW AMERICA Co	(5)	USA	85.83%	66.54%
DE LAIRE LTD	(4)	CYPRUS	49.97%	49.97%
DIA.VI.PE.THI.V S.A.	(1)	GREECE	88.56%	71.32%
DIAPEM S.A.	(1)	GREECE	79.65%	71.47%
DIATOUR S.A.	(1)	GREECE	98.74%	98.74%
DOJRAN STEEL LLCOP	(2)	FYROM	100.00%	75.44%
ELVAL COLOUR S.A.	(3)	GREECE	72.63%	72.63%
ELVAL HOLDINGS S.A.	(1)	GREECE	72.63%	72.63%
ELVAL S.A. INDUSTRIAL S.A.	(3)	GREECE	72.63%	72.63%
ELKEME S.A.	(1)	GREECE	69.35%	69.35%
ENERGY SOLUTIONS S.A.	(1)	BULGARIA	92.77%	92.75%
ERGOSTEEL S.A.	(4)	GREECE	39.15%	38.62%
ERGOPAMA S.A.	(4)	GREECE	39.15%	38.62%
ERLIKON S.A.	(2)	GREECE	99.95%	75.68%
ETEM ALBANIA S.A.	(3)	ALBANIA	72.63%	72.63%
ETEM BULGARIA S.A.	(3)	BULGARIA	72.63%	72.63%
EVIKE S.A.	(5)	GREECE	85.83%	100.00%
ETIL S.A.	(2)	GREECE	69.98%	52.78%
ETEM COMMERCIAL S.A.	(3)	GREECE	72.63%	72.63%
ETEM SYSTEMS LLC	(3)	UCRAINE	72.63%	72.63%
ETEM SYSTEMS SRL	(3)	ROMANIA	72.63%	72.63%
FITCO S.A.	(4)	GREECE	66.34%	66.34%
FLOCOS S.A.	(1)	GREECE	85.78%	85.78%
FULGOR S.A.	(4)	GREECE	49.97%	49.97%
GENECOS S.A.	(3)	FRANCE	67.62%	67.08%
HALCOR S.A.	(1)	GREECE	66.34%	66.34%
HELLENIC CABLES S.A.	(4)	GREECE	49.97%	49.97%
HUMBEL LTD	(5)	CYPRUS	85.83%	66.54%
ICME ECAB S.A.	(4)	ROMANIA	49.29%	49.29%
INOS BALCAN	(1)	SERBIA	92.71%	88.62%
INTERNATIONAL TRADE	(1)	BELGIUM	99.84%	0.00%
JOSTDEX LIMITED	(1)	CYPRUS	99.83%	75.30%
KIFISSOS MALL S.A.	(1)	GREECE	54.43%	54.43%
LESCO ROMANIA S.A.	(4)	ROMANIA	32.49%	32.49%
LESCO OOD	(4)	BULGARIA	49.97%	49.97%
METAL AGENCIES LTD	(4)	ENGLAND	65.89%	65.89%
METAL VALIUS LTD	(1)	BULGARIA	92.71%	88.62%

SUBSIDIARIES COMPANIES		Country	Participation 2015	percentage 2014
METALLOURGIA ATTIKIS S.A.	(1)	GREECE	50.00%	37.73%
MKC GMBH	(1)	GERMANY	71.85%	68.46%
MOPPETS LTD	(3)	CYPRUS	72.63%	72.63%
NOVAL S.A.	(1)	GREECE	100.00%	100.00%
NOVOMETAL DOO	(1)	FYROM	92.71%	88.62%
QUANTUM S.A.	(3)	BULGARIA	72.63%	72.63%
PORT SVISHTOV WEST S.A.	(1)	BULGARIA	73.09%	55.13%
PRAKSIS S.A.	(2)	GREECE	61.00%	46.02%
PRISTANISHTEN KOMPLEX SVILOSA EOOD	(1)	BULGARIA	73.09%	55.13%
PROSAL TUBES S.A.	(2)	BULGARIA	100.00%	75.44%
REYNOLDS CUIVRE S.A.	(3)	FRANCE	67.62%	67.08%
SANIPARK S.A.	(1)	GREECE	100.00%	100.00%
SANITAS REPRESENTATIVE S.A.	(1)	GREECE	100.00%	100.00%
SANITAS S.A.	(1)	GREECE	100.00%	100.00%
SIDEBALK STEEL DOO	(2)	SERBIA	100.00%	75.44%
SIDENOR INDUSTRIAL S.A.	(1)	GREECE	100.00%	75.44%
SIDENOR S.A.	(1)	GREECE	0.00%	75.44%
SIDERAL SHRK	(2)	ALBANIA	99.82%	75.40%
SIDEROM STEEL SRL	(2)	ROMANIA	100.00%	75.44%
SIGMA IS S.A.	(2)	BULGARIA	69.28%	52.25%
SOFIA MED AD	(4)	BULGARIA	66.34%	66.34%
SOVEL S.A.	(2)	GREECE	92.85%	77.02%
STEELMET CYPRUS LTD	(4)	CYPRUS	65.21%	64.32%
STEELMET ROMANIA S.A.	(3)	ROMANIA	70.10%	70.10%
STEELMET S.A.	(4)	GREECE	65.21%	64.32%
STOMANA IDUSTRY S.A.	(1)	BULGARIA	100.00%	75.44%
SYMM.EP. S.A.	(4)	GREECE	49.97%	100.00%
TECHOR S.A.	(4)	GREECE	66.34%	76.79%
TEPRO METAL AG	(1)	GERMANY	71.85%	68.46%
TEPROMETAL S.A.	(1)	BULGARIA	100.00%	100.00%
TEPROSTEEL S.A.	(2)	BULGARIA	0.00%	75.44%
THERMOLITH S.A.	(2)	GREECE	63.00%	47.53%
TEKA SYSTEMS S.A.	(1)	GREECE	50.01%	50.01%
VEPAL S.A.	(3)	GREECE	72.63%	69.49%
VEMET S.A.	(2)	GREECE	100.00%	75.44%
VIANATT S.A.	(1)	GREECE	92.71%	88.62%
VIEXAL S.A.	(3)	GREECE	70.95%	70.94%
VIOMAL S.A.	(3)	GREECE	36.32%	36.32%
VITRUVIT S.A.	(1)	GREECE	100.00%	100.00%
WARSAW TUBULARS TRADING SP.ZO	(5)	POLAND	85.83%	66.54%
XENCA S.A.	(1)	GREECE	100.00%	100.00%

(1) Subsidiaries of VIOHALCO S.A.
(2) Subsidiaries of SIDENOR INDUSTRIAL S.A.
(3) Subsidiaries of ELVAL HOLDINGS S.A.
(4) Subsidiaries of HALCOR S.A.
(5) Subsidiaries of CORINTH PIPEWORKS S.A.

The percentages reported on the above table represent the financial interest held directly and indirectly by Viohalco. For all the above entities Viohalco does exercise control directly and/or indirectly and these entities are reported as subsidiary companies.

During 2015, the absorption of the subsidiary Sidenor S.A. by Viohalco S.A. was concluded. This cross-border merger had an effect on the holding percentage of several subsidiaries.

Stomana Industry S.A. absorbed Teprosteel S.A. during 2015.

Other minor changes in percentages held by the parent company took place during the period. These changes did not have any material effect on consolidated financial statements.

31. Non-controlling interests

The following table summarises the information relating to each of the subsidiaries that have material NCI, before any intra-group elimination.

31 December 2015 Amounts in EUR thousand	Elval S.A.	Halcor S.A.	Sid Industrial S.A.	CPW S.A.	Other subsidiaries individually immaterial	Intra-group eliminations	Total
NCI percentage	**27%**	**34%**	**0%**	**14%**			
Non-current assets	592,085	447,992	330,582	199,430			
Current assets	569,525	425,565	240,046	140,068			
Non-current liabilities	253,838	455,128	282,608	94,982			
Current liabilities	274,847	414,399	267,746	95,076			
Net assets	**632,924**	**4,031**	**20,274**	**149,441**			
Attributable to NCI by the Companies	**37,686**	**17,713**	**32,026**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**595,239**	**-13,683**	**-11,752**	**149,441**			
Attributable to NCI by Viohalco	**162,917**	**-4,606**	**0**	**21,176**			
Carrying amount of NCI	200,602	13,108	32,026	21,176	37,108	-57,671	246,349
Revenue	1,237,622	1,230,103	346,539	296,224			
Profit	26,595	-25,156	-42,653	7,759			
OCI	1,425	-3,695	175	1,864			
Total comprehensive income	**28,019**	**-28,851**	**-42,478**	**9,623**			
Attributable to NCI by the Companies	**2,251**	**190**	**-4,577**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**25,769**	**-29,041**	**-37,900**	**9,623**			
Attributable to NCI by Viohalco	**7,053**	**-9,775**	**0**	**1,364**			
Total OCI of NCI	9,304	-9,585	-4,577	1,364	581	302	-2,613
Cash flows from operating activities	108,574	15,140	9,181	27,340			
Cash flows from investment activities	-99,241	-24,088	-15,825	-36,233			
Cash flows from financing activities	35,263	25,132	32,668	18,316			
Net increase (decrease) in cash and cash equivalents	**44,596**	**16,184**	**26,024**	**9,423**			

31 December 2014 Amounts in EUR thousand	Elval S.A.	Halcor S.A.	Sidenor S.A.	Other individually immaterial	Intra-group eliminations	Total
NCI percentage	**27%**	**34%**	**25%**			
Non-current assets	543,427	449,531	742,607			
Current assets	540,197	380,371	532,322			
Non-current liabilities	267,037	447,230	458,643			
Current liabilities	211,585	349,246	502,726			
Net assets	**605,002**	**33,426**	**313,560**			
Attributable to NCI by the Companies	**35,528**	**18,429**	**69,181**			
Net attributable to the equity holders & NCI of Viohalco	**569,474**	**14,997**	**244,378**			
Attributable to NCI by Viohalco	**155,865**	**5,048**	**60,794**			
Carrying amount of NCI	191,393	23,477	129,975	7,438	-29,491	322,792
Revenue	1,060,398	1,079,873	822,135			
Profit	15,698	-42,416	-55,588			
OCI	9,119	-288	-11,624			
Total comprehensive income	**24,817**	**-42,704**	**-67,212**			
Attributable to NCI by the Companies	**906**	**-6,105**	**-8,362**			
Net attributable to the equity holders & NCI of Viohalco	**23,911**	**-36,599**	**-58,850**			
Attributable to NCI by Viohalco	**6,544**	**-12,319**	**-14,640**			
Total OCI of NCI	7,451	-18,424	-23,002	1,985	4,955	-27,036
Cash flows from operating activities	23,282	-20,827	-32,741			
Cash flows from investment activities	-55,790	-49,639	-77,240			
Cash flows from financing activities	14,258	39,908	79,674			
Net increase (decrease) in cash and cash equivalents	**-18,250**	**-30,558**	**-30,307**			

32. Acquisition of non-controlling interests

On April 29, 2015, the boards of directors of the parent company Viohalco S.A. and the Greek subsidiary Sidenor Holdings S.A., both holding companies with no production activity, elected the merger of the two companies as the most appropriate technical solution for strengthening the capital structure of the steel producing companies and plants located in Greece.

On 22 July 2015 (i.e. transaction date), the absorption of Sidenor Holdings S.A. by Viohalco S.A. was concluded. As a result of this transaction Viohalco acquired an additional 24.56% financial interest in Sidenor Holdings S.A. through the issuance of new shares.

13,553,338 new shares were issued and the fair value of the new shares at the transaction date was EUR 34,289,945. According to the Merger Terms approved by the respective shareholders' meetings of Viohalco S.A. and Sidenor Holdings S.A. on 22 July 2015, the issuance of shares relating to the merger will has increased the share capital by EUR 12,669,660.51 and share premium for an amount of EUR 21,620,285. As a result of the transaction, Viohalco recognised a decrease in non-controlling interest (NCI) of EUR 73 million, an increase in retained earnings of EUR 13.4 million, a decrease in translation reserve earnings of EUR 1.2 million and an increase in other reserves of EUR 26.7 million. Overall, equity attributable to owners of the group was increased by EUR 38.8 million as a result of the merger.

Due to the fact that the subsidiaries Alcomet S.A. and Diatour S.A. held shares of Sidenor Holdings S.A., as a result of the aforementioned transactions, the Viohalco acquired at consolidation level 3,215,719 own shares with a carrying value of EUR 8,135,769. These treasury shares are presented as a deduction of equity. The weighted-average number of ordinary shares issued in July 2015 is equal to 4,588,204 excluding these 3,215,719 treasury shares.

Amounts in EUR thousand	
Carrying amount of NCI acquired	73,081
Consideration paid to NCI through the issuance of new shares	(34,290)
Increase in equity attributable to owners of the group	**38,791**

33. Operating leases

A. Leases as lessee

Viohalco and its companies lease buildings and motor vehicles under operating leases agreements.

(a) Future minimum lease payments

At 31 December, the future minimum lease payments under non-cancellable leases were as follows.

Amounts in EUR thousand	2015	2014
Less than one year	3,547	3,967
Between one and five years	6,260	8,511
More than five years	20	461
	9,827	**12,939**

(b) Amounts recognized in profit or loss

Amounts in EUR thousand	2015	2014
Lease expense	2,443	5,525

B. Leases as lessor

Viohalco and its companies in the Real Estate Development sector lease out their investment properties (See Note 19).

(a) Future minimum lease collections

At 31 December, the future minimum lease payments under non-cancellable leases were as follows.

Amounts in EUR thousand	2015	2014
Less than one year	4,244	3,879
Between one and five years	16,298	20,061
More than five years	49,845	51,013
Total	**70,388**	**74,953**

(b) Amounts recognized in profit or loss

The figures below are related to investment property that has been recognised in the statement of profit or loss:

Amounts in EUR thousand	2015	2014
- Rental income from investment property	5,713	5,043
- Direct operating expenses from investment properties that generate rental income	-3,423	-2,739
- Direct operating expenses from investment properties that do not generate rental income	-2,086	-2,293

34. Commitments

A. Purchase commitments

The below mentioned commitments relate to contracts that the subsidiaries have entered into according to their investment plans, which are expected to be concluded during the next 3 years.

Amounts in EUR thousand	31/12/2015	31/12/2014
Property, plant and equipment	14,052	35,713

B. Guarantees

Amounts in EUR thousand	31/12/2015	31/12/2014
Guarantees for securing liabilities to suppliers	9,897	83,360
Guarantees for securing the good performance of contracts with customers	16,290	27,773
Guarantees for securing the good performance of contracts with suppliers	172	19,556

35. Contingent liabilities

(a) Litigations matters

Please refer to the ongoing claim described in Note 15.

(b) Contingent tax liabilities

The tax filings of the subsidiaries are routinely subjected to audit by tax authorities in most of the jurisdictions in which Viohalco and its companies conduct business. These audits may result in assessments of additional taxes. Viohalco and its companies provide for additional tax in relation to the outcome of such tax assessments, to the extent that a liability is probable and estimable.

Viohalco companies believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of underlying factors, including interpretations of tax law and prior experience.

36. Related parties

A. Equity-accounted investees and other related parties

The following transactions, together with the amounts due from and to as at the period end, have been made with equity-accounted investees and other related parties.

Amounts in EUR thousand	2015	2014
Sales of goods / services		
Associates	23,639	17,746
Joint Venture	1,425	0
	25,064	**17,746**
Purchases of goods / services		
Associates	5,758	3,825
	5,758	**3,825**
Purchase of property, plant and equipment		
Associates	**449**	**1,009**

Closing balances that arise from sales/purchases of goods, services, fixed assets, etc.:

Amounts in EUR thousand	2015	2014
Receivables from related parties:		
Associates	19,968	12,704
Joint Venture	141	0
	20,109	**12,704**
Liabilities to related parties:		
Associates	**2,305**	**1,973**

The outstanding balances from related parties are secured and the settlement of those balances is expected to be performed in cash during the following year, since the balances concern only short-term receivables & payables.

Services to and from related parties as well as sales and purchases of goods are carried out in accordance with the price lists applying to non-related parties.

B. Key management personnel compensation

The table below provides an overview of the transactions with Board members and executive management:

Amounts in EUR thousand	2015	2014
Compensation to BoD members and executives	2,816	2,813

The compensation to directors and executive management in the table above are fixed compensation. No variable compensation, post-employment benefits or share based benefits were paid in 2014 and in 2015.

37. Subsequent events

- The cross-border merger by absorption of the Greek subsidiaries (Elval Holdings S.A., Alcomet S.A. and Diatour S.A.) and the Luxembourg company Eufina S.A., by Viohalco S.A. was completed on February 26, 2016. Following this merger, Viohalco has increased its financial interest in Halcor S.A. and its subsidiaries by 1.87%.

- The aforementioned merger of Viohalco with Eufina is a business combination, which should be accounted for in accordance with IFRS 3. Viohalco has been identified as the acquirer for accounting purposes while Eufina has been considered as the acquiree for accounting purposes. The acquisition of Eufina by Viohalco has the following effect on the Viohalco Group's assets and liabilities at 26 February 2016:

Amounts in EUR thousand	Fair Values on Acquisition
Available-for-sale financial assets	11,610
Cash and cash equivalents	9,880
Trade and other payables	-14
Net identifiable assets and liabilities	21,476
Net assets acquired	21,476
Badwill on acquisition	-7,319
Fair value of the consideration transferred	14,156
Net cash outflow	-

Eufina has been identified as an acquiree in the context of this business combination. On this basis, the assets and liabilities contributed by Eufina have been adjusted to their fair value in accordance with IFRS 3 Business Combinations. The fair value of the net assets acquired is EUR 21.48 million.
In accordance with the exchange ratio (which is based on a valuation method for Viohalco and Eufina based on 60% Discounted Cash Flow value and 40% published prices on the stock market), Viohalco issued 13,168,788 shares to the owners of Eufina. Based on the stock price as per 26 February 2016 of EUR 1.075 per share, the fair value of the consideration transferred amounts to EUR 14.15 million and consists of the fair value of the shares to be issued by Viohalco. The resulting Badwill on acquisition amounts to EUR 7.32 million.
In accordance with IFRS, this bargain purchase will be recognised in the 2016 Income Statement on the line "non-recurring items" and this income will be fully attributed to the "Owners of the Company".

- On March 31, 2016, the Boards of Directors of Corinth Pipeworks S.A. and its 100% subsidiary, non-listed company E.VI.KE S.A. decided the commencement of a spin-off procedure concerning the industrial and commercial activities of the pipe and hollow sector of Corinth Pipeworks S.A. and its absorption by E.VI.KE. S.A.
On March 31, 2016, the Boards of Directors of Hellenic Cables S.A. and its 100% subsidiary, non-listed company SYMM.EP. S.A. decided the commencement of a spin-off procedure concerning the industrial and part of the commercial sector of Hellenic Cables S.A. and its absorption by SYMM.EP. S.A.
The spin-offs and absorptions will be executed according to the provisions of Greek Law 4172/2013 and 31 December 2015 is set as the date of the transformation balance sheet.
The consolidated financial results will not be affected as a result of the aforementioned spin-offs.

38. Auditor's fees

Viohalco's statutory auditors, KPMG Réviseurs d'Entreprises and Renaud de Borman Réviseurs d'Entreprises, and a number of member firms of the KPMG network, received fees for the following services:

	For year ended 31 December	
Amounts in EUR thousand	**2015**	**2014**
KPMG Réviseurs d'Entreprises		
Audit	170	209
Audit related services	27	0
	197	**209**
Renaud de Borman Réviseurs d'Entreprises		
Audit	10	5
Audit related services	0	1
	10	**6**
KPMG Network		
Audit	450	397
Audit related services	6	0
Tax related services	100	83
Other services	0	0
	556	**480**
Total	**763**	**695**

Statutory auditor's report to the general meeting Viohalco S.A. as of and for the year ended 31 December 2015

In accordance with the legal requirements, we report to you in the context of our statutory auditor's mandate. This report includes our report on the consolidated financial statements as of and for the year ended 31 December 2015, as defined below, as well as our report on other legal and regulatory requirements.

Report on the consolidated financial statements - Unqualified opinion

We have audited the consolidated financial statements of Viohalco SA ("the Company") and its subsidiaries (jointly "the Group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2015 and the consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 3,505,734,000 and the consolidated statement of profit or loss shows a loss for the year of EUR 63,400,000.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Group's preparation and fair presentation of the 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the Company's officials and the board of directors the explanations and information necessary for performing our audit.

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

Unqualified opinion

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and consolidated financial position as at 31 December 2015 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the annual report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statement which does not modify the scope of our opinion on the consolidated financial statements:

- The annual report on the consolidated financial statements includes the information required by law, is consistent, in all material respects, with the consolidated financial statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 28 April 2016
KPMG Réviseurs d'Entreprises
Statutory Auditor
represented by

Benoit Van Roost
Réviseur d'Entreprises

Condensed Statutory Balance Sheet and Income Statement

In accordance with Article 105 of the Company Code, the non-consolidated accounts are presented hereafter in a summary version of the annual accounts, which does not include all the attachments required by law or the Statutory Auditor's report. The complete version of the annual accounts, as deposited with the National Bank of Belgium, will be available on request from the company's registered office, they will also be available on the website (www.viohalco.com). The statutory Auditor's report on the annual accounts was unqualified.

Summary balance sheet

In EUR thousand	As at 31 December 2015
Non- current assets	**965,071**
Start-up costs	2,339
Intangible assets	958
Tangible assets	85,869
Financial assets	873,691
Amounts receivables	2,214
Current assets	**83,502**
Inventories	2,961
Amounts receivable	55,412
Investments	5
Cash at the bank and in hand	23,528
Deferred charges and accrued income	1,597
Total assets	**1,048,573**
Capital and reserves	**1,026,806**
Capital	141,894
Share premium account	528,113
Revaluation	21,054
Reserves	389,365
Profit carried forward	-53,619
Creditors	**21,767**
Amounts payable at more than one year	120
Amounts payable within one year	21,255
Accrued charges and deferred income	391
Total liabilities	**1,048,573**

Summary income statement

In EUR thousand	For the year ended 31 December 2015
Sales and services	**14,824**
Operating charges	**-20,093**
Raw materials and consumables	-9,708
Miscellaneous goods and services	-5,516
Remuneration, social security and pensions	-923
Depreciation and amounts written off on start-up costs, intangible and tangible assets	-3,112
Amounts written off stocks, contracts in progress and trade debtors	164
Other operating expenses	-998
Loss of operating activities	**-5,269**
Financial income	**3,827**
Income from financial assets	3,371
Income from current assets	188
Financial expenses	**-299**
Debt expenses	-36
Amount written off current assets	-2
Other financial expenses	-261
Current profit (loss) before taxes	**-1,742**
Extraordinary income	**9,317**
Adjustments to amounts written off financial fixed assets	1,891
Extraordinary reversal of depreciation on fixed assets	244
Gain on disposal of fixed assets	7,182
Extraordinary expenses	**-182,204**
Amounts written off financial fixed assets	-64,427
Loss on disposal of fixed assets	-129
Other extraordinary expenses	-117,648
Profit (loss) for the year before income taxes	**-174,629**
Income taxes on result	**-91**
Use of untaxed reserves	**-9,047**
Profit (loss) for the year	**-183,767**

Declaration of responsible persons

STATEMENT ON THE TRUE AND FAIR VIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE FAIR OVERVIEW OF THE MANAGEMENT REPORT

In accordance with article 12, §2, 3° of the Royal Decree of 14 November 2007, the members of the executive management, (i.e. Evangelos Moustakas, Jacques Moulaert, Dimitri Kyriacopoulos, Panteleimon Mavrakis) declare that, on behalf and for the account of the Company, to the best of their knowledge:

a) the consolidated Financial statements for the year ended 31 December 2015 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the equity, Financial position and Financial performance of the Company, and the entities included in the consolidation as a whole,

b) the management report on the consolidated Financial statements includes a fair overview of the development and performance of the business and the position of the Company, and the entities included in the consolidation, together with a description of the main risks and uncertainties with which they are confronted.

Glossary

The following explanations are intended to assist the general reader to understand certain terms used in this Annual Report. The definitions set out below apply throughout the annual report, unless the context requires otherwise.

ABB	ABB is a leading global technology company in power and automation that enables utility, industry, and transport and infrastructure customers to improve their performance while lowering environmental impact
Accounts Payable Revenue Ratio	Accounts payable/ Cost of goods sold * 365
Accounts Receivable Revenue Ratio	Accounts receivable/Revenue * 365
Aramco	Saudi Aramco is the state-owned oil company of the Kingdom of Saudi Arabia. We are the world's top exporter of crude oil and natural gas liquids.
ASTM	American Society for Testing and Material
BCC	the Belgian Companies Code
Belgian GAAP	the applicable accounting framework in Belgium
BG	BG Group is an international exploration and production and LNG company.
Board of Directors or Board	the Board of Directors of the Company from time to time appointed in accordance with the Articles of Association
BP	BP is one of the world's leading integrated oil and gas companies. Provides its customers with fuel for transportation, energy for heat and light, lubricants to keep engines moving, and the petrochemicals products used to make everyday items as diverse as paints, clothes and packaging
BS	British Standards
Cheniere Energy	Houston-based energy company primarily engaged in LNG-related businesses
Chevron	Chevron is one of the world's leading integrated energy companies.
Coverage of Financial Expenses	EBITDA/Financial expenses
Cross-Border Merger	the cross-border merger through absorption of Viohalco Hellenic by the Company in accordance with articles 772/1 and following of the BCC and the Greek law 3777/2009 in conjunction with articles 68 §2 and 69 to 77a of the Greek Codified Law 2190/1920
DCP Midstream	is an energy company that sits squarely between a growing resource base and expanding petrochemical and energy markets.
Debt/Equity	Total liabilities/equity or (Total assets-equity)/equity
Denbury	Denbury Resources Inc., is an independent oil and natural gas company
DIN	Deutsches Institut für Normung
Domestic Merger	the merger through absorption of Cofidin by the Company in accordance with articles 693 and following of the BCC
EBIT	Operating result as reported in the consolidated financial statements (Earnings before Interest and Taxes)
EBITDA	EBIT+amortization+Depreciation (Earnings before Interest, Taxes, Depreciation and Amortization)

EDF	EDF Energy, the UK's largest producer of low-carbon electricity
EEA	the European Economic Area
EN	EUROPEAN NORM
EN/ISO 17025	General requirements for the competence of testing and calibration laboratories
Enbridge	Enbridge, Inc. is an energy delivery company based in Calgary, Canada. It focuses on the transportation, distribution and generation of energy, primarily in North America. As a transporter of energy, Enbridge operates in Canada and the United States, the longest crude oil and liquid hydrocarbons transportation system in the world. As a distributor of energy, it owns and operates Canada's largest natural gas distribution network, providing distribution services in Ontario, Quebec, New Brunswick and New York State
Energy Transfer	Energy Transfer is a Texas-based company that began in 1995 as a small intrastate natural gas pipeline operator and is now one of the largest and most diversified investment grade master limited partnerships in the United States. Growing from roughly 200 miles of natural gas pipelines in 2002 to approximately 71,000 miles of natural gas, natural gas liquids (NGLs), refined products, and crude oil pipelines today, the Energy Transfer family of partnerships remains dedicated to providing exceptional service to its customers and attractive returns to its investors.
EPCO	Energy Planners Company (EPCO) is an energy management and consultation firm. EPCO works with commercial, industrial, and nonprofit clientele to aid them in better understanding how and where energy is consumed in their facility.
FSMA	Financial Services and Market Authority, which succeeded the Belgian Banking, Finance and Insurance Commission as the financial regulatory agency for Belgium on 1 April 2011
FYROM	the Former Yugoslav Republic of Macedonia
General Liquidity	Current Assets/Short term liabilities
Greek Public Natural Gas Corporation (DEPA)	DEPA is the public natural gas supply corporation of Greece
Gross annual return	the gross annual return is calculated on the share price it equals to (change in price from January 1 to 31 December/share price on January)
GRTGAZ	is the natural gas transmission system operator located in Paris, France. The operated system consists of high pressure gas pipelines.
HVAC	Heating, ventilation and air-conditioning
IAS	International Accounting Standards
IFRS	International Financing Reporting Standards, as adopted by the EU
Inventories Revenue Ratio	Inventory/Cost of goods sold * 365
JIS	Japanese Industrial Standards
Kinder Morgan	is the largest energy infrastructure company in North America.
LSAW	Longitudinal Submerged Arc Welded Mill for the production of high-strength offshore and onshore energy pipes
Mamuth pipes	Mammoth Carbon Products is a World-Class industry leader in the Standard and Line Pipe distribution space that serves the Energy, Petrochemical and Construction markets
McJunkin	MRC Global is the largest distributor of pipe, valve and fitting products and services to the energy and industrial markets. MRC Global serves the oil and gas industry across the upstream, midstream and downstream sectors as well as the chemical and gas distribution market sectors in the USA.
MITE	Marubeni Itochu Tubulars Europe PLC- Marubeni-Itochu Tubulars Europe plc was

	established in 2001 to supply steel tubular products for the Oil and Gas Industry. Marubeni-Itochu Tubulars Europe plc is a subsidiary of Marubeni-Itochu Steel Inc and is headquartered in London, United Kingdom.
National Grida	United Kingdom-based utilities company
OGC	a leading organisation in the Sultanate's Oil and Gas sector and managing Oman's major natural gas distribution network
OMV	is an integrated international oil and gas company. It is active in the upstream (Exploration and Production) and downstream businesses (Refining and Marketing as well as Gas and Power). OMV is one of the largest listed industrial companies in Austria.
OSI	Oil States International Inc. oilfield services company with a leading market position as a manufacturer of products for deepwater production facilities and certain drilling equipment, as well as a provider of completion services and land drilling services to the oil and gas industry. Oil States is publicly traded on the NYSE under the symbol "OIS".
PDO	Petroleum Development Oman (PDO) is the major exploration and production company in the Sultanate
Pioneer Pipe Inc	Pioneer is one of the largest full-service construction, maintenance, and fabrication companies in the Midwest, specializing in general, structural, mechanical, and electrical construction, pipe fabrication and installation, steel fabrication and erection, modular fabrication and assembly, and plant maintenance.
Plains All American	Plains All American Pipeline is one of the largest and most admired midstream energy companies in North America. Plains All American Pipeline (Plains) is a publicly-traded master limited partnership that owns and operates midstream energy infrastructure and provides logistics services for crude oil, natural gas liquids (NGL), natural gas, and refined products. It owns an extensive network of pipeline transportation, terminalling, storage and gathering assets in key crude oil and NGL producing basins and transportation corridors, and at major market hubs in the United States and Canada.
RWERWE	is one of Europe's five leading electricity and gas companies.
SAE	Society of Automotive Engineers
SD	Trade Mark
Shell	Shell Global is a global group of energy and petrochemical companies
Snam	an Italian natural gas infrastructure company. The utility mainly operates in Italy and is one of Europe's leading regulated gas utilities
Socar	The State Oil Company of the Azerbaijan Republic (SOCAR) is involved in exploring oil and gas fields, producing, processing, and transporting oil, gas, and gas condensate, marketing petroleum and petrochemical products in domestic and international markets, and supplying natural gas to industry and the public in Azerbaijan.
Spartan	Spartan Energy Corp. is an oil and gas company based in Calgary, Alberta. Spartan has operations in central Alberta and in southeast Saskatchewan and maintains a multi-year inventory of oil focused horizontal drilling opportunities.
Special Liquidity	(Current Assets-Inventory)/ Short term liabilities
Spectra Energy	Spectra Energy Corp is a S&P500 company headquartered in Houston Texas, that operates in three key areas of the natural gas industry: transmission and storage, distribution, and gathering and processing.
STEG	Tunisian Company of Electricity and Gas or STEG is a Tunisian public company non-administrative. Established in 1962, its mission is the production and

	distribution of electricity and natural gas on the Tunisian territory. STEG is the second largest Tunisian company by its revenues in 2009.
Subsea	Subsea7 is a world-leading seabed-to-surface engineering, construction and services contractor the offshore energy industry.
THN	Mining profiles
TIGF	Transport et Infrastructures Gaz France offer and develop natural gas transport and storage solutions for the European market
Transparency Law	the law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market
UPN	European Standard channels

The annual report, the full versions of the statutory and consolidated annual accounts, as well as the audit reports regarding said annual accounts are available on the website (www.viohalco.com)