

ANNUAL FINANCIAL REPORT

OF ELVAL S.A HELLENIC ALUMINIUM INDUSTRY

BASED ON ARTICLE 4 L.3556/2007 FOR THE FISCAL YEAR 2013

ELVAL
HELLENIC ALUMINIUM INDUSTRY S.A.
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The present Annual Financial Report of ELVAL Hellenic Aluminium Industry S.A for the fiscal year 2013, can be found in the official web site of ELVAL S.A (www.elval.gr) and the official web site of Athens Stock Exchange (www.helex.gr).

Statements of the Board of Directors' Members

(In accordance with article 4 par. 2 of Law 3556/2007)

Hereby we state and confirm that according to our knowledge the Annual Financial Statements of ELVAL S.A HELLENIC ALUMINIUM INDUSTRY for the fiscal year 2013, which were drawn up in accordance with the applicable accounting standards, reflect in a true manner the actual details and figures of the assets and liabilities, the equity and the profit and loss of ELVAL S.A and Group ELVAL, as well as the entities included in consolidation.

Also hereby we state and confirm that according to our knowledge the Annual Report of the Board of Directors presents in a true manner the evolution, the performance and the financial position of ELVAL S.A and Group ELVAL, as well as the entities included in consolidation, including their risks and uncertainties they are facing up.

Athens, March 27, 2014

The Chairman of the
B.o.D.

MILTADIS
LIDORIKIS
Id.C.No N 032204

The Vice President of the
B.o.D.

DIMITRIOS
KYRIAKOPOULOS
Id.C.No N 329672

A Member of the
B.o.D.

NIKOLAOS
KOUDOUNIS
Id.C.No AE 012572

Annual Report of the Board of Directors for fiscal year 2013

Dear shareholders,

In the context of the provisions of Law 2190/1920 and Law 3556/2007, the relevant implementing decisions of the Board of Directors of the Hellenic Capital Market Commission and the Articles of Association of “ELVAL S.A- ALUMINIUM HELLENIC INDUSTRY” (hereinafter the “Company”), we herewith submit this Annual Financial Report of the Board of Directors for the fiscal year 2013, namely from 1 January 2013 to 31 December 2013.

ELVAL Group (hereinafter the “Group”) consolidates the Company and the following associated companies:

<u>Entity name</u>	<u>Country of registration</u>	<u>Holding percentage</u>	<u>Method of consolidation</u>
ETEM GROUP	Greece	70.78%	Full Consolidation
SYMETAL S.A	Greece	99.99%	Full Consolidation
VIOMAL S.A	Greece	50.00%	Full Consolidation
ELVAL COLOUR GROUP	Greece	100.00%	Full Consolidation
VIEXAL S.A	Greece	73.33%	Full Consolidation
BRIDGNORTH ALUMINIUM Ltd	UK	75.00%	Full Consolidation
BLYTHE Ltd	Cyprus	100.00%	Full Consolidation
STEELMET ROMANIA S.A	Romania	54.16%	Full Consolidation
ATHENS ART CENTRE S.A	Greece	100.00%	Full Consolidation
ANOXAL S.A	Greece	100.00%	Full Consolidation
ALURAME Spa	Italy	82,50%	Full Consolidation
ANAMET S.A	Greece	26.67%	Equity Method
STEELMET S.A	Greece	33.57%	Equity Method
DIAPEM COMMERCIAL S.A	Greece	33.33%	Equity Method
VEPEM S.A	Greece	50.00%	Equity Method
ELKEME S.A	Greece	65.31%	Equity Method
TEPRO METAL AG	Germany	46.43%	Equity Method
METAL GLOBE Doo	Serbia	40.00%	Equity Method
AFSEL S.A	Greece	50.00%	Equity Method
METAL AGENCIES Ltd	UK	44,99%	Equity Method

1. Development, performance and financial position of the Company and the Group

a. General Comments

In 2013, the operating profitability of the Company and ELVAL Group stood at approximately the same levels with those of 2012 but extraordinary losses and high, mainly deferred, tax charges were imposed on the final results.

In detail, at company level, the sales volume was lower than 2012 and, combined with the low LME prices incorporated in the selling prices, resulted in a decrease of the turnover by 6.25% at € 654 million. Nevertheless, despite the decrease in volume and the high energy cost, as a result of a better mix of goods on sale the gross profit was maintained at € 29.8 million, this figure being reduced only by 1.6% in relation to 2012. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 45.9 million compared to € 46.7 million and earnings before taxes stood at € 15.6 million compared to € 16.4 million. The recalculation of the deferred tax due to a change in the tax rate from 20% to 26% and the tax provision for tax-free reserves (Law 4172/2013) were charged to the results and, finally, earnings after tax fell to € 4.3 million from € 16.3 million in 2012 (earnings per share € 0.034 compared to € 0.131).

At Group level, the sales volume was kept at last-year levels and the improved product mix helped the aluminium rolling sector reach high operating profitability. In the extrusion sector, problems persist due to the stagnation of the construction activity and were aggravated owing to assets impairment. The consolidated turnover fell by 5.2% at € 1,008 million but gross profits rose by 1.33% and amounted to € 82.1 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 74.2 million compared to € 80.5 million and earnings before taxes stood at € 15.5 million compared to € 22.9 million. The high taxes have also affected the consolidated results and, finally, earnings after taxes and minority interest dropped to € 365,000 from € 21.9 million (earnings per share: € 0.003 compared to € 0.176).

In 2013, positive operating flows were registered due to the high earnings before interest, taxes, depreciation and amortization and the curbed working capital; also, the Company's net borrowing fell to € 104 million from € 113 million in 2012 and consolidated net borrowing stood at € 208 million.

As regards the Group's borrowing and liquidity, at the end of 2013, a part of the existing loan liabilities of ELVAL Group was refinanced through the conclusion of syndicated collateralized ordinary bond loans totalling € 158,956,000 with NATIONAL BANK OF GREECE S.A., ALPHA BANK S.A., EUROBANK ERGASIAS S.A. and PIRAEUS BANK S.A. being the co-arrangers. The loans accounting for around 79% of the bank loan liabilities of the Group's Greek companies have a 5-year effective term and may be extended by 2 years.

As regards the investment plan, the amounts of € 36.8 million and € 69 million were spent for the Company and the Group respectively. The most important investments concern the purchase of production facilities in Oinofyta, the ongoing investment plan in Oinofyta's rolling plant and the purchase of new machinery for the plant in the United Kingdom.

A Corporate Responsibility and Sustainable Development report was drafted for one more year, which proves the strategic option of the Company to apply responsible operating practices to its everyday decisions, procedures and systems.

Finally, the certification of the Quality Management System as per ISO/TS 16949 for automotive

industry is a major event for the Company and bears witness to its dedication to the ongoing improvement of product quality and high customer satisfaction.

b. Important events during 2013

a. On November, the Company announced that the percentage stake of VIOHALCO S.A in the Company is now 0% from 68.53%, after its merger with Viohalco S.A/NV. Viohalco S.A/NV, throughout its subsidiaries ALCOMET S.A and DIATOUR S.A holds 90,768,994 voting rights in ELVAL's share capital meaning 73.14% of the total voting rights of the Company.

b. On December, according to article 16 par. 3 of Law 3556/2007, the Company announced the refinancing of part of the existing loans of ELVAL Group through the issuance of new syndicated collateralized long-term bond loans amounting to €158,956,000 with co-arrangers the NATIONAL BANK OF GREECE S.A., the ALPHA BANK S.A., the EUROBANK ERGASIAS S.A. and the PIREAUS BANK S.A., as follows:

- ELVAL S.A.: €100.475.000
- ETEM S.A.: €38.254.000
- SYMETAL S.A.: €11.227.000
- ELVAL COLOUR S.A.: €9.000.000

The loans have 5 years maturity with an option of 2 years extension and have been issued according to L.3156/2003 and L.2190/1920, based on decisions of the respective General Shareholders Meetings.

c. Course of operations – financial data

Market information – International economic environment

The price of primary aluminium stood at low levels throughout the greatest part of the year with average price amounting to € 1,395 per ton compared to € 1,569 in 2012. Euro-dollar exchange rate ranged from 1.2768 to 1.3814 with the average rate amounting to \$ 1.3283 per Euro. In general, the Euro-dollar rate did not favour sales in areas where dollar terms prevailed.

The energy cost remained too high due to the price of energy source (natural gas and electrical energy) and also due to the high tax charges.

Moreover, the borrowing cost remained high, this being a disadvantage in terms of competitiveness on a European scale.

In the international markets of our end products, the prices remained satisfactory but pressures were registered toward the end of the year. In the Greek market, the recession in the construction sector plays a catalytic role in the extrusion sector and, specifically, in architectural products.

Production - Turnover

In Oinofyta plant, due to the upgrade of a production line that had been scheduled for January 2014, production rose and the stock of finished products was increased to ensure the problem-free supply of customers during the first months of 2014. Therefore, although the production stood at 241 thous. tons compared to 243 thous. tons in 2012, the sales volume was lower and amounted to 233 thous. tons. At a consolidated level, the volume remained approximately at the same last-year levels.

In detail, the sales of the Company per category are presented in the table below:

SALES BREAKDOWN ELVAL S.A						
	AMOUNTS IN TONS		AMOUNTS IN THOUSAND EUROS		DIFFERENCE (%) IN VOLUME & IN VALUE	
	2013	2012	2013	2012	2013/2012	2013/2012
1. Company						
DOMESTIC	76,835	78,054	172,684	177,671	-1.56%	-2.81%
EXPORTS	156,374	163,762	441,091	480,898	-4.51%	-8.28%
TOTAL	233,209	241,816	613,774	658,569	-3.56%	-6.80%
2. Group						
DOMESTIC	33,422	37,238	89,566	97,516	-10.25%	-8.15%
EXPORTS	297,185	294,468	815,310	889,455	0.92%	-8.34%
TOTAL	330,607	331,706	904,876	986,971	-0.33%	-8.32%

* Domestic sales include end products manufactured using customers' raw material (processing)

The turnover of ETEM Group stood at €84.4 million, BRIDGNORTH ALUMINIUM LTD at €212.2 million and SYMETAL S.A with at €173.3 million. The inter-company sales stood at € 199.7 million.

Geographical Destinations

The destinations of Company's and Group's products are presented in the table below:

GEOGRAPHICAL DISTRIBUTION OF SALES (in thousand €)				
	GROUP		COMPANY	
	2013		2013	
Geographical sector	Amount	%	Amount	%
Greece	106,807	10.59%	184,824	28.28%
European Union	622,844	61.76%	318,558	48.74%
Other European countries	89,427	8.87%	34,446	5.27%
Asia	78,046	7.74%	48,567	7.43%
America	105,844	10.50%	65,638	10.04%
Africa	3,799	0.38%	950	0.15%
Oceania	1,735	0.17%	631	0.10%
Total	1,008,502	100.00%	653,614	100.00%

In particular, during 2013, the Group was present in more than 80 countries on a worldwide scale. Apart from Greece, the main countries are Germany, Italy, France, Poland, the Netherlands, United Kingdom, Turkey and USA, to which almost 57% of the Group sales are directed.

Investments - Participations

A major investment plan was carried out in the Oinofyta plant. A new unit aiming to increase the production capacity of long aluminium slabs was completed along with a new melting furnace recycling aluminium scrap (instead of primary aluminium). The new melting furnace consists of a main combustion chamber for melting thick, "clean" scrap and a chamber for treating thin and lacquered/coated scrap, hence it is named "delacquering" furnace ("GreenMelt"). An extra, environment-friendly characteristic of the new furnace is that it fully reuses the heating generated from the combustion of scrap's organic materials. Moreover, new production facilities were acquired in Oinofyta where a strip slitting line has been installed and has been operating. This line has been designed for the production of aluminium coils for heat exchangers mainly for the automotive industry. New facilities have been also acquired in the plant in U.K where the installation of new equipment has started in order to raise the capacity.

Cash outflows for the entire investment plan stood at € 36.8 million and € 69.1 million for the Company and at a consolidated level.

In 2013, the remaining percentage of ELVAL COLOUR was acquired; thus, the latter has become a wholly-owned subsidiary of ELVAL and the stake in ELKEME, the Group's research centre, has been increased.

Notes on the Balance Sheet

As for the Company's Balance Sheet:

Current assets amount to € 282 million. The value of inventories appears increased although the incorporated price of primary aluminium (LME) is reduced. At the end of the year, the quantity of finished products was increased owing to specific circumstances, i.e. efforts were made to avoid any problems during the first months of 2014 when a production line would not be operating for upgrading purposes. Receivables seem to be reduced due to the low aluminium price. Note that these receivables include receivables from the Greek State totalling € 10.3 million and mainly concern receivables from VAT refund.

In Liabilities, borrowing amounts to € 120.3 million. During the year, borrowing was restructured, this resulting in a significant increase of long-term borrowing and the respective decrease of short-term loans. Finally, the amount of € 6.5 million was collected in the year as subsidies of investment plans.

As for the Group's Balance Sheet:

The consolidated financial statements arose from the consolidation of the respective statements of the parent Company and its subsidiaries and associates as set out in the table at the beginning of the report.

The stake in other companies, i.e. HELLENIC CABLES S.A, ALPHATRUST S.A., having their registered offices in Athens, and DIA.VI.PE.THI.V. S.A., whose registered office is in the Industrial Zone of Thisvi, Viotia, is included in the consolidated Financial Statements as available-for-sale financial assets, because participation therein is less than 20%.

Full consolidation entries resulted into Minority Interest in share capital and in Reserves and Profits amounting to € 25.9 million and € 3.6 million respectively (namely, a total amount of € 29.5 million) which appear in Liabilities.

The accounts of Trade Receivables and Suppliers shown in Assets and Liabilities of the consolidated Balance Sheet respectively arose after crossing out (offsetting) inter-company receivables and liabilities totalling € 30.4 million.

Notes on Income Statements

As cited above, the corporate sales volume exceeded 233 thous. tons and turnover amounted to € 654 million, registering a 6.25% decrease. The mix of goods on sale was better than the mix of 2012 and had an increased margin. The cost of sales was raised due to the increased energy cost and also owing to the provision for inventories devaluation totalling € 2.7 million. Finally, gross profit remained at the same levels with those of 2012 like also the general expenditures which remained almost fixed at € 15.7 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 45.9 million.

Financial expenses remained high due to the expensive borrowing and the net financial result stood at € 5.3 million compared to € 3.4 million in 2012. Note that an extraordinary loss of € 1.5 million that arose from the sale of shares was charged in 2013.

Depreciation and amortization was at the same levels but, due to the collection of subsidies, the respective depreciation proportionate to the year was increased and amounted to € 1.9 million. Finally, earnings before tax stood at € 15.6 million, reduced by 4.6% in relation to the respective earnings of 2012.

At a consolidated level, the sales volume stood at 331 thous. tons and turnover amounted to € 1,008 million, after crossing out inter-company sales of € 199.7 million and pre-tax earnings amounted to € 15.6 million from € 22.9 million. The rolling sector registered high operating profits but the extrusion sector continued to register losses and was also charged with extraordinary one-off impairments.

In detail:

<i>Amounts in Euros</i>	Aluminium Rolling		Aluminium Extrusion	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
EBITDA	80,314,648	76,834,025	(10,704,027)	(859,283)
Profit/(loss) before taxes	35,738,334	33,041,781	(21,559,213)	(11,394,862)

For the fiscal year 2013, the taxes analysis is the following:

	GROUP	COMPANY
<i>Amounts in Euros</i>	31/12/2013	31/12/2013
Current income tax	(9,806,986)	(4,073,431)
Deferred tax	(8,904,027)	(7,297,089)
Total Income Tax	(18,711,013)	(11,370,520)

The deferred tax has been increased on an one-off basis by € 9.7 million and € 12.9 million for the Company and the Group respectively due to a change in the tax rate from 20% to 26%. The current tax also includes a charge of € 2.5 million for the Company and the Group as provision for the taxation of a part of tax-free reserves according to Law 4172/13.

Finally, earnings after taxes and minority interest are established at € 4.3 million and € 365 thous. for the Company and the Group respectively.

As regards the fiscal year 2013, given that no post-tax earnings were established, it is suggested to not distribute dividend. Moreover, the establishment of Legaly Reserves equal to € 578 thous. is recommended.

Ratios

The ratios presenting the financial position of the Company and Group between 2013 and 2012 were as follows:

RATIOS	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Profitability (% of sales)				
Gross profit	8.14%	7.62%	4.56%	4.35%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	7.35%	7.56%	7.02%	6.70%
Earnings / (losses) after taxes and non-controlling interests	0.04%	2.06%	0.65%	2.33%
Evolution (%)				
Sales	-5.20%	0.13%	-6.25%	1.45%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	-7.82%	-2.30%	-1.88%	-11.67%
Earnings / (losses) after taxes and non-controlling interests	-98.33%	25.94%	-73.81%	-3.40%
Financial (%)				
Interest expense / Earnings before interest, taxes, depreciation and amortization (EBITDA)	23.2%	23.0%	21.1%	22.0%
Liquidity (:1)				
General Liquidity (Current Assets / Current Liabilities)	2.91	1.81	3.25	1.77
Debt (:1)				
Total Liabilities / Equity	0.79	0.79	0.48	0.47
Bank Loans / Equity	0.45	0.45	0.23	0.24
Equity / Total Liabilities	1.33	1.34	2.10	2.11
Fixed Assets turnover (:1)				
Equity / Non-current assets	1.12	1.15	1.07	1.08

2. Subsequent events after the year ending 2013

No significant subsequent events have occurred after 31 December 2013.

3. Transactions with related parties

Company's related parties have been identified based on requirements of IAS 24 and comprise of its subsidiaries, its associates, VIOHALCO S.A which controls the Company (together with its related parties) and the members of the Board of Directors and the key management personnel.

The Company purchases goods and services from these related parties, sells goods, provides services to them and receives dividends. A summary of Company's transactions with related parties is the following:

Company, 2013 amounts in €						
Entities	Relation	Sales	Purchases	Receivables	Payables	Dividend income
ETEM S.A	Subsidiary	6,761,153	1,593,355	4,231,523	-	-
ETEM BULGARIA (a)	Subsidiary	18,301,290	5,449,613	6,253,216	11,586	-
ETEM S.C.G d.o.o (a)	Subsidiary	76,951	8,404	-	-	-
VIEXAL S.A	Subsidiary	-	1,756,656	-	94,409	-
VIOMAL S.A	Subsidiary	5,138,852	57,229	3,017,955	-	-
ELVAL COLOUR S.A	Subsidiary	8,323,265	22,892,170	-	7,170,363	-
CCS S.A (c)	Subsidiary	1,687,044	-	1,160,167	-	-
ETEM Commercial S.A (a)	Subsidiary	360	-	1,838	(10,000)	-
STEELMET ROMANIA S.A	Subsidiary	849,512	132,416	41,000	45,449	-
BRIDGNORTH ALUMINIUM LTD	Subsidiary	93,994	186,400	60,000	-	1,166,395
SYMETAL S.A	Subsidiary	100,391,531	11,444,390	1,616,540	21,553	-
ANOXAL S.A	Subsidiary	158,174	5,579,779	-	672,546	-
ALURAME Spa	Subsidiary	211,996	444,770	73,390	27,688	-
Total subsidiaries		141,994,122	49,545,182	16,455,629	8,033,594	1,166,395
ELKEME S.A	Associate	-	402,194	-	205,410	-
AFSEL S.A	Associate	5,160	837,502	-	317,468	139,500
ANAMET S.A	Associate	242,744	2,602,827	16,422	96,199	-
TEPROMETAL AG	Associate	10,392,817	2,165,651	1,972,485	598,111	-
MKC GMBH (b)	Associate	1,204,638	-	147,740	-	-
BASE METAL TICARET (b)	Associate	158,653	435,885	-	94,640	-
STEELMET S.A	Associate	-	2,312,013	-	324,001	75,200
METAL AGENCIES LTD	Associate	2,043,985	110,915	505,813	100,930	-
DIAMEM COMMERCIAL S.A	Associate	1,550	1,847	2,810	157,473	-
Total associates		14,049,547	8,868,834	2,645,270	1,894,232	214,700
GENECOS S.A	Other	1,826,212	477,173	756,319	73,448	-
HALCOR S.A	Other	358,207	137,714	1,034,428	-	-
ERGOSTEEL S.A	Other	120,830	550,155	-	83,374	-
HELLENIC CABLES S.A	Other	336,045	7,881,666	-	64,447	-
LESCO EOOD	Other	-	549,935	-	55,365	-
TEKA SYSTEMS S.A	Other	-	5,314,229	-	2,609,861	-
Other entities	Other	703,331	1,520,830	682,046	434,337	-
Total other		3,344,625	16,431,702	2,472,793	3,320,832	-
GRAND TOTAL		159,388,294	74,845,718	21,573,692	13,248,658	1,381,095

<u>Company, 2012 amounts in €</u>						
Entities	Relation	Sales	Purchases	Receivables	Payables	Dividend income
ETEM S.A	Subsidiary	8,588,802	4,183,763	2,826,505	-	-
ETEM BURGARIA (a)	Subsidiary	5,962,690	5,190,037	5,282,085	5,212,133	-
ETEM S.C.G d.o.o (a)	Subsidiary	90,050	74,787	-	68,701	-
VIEXAL S.A	Subsidiary	-	1,333,542	-	88,021	-
VIOMAL S.A	Subsidiary	5,386,696	344,030	3,585,325	176,941	-
ELVAL COLOUR S.A	Subsidiary	9,369,136	22,478,294	-	3,762,735	-
CCS S.A (c)	Subsidiary	3,143,665	-	1,907,591	-	-
KANAL S.A	Subsidiary	360	-	1,455	-	-
STEELMET ROMANIA S.A	Subsidiary	943,842	133,773	87,632	38,808	-
BRIDGNORTH ALUMINIUM LTD	Subsidiary	82,275	8,616	60,000	-	-
SYMETAL S.A	Subsidiary	102,566,559	9,554,313	9,603,330	-	-
ANOXAL S.A	Subsidiary	375,253	7,843,525	-	952,750	-
ALURAME Spa	Subsidiary	106,614	489,272	106,614	58,795	-
Total subsidiaries		136,615,942	51,633,952	23,460,537	10,358,884	-
ELKEME S.A	Associate	-	400,000	-	368,385	-
AFSEL S.A	Associate	25,960	735,298	47,344	280,855	155,000
ANAMET S.A	Associate	363,252	4,616,006	-	247,135	-
TEPROMETAL AG	Associate	9,288,723	1,977,655	2,741,046	584,774	-
MKC GMBH (b)	Associate	1,329,563	-	262,356	-	-
BASE METAL TICARET (b)	Associate	-	330,516	-	95,964	-
STEELMET S.A	Associate	-	1,978,436	-	277,500	217,281
METAL GLOBE	Associate	1,471,950	89,500	508,208	92,667	-
DIAMEM COMMERCIALS S.A	Associate	1,550	1,849	1,204	167,450	-
Total associates		12,480,998	10,129,260	3,560,158	2,114,730	372,281
GENECOS S.A	Other	1,693,297	534,615	421,103	29,155	-
HALCOR S.A	Other	362,646	238,968	260,290	88,694	-
ERGOSTEEL S.A	Other	120,342	769,596	20,424	131,058	-
HELLENIC CABLES S.A	Other	717,946	1,577,967	1,032,457	229,008	-
FULGOR S.A	Other	920,035	-	2,816	-	-
TEKA SYSTEMS S.A	Other	-	3,853,279	-	1,924,273	-
Other entities	Other	26,726	1,540,239	25,462	207,825	737
Total other		3,840,993	8,514,664	1,762,553	2,610,014	737
GRAND TOTAL		152,937,933	70,277,876	28,783,248	15,083,627	373,018

(a) Subsidiary of ETEM Group

(b) Subsidiary of TERPOMETAL AG Group

(c) Subsidiary of ELVAL COLOUR Group

Benefits to Key Management Personnel	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
<i>Amounts in €</i>				
Fees - benefits to the members of the Board of Directors and executives	4,210,633	3,454,565	1,998,987	1,697,896

A summary of ELVAL Group transactions with related parties is the following:

Group – 2013 amounts in €				
Entities	Sales	Purchases	Receivables	Payables
ANAMET S.A	400,096	2,602,827	51,410	96,199
TEPROMETALL AG	17,425,446	2,745,154	3,309,850	981,743
MKC GMBH	1,210,171	23,255	148,265	24,277
BASE METAL TICARET	601,193	645,766	19,881	151,104
STEELMET S.A	57,944	3,165,759	12,768	638,044
GENECOS S.A	1,829,608	537,457	757,006	121,434
METAL AGENCIES LTD	13,835,841	413,303	3,238,217	424,670
SOFIA MED	238,350	5,497,623	441,600	82,575
ICME ECAB	213,552	460,831	52,743	56,827
STEELMET CYPRUS LTD	1,720,351	301,988	1,627,332	22,413
HALCOR S.A	1,363,718	6,151,961	1,290,693	18,381
HELLENIC CABLES S.A	786,483	8,302,411	52,959	306,105
SIDENOR S.A	58,364	20,667	31,851	1,524
TEKA SYSTEMS S.A	21,916	5,797,951	1,299	3,109,225
Other entities	2,366,563	7,022,085	1,018,013	1,747,961
Grand total	42,129,596	43,689,038	12,053,890	7,782,481

Group – 2012 amounts - in €				
Entities	Sales	Purchases	Receivables	Payables
ANAMET S.A	712,782	4,616,006	87,999	247,135
TEPROMETALL AG	14,921,059	2,504,001	3,677,975	871,485
MKC GMBH	1,330,294	22,387	262,356	1,022
BASE METAL TICARET	17,311	561,798	7,374	173,192
STEELMET S.A	40,029	2,709,848	12,128	520,041
GENECOS S.A	1,699,297	605,704	424,992	49,668
METAL AGENCIES LTD	13,129,656	409,778	3,036,791	481,147
SOFIA MED	226,164	6,288,831	34,610	502,548
STEELMET CYPRUS LTD	95,088	450,938	52,276	94,526
HALCOR S.A	1,174,413	10,194,555	390,966	193,460
HELLENIC CABLES S.A	1,351,066	1,965,155	1,276,953	647,437
SIDENOR S.A	624,731	11,626	37,456	1,693
TEKA SYSTEMS S.A	35,804	4,833,773	1,288	2,712,614
Other entities	3,887,777	7,623,474	946,376	1,981,264
Grand total	39,245,471	42,797,874	10,249,540	8,477,232

4. Main risks and uncertainties

The Group's risk management policies are applied in order to identify and analyse the risks facing the Group, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are re-examined occasionally so as to take into account any changes in the market and the Group's activities.

Credit Risk

Credit risk is the risk of the Group's loss in cases where a customer or third party in a financial transaction does not fulfil his contractual obligations and is mainly related to trade receivables and securities investments.

(a) Trade and other receivables

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterising the specific market and the country in which customers are active, affect the credit risk less since no geographical concentration of credit risk has been noted.

Based on the credit policy adopted by the Board of Directors, each new customer is checked individually for creditworthiness before normal payment terms are proposed. The creditworthiness test implemented by the Group includes the examination of bank sources and other third sources of credit rating, if any. 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. In principal, 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.

While 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 demonstrated. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterised as being "high risk" are included in a special list of customers and future payments must be received in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables estimated based on given circumstances that may materialize though have not been finalized yet.

(b) Investments

Investments are classified by the Group according to the purpose for which they were acquired. The Management decides on the appropriate classification of the investment at the time of acquisition and reviews such classification on each presentation date.

The Management estimates that there will be no payment default for such investments.

(c) Guarantees

The Group's policy requires that no financial guarantees are provided. By way of exception, however, such guarantees can be provided only to subsidiaries and affiliates based on a resolution passed by the Board of Directors.

Liquidity risk

Liquidity risk is the Group's inability to honour its financial obligations when they mature. The approach adopted by the Group in order to manage liquidity is to ensure, by adequate fiscal management and sufficient credit limits from cooperating banks, that it will always have satisfactory levels of liquidity to meet its obligations when they mature, under ordinary or more difficult conditions, without there being unacceptable losses or its reputation being jeopardised.

To avoid liquidity risks the Group makes a cash flow provision for one year when preparing the annual budget, as well as a rolling provision covering three months to ensure that it has adequate cash flow to meet its operating needs, including the fulfilment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Market Risk

Market risk is the risk of changes in raw material prices, exchange rates and interest rates, which affect the Group's results or the value of its financial instruments. The purpose of risk management in respect to market conditions is to control Group exposure to such risks in the context of acceptable parameters while at the same time improving performance.

The Group enters transactions involving derivative financial instruments in order to counterbalance some of the risks arising from market conditions.

(a) Fluctuation risk of metal prices (aluminium)

The Group bases both its purchases and sales on stock market prices / indexes for the price of aluminium used and contained in its products. The risk from metal price fluctuation is covered by hedging instruments (futures on London Metal Exchange-LME). The Group, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventory impairment.

(b) Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly the Euro. The currencies in which these transactions are held are mainly Euro, USD and GBP.

Over time, the Group counterbalances the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. In most of the cases, the Group signs foreign currency forward contracts with its foreign counterparties in order to hedge the risk of foreign exchange rate fluctuations, which expire normally in less than one year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. Per case, the foreign exchange risk may be covered by taking out loans in respective currencies.

Loan interest is denominated in the same currency as cash flow, which arises from the Group's operating activities and is mainly Euro.

The Group's investments in other subsidiaries are not hedged because these exchange positions are considered as long-term.

(c) Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans resulting in interest charges affecting its results. Rising interest rates will have a negative impact as the Group's borrowing costs will increase.

Interest rate risk is mitigated since part of the Group's borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

Capital management

The Group's policy is to maintain a strong capital base to ensure investor, creditor and market trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group 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 common 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.

The Group does not have a specific plan for own shares purchase. During the fiscal year 2013, there have not been made any changes in Group's approach according to the Capital management.

5. Outlook and development

The problems of Greek economy persist in 2014 too. The recession in the construction activity, high energy cost and expensive borrowing will continue to have an impact on the Group.

Nevertheless, the rolling sector makes continuous investments in an increase of capacity, quality improvement and productivity. Combined with the top-quality services provided to its customers, the Group maintains and strengthens its position in the respective international markets. An improvement in energy cost and borrowing cost will boost profitability and will allow a further increase in the capacity of all its production facilities.

In the aluminium extrusion sector, the product mix is transformed with industrial profiles, especially those intended for the automotive industry, being reinforced.

6. Corporate Governance Statement

1. Code of Corporate Governance

The Company has adopted the practices of Corporate Governance as for its management and operation, as these are specified under the applicable institutional framework and the Hellenic Corporate Governance Code (HCGC), (hereinafter the “Code”) which is available on the website:

http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_gr.pdf

In the context of preparation of the Annual Report of the Board of Directors, the Company reviewed the Code. Based on this review, the Company concluded that it applies the special practices for listed companies which are set out and described in the Code, with the exception of the following practices for which the respective explanations are listed below:

- **Part A.II (2.3): Size and composition of the Board.** The independent non-executive members of the current Board of Directors are two (2) out of eleven (11) and, therefore, their number is less than the one third of all its members, as indicated in the Code. Under the current circumstances, it was deemed that the increase in the number of independent members would not improve the company's effective operation.
- **Part A.V (5.4-5.6): Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted for the same reasons as above.
- **Part A.VII (7.1–7.3): Evaluation of Board of Directors and its Committees.** Until the time this Statement was drafted, the Company had not chosen any specific collective method to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part B.I (1.4): Establishment of Audit Committee.** Audit committee consists of non-executive members exclusively but at their majority they are not independent. This choice was made in order to attain, via the persons making up the Committee, the know-how required for its adequate function.
- **Part C.I (1.6-1.9): Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee. The issue will be soon reviewed.

Management has proceeded to the establishment of a task group with the mission to study and overview all the necessary actions needed in order to be found, in a short period of time, all the necessary committees provided for in the Code and the Corporate Governance will comply with the practices of the Code.

The Company does not implement any other Corporate Governance practices than the special practices of the Code and the provisions of the Law 3873/2010.

2. Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports.

i. Description of main characteristics and details of the Internal Control and Risk Management Systems in relation to the preparation of the consolidated financial statements.

The Internal Control System of the Company covers the control procedures involving the operation of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Department controls the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting content and evaluates the enterprise by reviewing its activities, acting as a service to the Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "ELVAL S.A - Hellenic Aluminium Industry" uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, and also for the purpose of publication in line with the applicable regulations and on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of sales, cost/expenses and operating profits as well as other data and indexes. All reports to Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, and to the data of the respective period of the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the International Financial Reporting Standards, as adopted by the European Union, reviewed by the Audit Committee and respectively approved in their entirety by the Board of Directors.

Controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and powers of executives; e) year closing procedure including consolidation (e.g. recorded procedures, access, approvals, agreements, etc.) and f) safeguarding the data provided by information systems.

The internal reports to Management and the reports required under Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures as to how to collect the necessary data from the subsidiary companies, and secures the reconciliation of individual transactions and the implementation of the same accounting principles by the aforementioned companies.

ii. Annual evaluation of corporate strategy, main business risks and Internal Control Systems.

The Company's Board of Directors states that it has examined the main business risks facing the Group as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the corporate strategy, main business risks and Internal Control Systems.

iii. Provision of non-audit services to the Company by its legal auditors and evaluation of the effect this fact may have on the objectivity and effectiveness of mandatory audit, taking also into consideration the provisions of Law 3693/2008.

The statutory auditors of the Company for the fiscal year 2013, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 13 June 2013, do not provide non-audit services to the Company and its subsidiaries apart from those prescribed under law.

3. Public takeover offers - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.
- There are no third-party public offers to take over the Company's share capital during the last and current year.
- In case the Company takes part in such a procedure, this will take place in accordance to applicable laws.

4. General Meeting of the Shareholders and rights of shareholders

The General Meeting is convened and operates in compliance with the provisions of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders in regard to the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these can be exercised.

5. Composition and operation of the Board of Directors, the Supervisory Bodies and the Committees of the Company

Roles and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for the control and decision-making within the framework of the provisions of Codified Law 2190/1920 and the Articles of Association, and for compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- Supervision and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- Formulation and specification of Company core values and objectives;
- Securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no situations of conflict of interests and examines any incidents or cases of deviation from the confidential information policy;
- Ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- Securing the execution of its business activity on a daily basis through a special authorization system, while other affairs falling under its scope of responsibility are implemented under special decisions.
- The secretary of the Board of Directors is appointed for each Board of Directors and his main responsibilities are to support the Chairman and the operation of the Board in general.

The existing Board of Directors of the Company consists of 11 members of whom:

- 5 are executive members (Vice-Chairman & 4 Members)
- 4 are non-executive members (Chairman & 3 Members)
- 2 are independent, non-executive members (Other Members)

The current Board of Directors of ELVAL S.A-Hellenic Aluminium Industry consists of the following:

- Lidorikis Miltiadis, non-executive member, Chairman
- Kyriakopoulos Dimitrios, Vice Chairman - executive member
- Katsaros Konstantinos, executive member
- Koudounis Nikolaos, executive member
- Stasinopoulos Michael, executive member
- Varouchas Lambros, executive member
- Kyriazis Andreas, independent non-executive member
- Bakouris Konstantinos, non-executive member
- Megir Abraham, non-executive member
- Kouklelis Konstantinos, non-executive member
- Decoster Gerard, independent non-executive member

The members of the Board are elected for a one-year term by the General Meeting of the Shareholders.

The existing Board of Directors of the Company was originally elected by the Ordinary General Shareholders Meeting on 13 June 2013 while its present composition was formed based on the decisions of the Extraordinary General Shareholders Meeting on 28 November 2013. Its term of office shall expire the day of the Ordinary General Assembly meeting of the current year 2014.

The Board of Directors met 76 times during 2013 with 9 of its 11 members attending in person.

Brief curriculum vitae of the Board members follow.

Lidorikis Miltiadis: Mr. Lidorikis is Chairman of the Company's Board of Directors. He is a graduate of Law School of Athens University. He has served as Director of the Hellenic Development Bank (ETVA), General Manager of the National Organization of Greek Handicraft (EOEX), Vice-chairman of the Hellenic Society of Business Administration (EEDE), Chairman of the Hellenic Society of Public Relations, Managing Director of "Hellenic Exports", a subsidiary of ETVA and General Manager of "XENIA S.A", a subsidiary of the Greek National Tourism Organization. He has also been a Board member of the Aluminium Association of Greece.

Kyriakopoulos Dimitrios: Mr. Kyriakopoulos studied Business Administration in Athens University of Economics and Business and has a degree in Business studies from the City of London College and in Marketing from the British Institute of Marketing. He started his professional career in Procter and Gamble and in 1975 he started his long association with Warner Lambert assuming management posts. In 1983, after spending 2 years at the principal establishment of Warner Lambert in the USA as Europe Consumer Products Manager, he assumed the post of Chairman, Managing Director and General Manager of the company in Greece. Since 1985, he assumed parallel duties, at first as Regional Director of Middle East/ Africa and further as Regional President of consumer products for Italy, France and Germany. During 2000-2003 he was President of ADAMS (Confectionery Division of Pfizer) for Europe/ Middle East/ Africa. In 2004 he assumed the post of deputy managing director of KAE S.A. In 2006, he became vice-chairman of non-ferrous metals of STEELMET S.A and as of June 2007 he is the Vice-chairman of ELVAL S.A.

Katsaros Konstantinos: Mr. Katsaros is a graduate mechanical-electrical engineer of the National Technical University of Athens; aircraft constructor/ engineer of Ecole Nationale Supérieure d' Aeronautique (Paris) and holds a PhD in Engineering of Paris University. He has been working for ELVAL since 1974 and deals mainly with the Company's international development. In the past, he had worked for 6 six years for Pechiney in France. He is a member of the Board of Directors of many Group companies; chairman and vice-chairman of the Aluminium Association of Greece and currently he is a Board of Directors' member of the European Aluminium Association.

Koudounis Nikolaos: Mr. Koudounis is a graduate of Athens University of Economics and Business. He has been working for VIOHALCO Group since 1968 and he has been the Chief Financial Officer of ELVAL S.A (1983), General Manager of ELVAL S.A (2000) and Managing Director of FITCO S.A (2004). He already participates as an executive director in the Boards of ELVAL S.A, HALCOR S.A, DIA.VI.PE.TH.I.V S.A (Chairman of BoD), FITCO S.A (Chairman of BoD) and other Group companies. He is also the Chairman of the Board of Mainland Greece Association of Industries.

Stasinopoulos Michael: Mr. Stasinopoulos studied Business Administration in the London

School of Economics and has a master degree in Maritime, International Trading and Finance from the City University of London. He has been an executive in VIOHALCO Group since 1995, while he speaks English and French. He is a member of the General Council of the Hellenic Federation of Enterprises (SEV) and a Board member of the Greek-Japanese Chamber of Commerce.

Varouchas Lambros: Mr. Varouchas is a Mechanical - Electrical Engineer, graduate of the National Technical University of Athens; he has been working for the Group since 1969. In ELVAL he has served as Plant Manager while, from 1983 to 2004, he had the position of the Technical Manager with main responsibility the design and implementation of ELVAL's strategic investment program. From 2005 he holds the position of the General Manager in ELVAL S.A.. He is member of Board of Directors and responsible in technical issues of subsidiary Bridgnorth Aluminium Ltd.

Kyriazis Andreas: Mr. Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice-chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists.

Bakouris Konstantinos: Mr. Konstantinos Bakouris is member on the Board of ELVAL and HALCOR. Mr. Bakouris has been the Chairman of Corinth Pipeworks since 2005. He started his career in 1968 in ESSO PAPPAS. Two years later he became Financial Manager of UNION CARBIDE in Athens and six years later he became Managing Director. In 1985 he assumed the responsibility for the company's consumer products as Europe Vice-chairman. In 1986 he was elected Chairman of RALSTON PURINA for Europe. In 1998 he returned to Greece as Managing Director of the Olympic Games Organizational Committee "Athens 2004". From 2001 to 2002 he was the Chairman of the Hellenic Centre for Investment (EKE). From 2004 to 2008 he also served as Chairman of NET MED N.V., the parent company of NOVA subscribers' television. He is Chairman of International Transparency Hellas and Chairman of the Greek-Russian Business Council. He has a MBA from DE PAUL University in Chicago.

Megir Abraham: Mr. Megir is a graduate of Athens University of Economics and Business. He works for the VIOHALCO Group of Companies from 1983 to 1997 as Exports Director of ELVAL S.A and from 1997 to date as a consultant to international companies of VIOHALCO Group as well as to ELVAL S.A and STEELMET S.A.

Kouklelis Konstantinos: Mr. Kouklelis is Energy Manager of VIOHALCO Group and Chairman of the Union of Industrial Energy Consumers (EVIKEN). Since 2001 he has assumed various management posts in VIOHALCO Group. From 1980 to 2000 he was the Chief Financial Officer of ALUMINIUM DE GRECE and from 1976 to 1980 he was a top financial executive of ESSO PAPPAS. He is a member on the Board of the Hellenic Federation of Enterprises (SEV) Council for Sustainable Development and the Union of Listed Companies (ENEISET). For several of years he has served as a Board member of SEV and as a Board member of the Foundation for Economic and Industrial Research (IOBE). He is an economist and has graduated from Geneva University. He has an MBA from the University of Chicago.

Decoster Gerard: Mr. Decoster is an economist and has been Chairman of the Board of Directors of ALUMINIUM DE GRECE from 1978 to 1988.

Audit Committee

i. Description of the composition, operation, work, responsibilities and of the issues discussed during Committee meetings

The Audit Committee, which is elected and operates according to Law 3693/2008 (Article 37), consists of three non-executive members of the Board of Directors, one of which is independent, and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfil its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems, assure compliance with the legal and regulatory framework, and effectively implement Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources they manage and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of adequacy as for the attainment of objectives and assess the policy and the programme concerning the activity under review;
- To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of management practice;
- To review internal audit reports and specifically:
 - to evaluate the adequacy of their scope;
 - to confirm the accuracy of reports;
 - to examine the adequacy of documentation of the results.

The Audit Committee receives the following reports on audit activity:

- Extraordinary reports
- Quarterly financial audit reports
- Ordinary annual audit reports
- Corporate Governance Reports

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognisance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to its Operation Regulation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

Members: Kyriazis Andreas: independent non-executive member of the Board.
Megir Abraham: non-executive member of the Board
Kouklelis Konstantinos: non-executive member of the Board

ii. Number of Committee meetings and frequency of each member's participation in meetings

The Audit Committee met 4 times during 2013 having full quorum but was not attended by the statutory auditors as prescribed under the Code.

iii. Evaluation of effectiveness and performance of the Committee

Until the time this Statement was drafted, no special procedures had been established to evaluate the effectiveness of the Audit Committee. Company Management will establish such procedures in the future.

7. Explanatory Report of the Board of Directors to the Ordinary General Meeting of Shareholders (par. 7 & 8, art. 4 of Law 3556/2007)

a) Structure of Share Capital

The share capital of the Company amounts to EUR 37,230,244.50 and is divided into 124,100,815 ordinary unregistered shares with a nominal value of EUR 0.30 each. All shares are listed and traded in the large-cap equities market of Athens Stock Exchange. The shares of the Company are dematerialized, unregistered and have voting rights.

Pursuant to the Company's Articles of Association, the rights and obligations of shareholders are as follows:

- Right on dividend from the annual profits of the Company. Dividend per share is paid to its holder within two (2) months from the date the General Meeting having approved the financial statements was held. The right to dividend collection is deleted following five (5) years from the end of the year during which its distribution was approved by the General Meeting.
- Pre-emption right to each rise in share capital and subscription for new shares
- Right to participate in the General Meeting of shareholders
- The attribute of shareholder automatically signifies that the latter accepts the Company's Articles of Association and the decisions made by its bodies provided they are in line with such Articles and Law.
- The shares of the Company are indivisible and the Company acknowledges only a single owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership thereof shall be represented at the General Meeting by a single person appointed by the same following agreement. In case of disagreement, the share of the foregoing persons shall not be represented.
- The liability of shareholders shall be limited to the nominal capital of each share.

b) Restrictions on the transfer of Company shares

Shares of the Company shall be transferred as per legal stipulations and the Articles of Association lay no restrictions whatsoever on the transfer thereof.

c) Significant direct or indirect holdings within the meaning of art. 9 and 10 of Law 3556/2007

On 31/12/2012, the significant (over 5%) holdings are established as follows:

- VIOHALCO S.A/NV: percentage of 73.14% of the voting rights and 73.14% of the share capital

d) Shares providing special audit rights

There are no shares of the Company providing their holders with special audit rights.

e) Restrictions on voting right

The Company's Articles of Association do not lay down any restrictions on the voting rights arising from its shares. The rules of the Company's Articles of Association regulating voting issues are set forth in Article 24.

f) Agreements between Shareholders of the Company

The Company has not been notified of any agreements between its shareholders that may entail restrictions on the transfer of its shares or on the exercise of the voting rights arising from its shares.

g) Rules applying to the appointment and replacement of BoD members and amendment of the Articles of Association

The rules stipulated by the Company's Articles of Association as regards the appointment and replacement of members of the Board of Directors and to amendments thereof do not differ from the stipulations of Codified Law 2190/1920.

h) Competence of the BoD to issue new shares or purchase own shares

- Article 6(1) of the Company's Articles of Association stipulates that only the General Meeting of shareholders held with a two-thirds (2/3) quorum of the paid-up share capital shall be entitled to increase the Company's share capital through the issue of new shares by way of decision made by a 2/3 majority of the represented votes.
- The Company's Articles of Association do not stipulate the assignment of any rights falling under the competence of the General Meeting with respect to the issue of shares and share capital increase to the BoD or certain members of the latter.
- The Board of Directors shall purchase own shares in the context of a decision made by the General Meeting pursuant to Article 16 of Codified Law 2190/1920.

i) Important agreements put into effect, amended or expiring in the case of change of control following public offer

The agreements of joint bonded loans issue of both the Company and the consolidated companies, which were fully taken over by Banks have a total balance equal to € 158.9 million on 31/12/2013 (Company: € 100.5 million) include a clause on the change of control which provides the bond-holders with the right of early termination.

There are no other agreements that are put into effect, amended or expiring in case the control of the Company changes.

j) Agreements with members of the Board of Directors or personnel of the Company

There are no agreements concluded between the Company and members of its BoD or its personnel that stipulate the payment of indemnity especially in the case of resignation or dismissal without any well-founded reasons or termination of their tenure or employment.

8. Information of article 10 Law 3401/2005

The information under Article 10 of Law 3401/2005 for the year 2013 as published and made available to the public through the Company website (www.elval.gr) are presented in the table below:

No	Date	Category	Description	Place in Company's web site
1	08/01/2013	Announcement	Issuance of common bond loan	www.elval.gr Investor relations\ News – Announcements\ Announcements\ 2013
2	26/02/2013	Announcement	Financial results for the year 2012	--/
3	26/02/2013	Announcement	Financial Calendar 2013	--/
4	27/02/2013	Financial Statements	FY 2012 Financial Report	www.elval.gr Investor relations\ Financial Statements\ 2012
5	27/02/2013	Financial Statements	Summarized Financial Data & Information 12M 2012	--/
6	28/03/2013	Announcement	Response to a question from the Hellenic Capital Markets Commission	www.elval.gr Investor relations\ News – Announcements\ Announcements\ 2013
7	14/05/2013	Press release	Presentation of ELVAL to the Association of Greek Institutional Investors	--/
8	23/05/2013	Announcement	Notice of Ordinary General Shareholder's Meeting	
9	27/05/2013	Press release	Financial results on 1st Q2013	--/
10	28/05/2013	Financial Statements	Interim Condensed financial statements 3M 2013	www.elval.gr Investor relations\ Financial Statements\ 2013
11	28/05/2013	Financial Statements	Summarized Financial Data & Information 3M 2013	--/
12	13/06/2013	Announcement	New Board of Directors	www.elval.gr Investor relations\ News – Announcements\ Announcements\ 2013
13	13/06/2013	Announcement	Resolutions of the annual General Shareholders Meeting 13.06.2013	--/
14	13/06/2013	Press release	Press Release of the Annual General Meeting	--/
15	29/08/2013	Press release	Financial results for the 1st half of 2013	--/
16	30/08/2013	Financial Statements	6M 2013 Financial Report	www.elval.gr Investor relations\ Financial Statements\ 2013
17	30/08/2013	Financial Statements	Summarized Financial Data & Information 6M 2013	--/
18	06/09/2013	Announcement	Replacement of Board of Directors member	www.elval.gr Investor relations\ News – Announcements\ Announcements\ 2013
19	04/10/2013	Announcement	Tax Certificate for the fiscal year 2013	--/
20	17/10/2013	Announcement	Notification of change of the composition of the BoD	--/
21	01/11/2013	Announcement	Announcement for ELVAL's Stock Option Plan	--/
22	07/11/2013	Announcement	Notice of extraordinary General Shareholders Meeting	--/
23	18/11/2013	Announcement	Change in participation	--/
24	21/11/2013	Press release	Financial results for the 9-months period of 2013	--/
25	22/11/2013	Financial Statements	Interim Condensed Financial Statements 9M 2013	www.elval.gr Investor relations\ Financial Statements\ 2013
26	22/11/2013	Financial Statements	Summarized Financial Data & Information 9M 2013	--/
27	28/11/2013	Announcement	Resolutions of the Extraordinary General Shareholders Meeting 28.11.2013	www.elval.gr Investor relations\ News – Announcements\ Announcements\ 2013
28	02/12/2013	Announcement	Expiration of the 2013 exercise period of the Stock options offered to the Company's management	--/
29	05/12/2013	Announcement	Notice of Extraordinary General Shareholder's Meeting	--/
30	30/12/2013	Announcement	Absorption of ELVAL COLOUR S.A. from the parent company ELVAL S.A.	--/
31	30/12/2013	Announcement	Refinancing of loans of ELVAL Group	--/
* Financial Statements of Group subsidiaries can be found in Company's website www.elval.gr Investors Relations\ Financial Results\ Financial Statements of subsidiaries.				

Following the aforementioned, dear Shareholders, we kindly request you approve the Company's and the Group's Financial Statements and this report for the year from 1 January to 31 December 2013 and deliberate on the other issues set by the General Meeting.

Athens, 27 March 2014

The Chairman of the B.o.D.

MILTADIS LIDORIKIS

Independent Auditors' Report
(Translated from the original in Greek)

To the Shareholders of
ELVAL HELLENIC ALUMINIUM INDUSTRY S.A

Report on the Financial Statements

We have audited the accompanying stand-alone and consolidated financial statements of ELVAL HELLENIC ALUMINIUM INDUSTRY S.A (the "Company") which comprise the stand-alone and consolidated statement of financial position as of 31 December 2013 and the stand-alone and consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the stand-alone and consolidated financial statements give a true and fair view of the financial position of ELVAL HELLENIC ALUMINUM INDUSTRY S.A as of 31 December 2013 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

- (a) The Board of Directors' Report includes a corporate governance statement, which provides the information set by paragraph 3d of article 43a of C.L. 2190/1920.
- (b) We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying stand-alone and consolidated financial statements within the scope set by articles 37, 43a and 108 of C.L. 2190/1920

Athens, 27 March 2014

KPMG Certified Auditors A.E.
AM SOEL 114

KPMG Certified Auditors A.E.
Stratigou Tombra 3
153 42 Aghia Paraskevi
Greece
AM SOEL114

Nick Vouniseas, Certified Auditor Accountant
AM SOEL 18701

Annual Financial Statements (Group and Company)
for the fiscal year 2013
according to International Financial Reporting Standards

The Chairman of the
B.o.D.

**MILTIADIS
LIDORIKIS**
Id.C.No N 032204

A Member of the
B.o.D.

**NIKOLAOS
KOUDOUNIS**
Id.C.No AE 012572

The General Manager

**LAMBROS
VAROUCHAS**
Id.C.No. AB 535203

The Finance
Director

**NIKOLAOS
PSIRAKIS**
Id.C.No T 015643

Reg. No. 9239 CLASS A'

ELVAL
HELLENIC ALUMINIUM INDUSTRY S.A
GE.MI. No 340401000
2-4 Mesogeion Ave., Athens Tower

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I. Statements of financial position

<i>Amounts in Euros</i>	<i>note</i>	GROUP		COMPANY	
		31/12/2013	31/12/2012*	31/12/2013	31/12/2012*
ASSETS					
Non-current assets					
Property, plant and equipment	9	508,552,668	493,032,597	299,936,047	290,765,446
Intangible assets	10	2,210,404	2,848,076	674,380	1,290,143
Investment properties	11	1,506,166	6,278,499	-	-
Investments in subsidiaries	12	-	-	177,035,597	175,813,113
Investments in equity-accounted investees	13	9,937,499	10,039,114	6,016,294	5,512,294
Available-for-sale investments	14	1,071,542	1,479,709	868,460	887,322
Derivatives	15	295,219	327,695	-	-
Trade and other receivables	16	1,768,678	1,917,242	1,390,796	1,430,292
Total non-current assets		525,342,176	515,922,932	485,921,574	475,698,610
Current assets					
Inventories	17	283,887,052	283,926,478	167,822,941	158,039,040
Trade and other receivables	16	175,414,394	187,020,980	97,409,337	113,642,121
Derivatives	15	1,625,765	4,467,773	579,740	1,547,149
Cash on hand and cash equivalents	18	40,963,818	39,899,778	16,279,780	8,135,921
Total current assets		501,891,029	515,315,009	282,091,798	281,364,231
Total assets		1,027,233,205	1,031,237,941	768,013,372	757,062,841
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	19	37,230,245	37,230,245	37,230,245	37,230,245
Share premium	19	158,760,404	158,760,404	158,760,404	158,760,404
Foreign exchange differences due to consolidation of foreign subsidiaries		(4,685,372)	(3,420,059)	-	-
Fair value reserves	21	(872,512)	674,697	(1,110,308)	(598,834)
Other reserves	20	199,208,467	180,729,883	161,588,608	146,342,408
Retained earnings		167,168,106	182,309,485	163,545,238	172,258,563
Total equity attributable to equity holders of the Company		556,809,338	556,284,655	520,014,187	513,992,786
Non-controlling interests	12	29,489,955	35,177,433	-	-
Total equity		586,299,293	591,462,088	520,014,187	513,992,786
LIABILITIES					
Long-term liabilities					
Loans	22	175,925,875	74,063,073	100,033,989	32,599,644
Derivatives	15	285,283	560,813	-	82,724
Employee benefits	23	9,383,570	13,587,645	6,851,715	9,514,366
Government grants	24	29,247,769	21,794,994	15,568,675	10,953,973
Provisions	25	1,079,525	1,102,806	-	-
Deferred tax liability	27	52,550,692	43,197,287	38,679,419	30,822,900
Total long-term liabilities		268,472,714	154,306,618	161,133,798	83,973,607
Short-term liabilities					
Trade and other payables	26	88,142,484	102,547,644	61,001,947	67,151,192
Income tax payable	27	8,474,240	4,363,200	3,493,281	1,315,936
Loans	22	72,846,706	175,567,327	20,308,864	88,416,351
Derivatives	15	2,555,959	2,737,751	2,061,295	2,212,969
Provisions	25	441,809	253,313	-	-
Total short-term liabilities		172,461,198	285,469,235	86,865,387	159,096,448
Total liabilities		440,933,912	439,775,853	247,999,185	243,070,055
Total equity and liabilities		1,027,233,205	1,031,237,941	768,013,372	757,062,841

*Adjusted amounts due to amended IAS 19 “Employee benefits” (see note 35).

The notes on pages 10 to 47 constitute an integral part of these financial statements.

II. Income statements

For the year ended 31 December

<i>Amounts in Euros</i>	<i>note</i>	GROUP		COMPANY	
		2013	2012*	2013	2012*
Sales	8	1,008,502,309	1,063,780,190	653,613,828	697,173,332
Cost of sales	28	(926,361,222)	(982,719,217)	(623,796,484)	(666,873,346)
Gross profit		82,141,087	81,060,973	29,817,344	30,299,986
Other operating income	29	8,822,409	8,258,822	5,446,971	4,561,275
Selling and distribution expenses	28	(28,331,005)	(29,870,857)	(4,421,181)	(4,768,186)
Administrative expenses	28	(24,544,258)	(23,965,756)	(11,238,966)	(10,552,097)
Other operating expenses	29	(2,152,763)	(2,692,515)	(102,930)	(145,184)
Operating results before non-recurring items		35,935,470	32,790,667	19,501,238	19,395,794
Impairments of non-financial assets	9,29	(7,500,000)	-	-	-
Operating results		28,435,470	32,790,667	19,501,238	19,395,794
Finance income	30	4,719,532	7,943,717	4,434,773	6,876,871
Finance expense	30	(17,197,300)	(18,534,258)	(9,690,142)	(10,260,327)
Income from dividends	30	-	31,942	1,381,095	373,018
Net finance costs		(12,477,768)	(10,558,599)	(3,874,274)	(3,010,438)
Share of profit from associates	13	(412,322)	648,934	-	-
Profit before tax		15,545,380	22,881,002	15,626,964	16,385,356
Income tax expense	27	(18,711,013)	(1,525,645)	(11,370,520)	(134,656)
Profit for the year		(3,165,633)	21,355,357	4,256,444	16,250,700
Distributed to:					
Equity holders of the Company		365,069	21,887,670	4,256,444	16,250,700
Non-controlling interest		(3,530,702)	(532,313)	-	-
		(3,165,633)	21,355,357	4,256,444	16,250,700
Earnings per share attributable to the shareholders of the Company for the period (€ per share)					
Basic & diluted	33	0.003	0.176	0.034	0.131

*Adjusted amounts due to amended IAS 19 “Employee benefits” (see note 35).

The notes on pages 10 to 47 constitute an integral part of these financial statements.

III. Statements of comprehensive income

For the year ended 31 December

Amounts in Euros

Profit for the year

Items that will not be transferred to profit or loss in future periods:

Amendments to IAS 19

Remeasurements of the employee benefit liability

Items that are or may be reclassified subsequently to profit or loss:

Foreign currency translation differences

Net change in available-for-sale financial assets

Net change in fair value of cash flow hedges

Income tax on other comprehensive income

Other comprehensive income after taxes

Total comprehensive income for the year

Attributable to:

Equity holders of the Company

Non-controlling interests

Total comprehensive income for the year

		GROUP		COMPANY	
	<i>note</i>	2013	2012*	2013	2012*
Profit for the year		(3,165,633)	21,355,357	4,256,444	16,250,700
<i>Items that will not be transferred to profit or loss in future periods:</i>					
Amendments to IAS 19	35	-	(2,398,345)	-	(1,534,450)
Remeasurements of the employee benefit liability	23	4,330,606	-	3,076,258	-
<i>Items that are or may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation differences		(1,672,210)	1,319,314	-	-
Net change in available-for-sale financial assets	14	(153,160)	-	(18,862)	-
Net change in fair value of cash flow hedges	21	(2,313,634)	(297,177)	(733,012)	105,950
Income tax on other comprehensive income	27	(450,121)	615,853	(559,427)	285,700
Other comprehensive income after taxes		(258,519)	(760,355)	1,764,957	(1,142,800)
Total comprehensive income for the year		(3,424,152)	20,595,002	6,021,401	15,107,900
Attributable to:					
Equity holders of the Company		675,582	21,022,377	6,021,401	15,107,900
Non-controlling interests		(4,099,734)	(427,375)	-	-
Total comprehensive income for the year		(3,424,152)	20,595,002	6,021,401	15,107,900

*Adjusted amounts due to amended IAS 19 "Employee benefits" (see note 35).

The notes on pages 10 to 47 constitute an integral part of these financial statements.

IV. Statements of changes in equity

		Attributable to the equity holders of the Company							
<i>Amounts in Euros</i>	<i>note</i>	Share capital and share premium (note 19)	Foreign exchange differences due to consolidation	Fair value reserves (note 21)	Other reserves (note 20)	Retained earnings	Total	Non-controlling interests	Total equity
GROUP									
Balance as of 1 January 2012		195,990,649	(4,365,085)	683,040	166,820,423	177,790,132	536,919,159	37,773,103	574,692,262
Amendments to IAS 19	35	-	-	-	-	(1,166,066)	(1,166,066)	4,890	(1,161,176)
Adjusted balance as of 1 January 2012		195,990,649	(4,365,085)	683,040	166,820,423	176,624,066	535,753,093	37,777,993	573,531,086
Total comprehensive income									
Profit / (loss) for the period		-	-	-	-	21,887,670	21,887,670	(532,313)	21,355,357
Foreign currency translation differences		-	972,392	50,887	-	-	1,023,279	296,035	1,319,314
Valuation of derivatives for cash flow hedges		-	-	(57,874)	-	-	(57,874)	(103,123)	(160,997)
Amendments to IAS 19	35	-	-	-	-	(1,830,698)	(1,830,698)	(87,974)	(1,918,672)
Total comprehensive income for the period		-	972,392	(6,987)	-	20,056,972	21,022,377	(427,375)	20,595,002
Transactions with owners									
Acquisition of minority interests		-	(27,366)	(1,356)	1,150,086	(1,612,179)	(490,815)	(2,173,185)	(2,664,000)
Transfer of reserves		-	-	-	12,759,374	(12,759,374)	-	-	-
Total transactions with owners		-	(27,366)	(1,356)	13,909,460	(14,371,553)	(490,815)	(2,173,185)	(2,664,000)
Balance as of 31 December 2012		195,990,649	(3,420,059)	674,697	180,729,883	182,309,485	556,284,655	35,177,433	591,462,088
Balance as of 1 January 2013		195,990,649	(3,420,059)	674,697	180,729,883	182,309,485	556,284,655	35,177,433	591,462,088
Total comprehensive income									
Profit / (loss) for the period		-	-	-	-	365,069	365,069	(3,530,702)	(3,165,633)
Foreign currency translation differences		-	(1,232,960)	(36,397)	-	-	(1,269,357)	(402,854)	(1,672,211)
Valuation of derivatives for cash flow hedges		-	-	(1,397,473)	-	-	(1,397,473)	(280,144)	(1,677,617)
Valuation of available-for-sale investments		-	-	(113,339)	-	-	(113,339)	-	(113,339)
Remeasurements of the employee benefit liability		-	-	-	-	3,090,682	3,090,682	113,966	3,204,648
Total comprehensive income for the period		-	(1,232,960)	(1,547,209)	-	3,455,751	675,582	(4,099,734)	(3,424,152)
Transactions with owners									
Acquisition of minority interests	12	-	-	-	671,378	(684,044)	(12,666)	(1,188,161)	(1,200,827)
Share capital increase		-	-	-	(105,880)	-	(105,880)	-	(105,880)
Transfer of reserves		-	-	-	17,913,086	(17,913,086)	-	-	-
Dividend		-	(32,353)	-	-	-	(32,353)	(399,583)	(431,936)
Total transactions with owners		-	(32,353)	-	18,478,584	(18,597,130)	(150,899)	(1,587,744)	(1,738,643)
Balance as of 31 December 2013		195,990,649	(4,685,372)	(872,512)	199,208,467	167,168,106	556,809,338	29,489,955	586,299,293

IV. Statements of changes in equity (continued)

<i>Amounts in Euros</i>	<i>note</i>	Share capital and share premium (note 19)	Fair value reserves (note 21)	Other reserves (note 20)	Retained earnings	Total Equity
COMPANY						
Balance as of 1 January 2012		195,990,649	(683,594)	133,770,876	170,826,361	499,904,293
Amendments to IAS 19	35	-	-	-	(1,019,407)	(1,019,407)
Adjusted balance as of 1 January 2012		195,990,649	(683,594)	133,770,876	169,806,954	498,884,886
<u>Total comprehensive income</u>						
Profit for the period		-	-	-	16,250,700	16,250,700
Valuation of derivatives for cash flow hedges		-	84,760	-	-	84,760
Amendments to IAS 19	35	-	-	-	(1,227,560)	(1,227,560)
Total comprehensive income for the period		-	84,760	-	15,023,140	15,107,900
<u>Transactions with owners</u>						
Transfer of reserves		-	-	12,571,532	(12,571,532)	-
Total transactions with owners		-	-	12,571,532	(12,571,532)	-
Balance as of 31 December 2012		195,990,649	(598,834)	146,342,408	172,258,563	513,992,786
Balance as of 1 January 2013		195,990,649	(598,834)	146,342,408	172,258,563	513,992,786
Profit / (loss) for the period		-	-	-	4,256,444	4,256,444
Valuation of derivatives for cash flow hedges		-	(497,516)	-	-	(497,516)
Valuation of available-for-sale investments		-	(13,958)	-	-	(13,958)
Remeasurements of the employee benefit liability		-	-	-	2,276,431	2,276,431
Total comprehensive income for the period		-	(511,474)	-	6,532,875	6,021,401
<u>Transactions with owners</u>						
Transfer of reserves		-	-	15,246,200	(15,246,200)	-
Total transactions with owners		-	-	15,246,200	(15,246,200)	-
Balance as of 31 December 2013		195,990,649	(1,110,308)	161,588,608	163,545,238	520,014,187

The notes on pages 10 to 47 constitute an integral part of these financial statements.

V. Statements of cash flow

For the year ended 31 December

Amounts in Euros

Operating activities

	<i>note</i>	GROUP		COMPANY	
		2013	2012*	2013	2012*
Profit for the year		15,545,380	22,881,002	15,626,964	16,385,356
<u>Adjustments for:</u>					
Depreciation of fixed assets	9,11	47,241,716	48,586,778	27,661,320	27,363,928
Amortization of intangible assets	10	1,337,860	1,482,951	632,714	899,858
Amortization of government grants	24	(2,850,106)	(2,405,006)	(1,928,803)	(916,488)
Impairment of property, plant and equipment	9,29	7,500,000	479,623	-	-
Results from investing activities		(5,316,668)	(7,907,907)	(7,387,649)	(7,505,102)
Finance expense and related expenses	30	16,767,071	17,844,493	9,690,142	10,260,327
Impairment losses / (reversal of impairment losses) on inventories	17	2,807,506	(2,980,319)	3,131,781	(3,326,946)
Loss from the sale of financial assets at fair value through profit or loss	30	1,542,411	-	1,542,411	-
Impairment loss on available-for-sale investments	30	152,720	-	-	-
Impairment loss on trade receivables	34	421,626	735,764	111,782	141,493
Other provisions		317,614	(363,826)	413,607	(234,995)
Change in inventories		(3,673,618)	(14,725,969)	(12,915,682)	(5,954,878)
Change in trade and other receivables		10,783,871	11,294,501	16,214,174	(115,029)
Change in trade and other payables (except bank loan liabilities)		(13,754,454)	8,778,385	(7,306,827)	11,430,423
Interest paid		(17,716,410)	(17,844,497)	(10,170,094)	(10,660,960)
Income tax paid		(4,944,225)	(3,950,309)	(258,553)	-
Net cash flows from / (used in) operating activities		56,162,294	61,905,664	35,057,287	37,766,987

Investing activities

Acquisition of subsidiaries, associates and other investments	12, 13, 30	(14,210,824)	(3,229,369)	(14,226,480)	(2,869,360)
Proceeds from sale of financial assets at fair value through profit or loss	30	10,957,585	-	10,957,585	-
Purchase of property, plant and equipment	9	(69,053,741)	(45,634,598)	(36,814,550)	(28,735,967)
Purchase of intangible assets	10	(116,890)	(388,419)	(17,261)	(296,522)
Proceeds from sale of property, plant and equipment	9	2,340,421	382,972	11,929	1,449
Sales of intangible assets	10	1,656	706	378	467,046
Interest received		5,913,644	7,330,100	5,977,185	6,876,871
Dividends received		171,825	311,153	1,327,420	279,948
Net cash flows from / (used in) investing activities		(63,996,324)	(41,227,455)	(32,783,794)	(24,276,535)

Financing activities

Proceeds from borrowings	22	158,956,000	7,585,000	100,475,000	7,585,000
Repayment of borrowings	22	(72,541,958)	(49,500,063)	(33,040,657)	(39,489,926)
Net change in short-term loans	22	(87,027,297)	(1,214,562)	(68,107,482)	311,799
Proceeds from government grants	24	10,302,881	2,231,836	6,543,505	-
Dividends paid		(431,936)	(547)	-	(547)
Net cash flows from / (used in) financing activities		9,257,690	(40,898,336)	5,870,366	(31,593,674)
Net (decrease) / increase in cash on hand and cash equivalents		1,423,660	(20,220,127)	8,143,859	(18,103,222)
Cash and cash equivalents at the beginning of year	18	39,899,778	59,795,132	8,135,921	26,239,143
Exchange differences on cash and cash equivalents		(359,620)	324,773	-	-
Cash and cash equivalents at the end of year		40,963,818	39,899,778	16,279,780	8,135,921

*Adjusted amounts due to amended IAS 19 "Employee benefits" (see note 35).

The notes on pages 10 to 47 constitute an integral part of these financial statements.

VI. Notes to annual financial statements

1. General Information

The financial statements presented here include the corporate financial statement of ELVAL S.A HELLENIC ALUMINIUM INDUSTRY (the “Company”) and the consolidated financial statements of the Company, its subsidiaries (together the “Group”) and its associates. Company’s subsidiaries and associates are presented in Note 12 and Note 13 respectively. The Group is active in rolling and extrusion of aluminium products, in Greece, U.K and Bulgaria and promotes its products international, primarily to the European Union, the United States of America and the Far East.

The Company is seated in Greece, 2-4 Mesogheion Ave, Athens and its main facilities are located at the 57th kilometre of the Athens-Lamia National Road, Oinofyta, Viotia. Company’s electronic address is www.elval.gr.

Company’s shares are listed on the Athens Stock Exchange. The consolidated financial statements of the Group are included in the consolidated financial statements of VIOHALCO S.A/NV traded on EURONEXT Belgium and in Athens Stock Exchange.

2. Basis of preparation

Company’s and Group’s annual financial statements included herein (the “Financial statements”) concern the fiscal year that ended on 31 December 2013 and have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union..

The financial Statements have been approved from the Board of Directors of the Company on 27 March 2014.

3. Functional and presentation currency

These financial statements are presented in Euro, which is the Company’s functional and presentation currency. All financial information presented in Euro has been rounded to the nearest unit.

4. Use of estimates and judgments

The preparation of the Group’s financial statements in accordance with the IFRS requires management to make judgments, estimations and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may eventually differ from these estimates.

The management’s estimations and judgements are reviewed on an ongoing basis and are based on historical figures and expectations of future events, which are deemed fair pursuant to current market prices.

Estimations and judgements that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities in the following 12 months concern:

(a) Income tax (note 27)

The companies of the Group are subject to different legislations of income tax. In order to define the provision of the Group for income taxes a substantial concept of the above is required. Upon the normal flow of the business a lot of transactions and estimates take place for which the exact estimation of the tax is uncertain. In the event that the final taxes arising after the tax audits are different than the amounts that were initially recorded, these differences will affect the income tax and the provisions for deferred taxes in the fiscal year that the determination of the tax differences took place.

(b) Inventory (note 14)

The Group makes estimates for calculation of the net realizable value.

(c) Impairment

The Group makes estimates about the valuation of the assets that are not measured at fair value (Investments in subsidiaries and associates; Property, plant and equipment; Intangible assets; Investment property) for indications of impairment. Especially regarding property, plant and equipment, the Group evaluates the recoverability thereof based on the value in use of the cash generating unit under which such assets fall. The calculated value in use is based on a five-year business plan prepared by the Management and, thus, it is sensitive to the verification or not of expectations relating to the attainment of sales objectives, gross margin percentages, operating results, growth rates and discount rates of the estimated cash flows.

VI. Notes to annual financial statements

4. Use of estimates and judgments (continued)

(d) Provisions (Notes 23 and 25)

The provisions are estimated in the present value of the expenses which based on the best evaluation of management, they are required to cover the current liabilities on the balance sheet date. The rate of discount used for the determination of the current value reflecting the current market estimates for the time value of the money and increases regarding the specific liability.

(e) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy as follows:

Level A: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level B: Inputs observable, either directly or indirectly.

Level C: Non-observable data for the asset or liability

Level B includes inputs other than quoted prices included in Level A that are observable for the asset or liability, either directly or indirectly. Over-the-counter derivative financial instruments which are based on broker quotes are classified in this level.

The non-observable prices are classified to Level C. The fair value of shares not traded in an active market is defined based on the provisions of the Group 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. The fair value of financial liabilities are estimated based on the present value of the future cash flows that arise from specific contracts using the effective interest rate that is available for the Group for the use of similar financial instruments.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 34.

5. Basis of measurement

These financial statements have been prepared on the historical cost basis except the derivative financial instruments.

6. Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies set out in note 7 to all periods presented in these consolidated financial statements.

The Group has adopted the following new standards and amendments to standards with a date of initial application of 1st January 2013.

(a) IFRS 10 "Consolidated Financial Statements"

As a result of IFRS 10, the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees.

(b) IFRS 12 "Disclosure of Interests in Other Entities"

As a result of IFRS 12, the Group has expanded its disclosures about its interests in subsidiaries (see note 12) and equity-accounted investees (see note 13).

(c) IFRS 13 Fair Value Measurement

IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements. As a result, the Group has included additional disclosures in this regard in note 34.

VI. Notes to annual financial statements

6. Changes in accounting policies (continued)

(d) IAS 1 (amendment) “Presentation of Items of Other Comprehensive Income”

As a result of the amendments to IAS 1, the Group has modified the presentation of items of OCI in its statement of profit or loss and OCI, to present separately items that would be reclassified to profit or loss from those that would never be.

(e) IAS 19 (amendment) “Employee Benefits”

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits and to the disclosures for all employee benefits. The impact of the amended IAS 19 appears in note 35.

7. Significant accounting policies

Except for the changes mentioned above in note 6, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

7.1 Basis of consolidation

(a) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(b) Non-controlling interests

NCI are measured at their proportionate share of the acquiree’s identifiable net assets at the acquisition date.

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

(c) Subsidiaries

Subsidiaries are entities that the Group, directly or indirectly, controls their financial and operating policies. Subsidiary companies are fully consolidated from the day control over them is acquired and cease to be consolidated from the day this control is no longer exist.

In its financial statements, the Company measures holdings in subsidiaries at their acquisition cost less any impairment of their value.

(d) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

(e) Interests in equity-accounted investees

The Group’s interests in equity-accounted investees comprise interests in associates and joint ventures.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.1 Basis of consolidation (continued)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control.

Interests in associates and the joint venture are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group'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 in consolidation

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated in preparing the consolidated financial statements. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been impaired.

7.2. Foreign currency

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the 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 to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Cash flow hedges to the extent that the hedges are effective.

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the "Foreign exchange differences due to consolidation of foreign subsidiaries 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 control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group 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.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.3. Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment at 1 January 2004, the Group's date of transition to IFRS, was determined with reference to its fair value at that date.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(c) 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.

The estimated useful lives of property, plant and equipment are as follows:

- Buildings	10-20	years
- Machinery	2-25	years
- Motor vehicles	4-6	years
- Other equipment	5-7	years

The depreciation method, the residual values and useful lives are reviewed at each reporting date if this is necessary.

7.4 Intangible assets and goodwill

(a) Goodwill

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

(b) Software

Software licenses are estimated at their acquisition cost less accumulated amortisation and accumulated impairment losses. Expenditures that are required for the development and maintenance of software programs are recognised as an expense when these programs are developed.

(c) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

(d) Amortisation

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 is not amortised.

The estimated useful lives are 3-4 years.

7.5. Investment property

Investment properties related to lands and buildings which are not used from the Group for own use. Lands are measured at their cost less any impairments and buildings are depreciated on a straight-line basis over their estimated useful lives. Based on Management's estimations, the fair value of investment properties as of 31 December 2013 does not differ significantly from the value that is noted in the balance sheet.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.6. Financial instruments

The Group classifies 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”.

The Group classifies non-derivative financial liabilities into the “Other financial liabilities” category.

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

The Group initially recognises Cash and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group derecognises 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.

The Group derecognises 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, the Group has 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

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.

(d) Share capital

Ordinary shares are classified as equity. Expenses that are directly associated with the issuance of shares capital, after the deduction of the relative income tax, appear as a reduction of equity.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.7. Derivatives and hedge accounting

The Group holds derivative financial instruments for cash flow hedge. Derivatives include futures to hedge the financial risk from the change of the stock exchange price of the aluminum, as well as of the parity of USDollar or the British Pound and interest rate swaps to hedge the risk of future cash flows of the Group from the variation of interest rates.

The results from the liquidated acts of hedging are recognized in profit and loss when effected (difference of interest on interest rate swaps and stock exchange results in aluminum and foreign currency).

Derivatives are recognised at fair value both initially and subsequently. The method by which profits and losses are recognised depends on whether derivatives are designated as a hedging instrument or are held for trading. Derivatives are recognised when the transaction is entered into by the Group as hedges for the fair value of receivables, liabilities or commitments (fair value hedges) or very probable transactions (cash flow hedges).

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, 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.

The Group in regular basis, examines 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.

7.8 Impairment

(a) Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, including an interest 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 the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortised cost

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.8 Impairment (continued)

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 recognised 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 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.

(b) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. Goodwill is tested annually for impairment. Assets that have indefinite lives are not depreciated but are subject to an impairment test on an annual basis and when certain facts indicate that their carrying amounts may not be recovered.

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 exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed. 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.

7.9. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the annual average weighted cost method and includes production and conversion costs and other costs incurred in bringing them to their existing location and condition. Financial expenses are not included to the cost of inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.10. Income tax

The income tax of the year includes both current and deferred tax. Income tax is calculated according to the tax legislation and tax rates applied in the countries the Group operates and is recorded in profit and loss unless it concerns amounts that are directly recorded in Equity, in which case it is recorded in 'Equity'.

(a) Current income tax

Current income tax is the tax expected to be paid on the taxable income for the year, based on tax rates on the balance sheet date and any adjustment to prior-period payable tax.

(b) Deferred income tax

Deferred income tax arises from 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 the Group is 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 it 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.

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.

Deferred tax assets and liabilities are offset only if certain criteria are met.

7.11. Employee benefits

(a) Short term fringe benefits

Short-term personnel fringe benefits in the form of cash or in kind are recorded as an expense when these accrue.

(b) Defined contribution plans

The defined contribution plan is a program whereby the Company pays a determined amount to a third party legal entity without any other obligation for the period following the termination of employment of personnel. The duties towards benefits in defined contribution plan are registered as an expense in the profit and loss during their year of realization.

(c) Defined benefit plans

The Group's 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 calculation of defined benefit obligations is performed annually by independent qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The discount rate concerns European bonds of low credit risk "I Boxx AA-rated Euro corporate bond 10+year". Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.11. Employee benefits (continued)

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. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(d) Employment fringe termination benefits

Employment termination fringe benefits are paid when employees decide to retire prior to their respective date of retirement. The Group records these fringe benefits when it is bound, or when it terminates the employment of existing employees based on a detailed schedule for which there is no possibility of withdrawal or when it offers these fringe benefits as an incentive for voluntary retirement. Employment termination fringe benefits that are due in 12 months after the balance sheet date are discounted.

(e) Profit sharing plans

The Group records a liability and a corresponding expense for profit sharing. This amount is included in post-tax profits less any reserves stipulated by law.

7.12. Government grants

Government grants are recognised at their fair value when it is certain that the grant will be received and that the Group will comply with all stipulated terms.

Government grants that concern operating expenses are recognised in profit and loss so that these will match the expenses that they will cover.

Government grants regarding the purchase of property, plant and equipment are presented in “Long-term liabilities” as deferred income and are transferred as income to the profit and loss based on a straight-line basis over the expected useful lives of the assets.

7.13. Provisions

Provisions are calculated at the present value of expenses that, based on the Management’s best possible estimation, are required to cover the present liability on the reporting date. The discount rate that is used in determining the present value reflects the current market estimations for the temporal value of money and increases that concern the specific liability. Contingent assets and liabilities are not recognized in the financial statements.

7.14. Leases

Leases of property, plant and equipment, in which the Group 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.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.15. Revenue recognition

(a) Sale of goods

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable and the associated costs and possible return of goods can be estimated reliably. The returns of money are accounted for at each reporting date as reduction of sales.

(b) Services

Revenue from services is accounted for in the period in which the services are rendered, based on their stage of completion with relation to services provided overall.

(c) Rental income

Rental income is recognised as revenue on a straight-line basis over the term of the lease.

7.16 Finance income and finance costs

The Group's finance income and finance costs include:

- Interest income
- Interest expense
- Foreign currency gain or loss on loans and borrowings
- Dividend income
- The net gain or loss on the disposal of available-for-sale financial assets
- The net gain or loss on financial assets that are recognised in profit or loss; and
- Impairment losses recognised on financial assets

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established upon their approval of their distribution.

7.17. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker which is considered to be the Board of Directors that is responsible for measuring the business performance of the segments.

7.18. New Standards and Interpretations

A number of new Standards, Amendments to Standards and Interpretations are effective for annual periods beginning on or after 1 January 2014. The Group does not intend to early adopt of these standards. The new Standards and Interpretations that may have an effect to the financial statements of the Group are as follows:

a) IFRS 9 "Financial instruments" (effective for annual periods beginning on or after January 1, 2015): The Standard will replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The Standard has not yet been endorsed by the European Union.

b) IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets" (effective for annual periods beginning after 1 January 2014): The Amendment requires changes in the disclosures of recoverable amounts of non-financial assets. This amendment has not yet been endorsed by the European Union.

c) IAS 32 (Amendment) "Financial instruments - Presentation" (effective for annual periods beginning after 1 January 2014):. This amendment clarifies some of the requirements for offsetting financial assets and financial liabilities. The amendment has been authorized by the European Union.

VI. Notes to annual financial statements

7. Significant accounting policies (continued)

7.18. New Standards and Interpretations (continued)

d) IAS 39 (Amendment) “Financial Instruments (effective for annual periods beginning after 1 January 2014): This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is renewed, if specific conditions are met. This amendment has not yet been endorsed by the European Union.

e) IFRS 19 (Amendment) “Employee Benefits” (effective for annual periods beginning after 1 July 2014): This amendment apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service. These amendments have not yet been endorsed by the European Union.

f) IFRIC 21 “Levies”: (effective for annual periods beginning on or after 1 January 2014). This interpretation sets out the accounting for an obligation to pay a levy imposed by government. This interpretation has not yet been endorsed by the EU.

8. Operating segments

For management purposes the Group is organized into divisions and business units based on the production of aluminium products, The Group has three reportable operating segments that generate revenues. The third reportable segment has been formed by the aggregation of operating segments. Therefore, the Group reportable operating segments are summarized as follows:

- **Rolling segment** which produces and sells aluminium strips, aluminium coils, aluminium sheets and foil.
- **Extrusion segment** which produces and sells architectural systems, industrial profiles and composite panels.
- **Segment “Other”** which consists of the following operating segments: a) *Aluminium and paper products segment*, which produces combined aluminium and paper products b) *Aluminium formation segment*, which focuses on the formation of aluminium strips used in the construction of door and window roller shutters in buildings c) *Metal processing and recycling* and d) *Other services*.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment, Segment performance is evaluated based on operating results which in certain respects, as explained in the table below, is measured differently from operating results in the consolidated financial statements.

Transactions between operating segments occur in the normal course of business in a manner similar to transactions with related parties.

The following table present sales, results, assets and liabilities of Group’s operating segments for the year ended 31 December 2013:

31 December 2013 – amounts in €	Rolling	Extrusion	Other	Eliminations and adjustments		Group	
Sales to third parties	873,339,125	76,225,966	58,937,218	-		1,008,502,309	
Inter-segment	181,808,971	8,214,309	9,679,858	(199,703,138)	1	-	
Total sales	1,055,148,096	84,440,275	68,617,076	(199,703,138)		1,008,502,309	2
Operating results	43,222,032	(16,742,012)	2,030,767	(75,317)	3	28,435,470	
Share of profit / (loss) from associates and dividend income	(412,322)	-	-	-		(412,322)	4
Finance income	4,491,633	293,260	89,003	(154,364)	5	4,719,532	
Finance expense	(11,563,013)	(5,110,461)	(678,190)	154,364	5	(17,197,300)	
Depreciation and amortization	39,476,096	6,447,918	2,655,562	-		48,579,576	
Income tax expense	(18,891,807)	1,631,482	(1,450,688)	-		(18,711,013)	
Capitalization expenses	65,062,498	3,762,337	345,796	-		69,170,631	6
Impairments of assets	-	(7,500,000)	-	-		(7,500,000)	
Segment assets	833,231,673	125,186,052	58,877,985	9,937,495	7	1,027,233,205	
Segment liabilities	319,818,996	102,733,725	18,381,191	-		440,933,912	

1 Total inter-segment eliminations

2 Total sales consist of sales of goods amounted to €994,393,329 and sales of services amounted to €14,108,890.

3 Operating results does not include inter-segment eliminations and adjustments amounted to €(75,317).

4 The share of profit / (loss) of associates and dividend income constitutes of share of loss from associates amounted to €(412,322).

5 Inter-segment eliminations of finance income / (expense).

6 Capitalization expenses include purchases of property, plant and equipment and purchases of intangible assets.

7 Segment assets does not include investments in associates amount to €9,937,495 which are monitored in Group level.

VI. Notes to annual financial statements

8. Operating segments (continued)

The following table present sales to third parties and non-current assets based on geographical location, the year ended 31 December 2013:

Information for geographical sectors- amounts in €	Sales to third parties	Non-current assets
Greece	106,806,545	484,186,473
European Union	622,843,810	38,020,269
Other European countries	89,426,880	-
Asia	78,045,890	-
America	105,844,459	-
Africa	3,799,406	-
Oceania	1,735,319	-
Total	1,008,502,309	522,206,742

Non-current assets consist of property, plant and equipment, intangible assets, investment properties and investments in equity-accounted investees.

The following table present sales, results, assets and liabilities of Group's operating segments for the year ended 31 December 2012:

31 December 2012 – amounts in €	Rolling	Extrusion	Other	Eliminations and adjustments		Group
Sales to third parties	918,174,113	88,661,461	56,944,616	-		1,063,780,190
Inter-segment	174,585,451	10,946,200	11,727,061	(197,258,712)	1	-
Total sales	1,092,759,564	99,607,661	68,671,677	(197,258,712)		1,063,780,190
Operating results *	37,462,308	(6,528,879)	2,050,340	(193,102)	3	32,790,667
Share of profit / (loss) from associates and dividend income	653,385	27,491	-	-		680,876
Finance income	7,386,002	501,727	132,420	(76,432)	5	7,943,717
Finance expense	(12,459,916)	(5,395,200)	(755,574)	76,432	5	(18,534,258)
Depreciation and amortization	40,929,558	6,459,970	2,680,201	-		50,069,729
Income tax expense *	(2,768,648)	1,621,417	(378,414)	-		(1,525,645)
Capitalization expenses	42,191,038	3,224,293	607,686	-		46,023,017
Segment assets	817,503,367	142,454,837	61,240,623	10,039,114	7	1,031,237,941
Segment liabilities *	309,940,504	107,844,812	21,990,537	-		439,775,853

1 Total inter-segment eliminations

2 Total sales consist of sales of goods amounted to €1,045,065,485 and sales of services amounted to €18,714,705.

3 Operating results does not include inter-segment eliminations and adjustments amounted to €(193,102)

4 The share of profit / (loss) of associates and dividend income constitutes of share of profit from associates amounted to €648,934 and dividend income from other investments amounted to €31,942

5 Inter-segment eliminations of finance income / (expense)

6 Capitalization expenses include purchases of property, plant and equipment and purchases of intangible assets

7 Segment assets does not include investments in associates amount to €10,039,114 which are monitored in Group level

The following table present sales to third parties and non-current assets based on geographical location, the year ended 31 December 2012:

Information for geographical sectors- amounts in €	Sales to third parties	Non-current assets
Greece	117,780,054	491,242,784
European Union	677,312,373	20,955,504
Other European countries	93,440,812	-
Asia	68,306,417	-
America	101,418,738	-
Africa	3,743,613	-
Oceania	1,778,183	-
Total	1,063,780,190	512,198,288

Non-current assets consist of property, plant and equipment, intangible assets, investment properties and investments in equity-accounted investees.

VI. Notes to annual financial statements

9. Property, plant and equipment

GROUP - Amounts in Euros	Land	Buildings	Plant and machinery	Transportation means	Furniture and fixtures	Assets under construction	Total
Cost							
Balance as of 1 January 2012	58,390,904	126,480,206	605,876,836	14,479,491	14,559,548	27,450,115	847,237,100
Foreign exchange differences	48,435	169,886	1,428,426	26,691	(8,230)	14,219	1,679,427
Additions	2,140,150	1,347,483	6,191,303	857,083	632,203	34,611,917	45,780,139
Sales – deletions	-	-	(4,005,176)	(60,655)	(104,276)	-	(4,170,107)
Destructions	-	-	(1,251,110)	(216,563)	(14,458)	-	(1,482,131)
Impairment	-	-	(2,814,762)	-	-	(2,000,000)	(4,814,762)
Reclassification / transfer to intangibles	(20,904)	5,143,723	17,529,322	9,405	18,071	(22,917,617)	(238,000)
Balance as of 31 December 2012	60,558,585	133,141,298	622,954,839	15,095,452	15,082,858	37,158,634	883,991,666
Accumulated depreciation							
Balance as of 1 January 2012	-	(44,815,434)	(280,428,521)	(11,865,141)	(12,039,461)	-	(349,148,557)
Foreign exchange differences	-	(45,114)	(1,140,244)	(30,473)	313	-	(1,215,518)
Depreciation	-	(6,785,105)	(39,764,562)	(846,392)	(882,005)	-	(48,278,064)
Sales – deletions	-	-	3,774,729	53,203	98,316	-	3,926,248
Destructions	-	-	1,191,222	216,563	13,898	-	1,421,683
Impairment	-	-	2,335,139	-	-	-	2,335,139
Reclassification	-	-	(9,597)	(117)	9,714	-	-
Balance as of 31 December 2012	-	(51,645,653)	(314,041,834)	(12,472,357)	(12,799,225)	-	(390,959,069)
Net book value as at 31December 2012	60,558,585	81,495,645	308,913,005	2,623,095	2,283,633	37,158,634	493,032,597
Cost							
Balance as of 1 January 2013	60,558,585	133,141,298	622,954,839	15,095,452	15,082,858	37,158,634	883,991,666
Foreign exchange differences	(83,405)	(192,623)	(1,354,017)	(43,261)	(2,579)	(99,281)	(1,775,166)
Additions	3,733,030	4,646,932	6,170,628	487,457	523,033	53,492,661	69,053,741
Sales	(1,564)	-	(335,745)	(220,483)	(54,709)	(2,086,241)	(2,698,742)
Destructions	(28,609)	15,777	62,398	(19,151)	(3,654)	(62,276)	(35,515)
Impairment	-	(4,546,845)	(10,987,173)	-	-	-	(15,534,018)
Transfers to / from investment property	(33,633)	5,257,419	-	-	-	-	5,223,786
Reclassification / transfer to intangibles	-	3,551,101	24,130,616	48,418	225,309	(28,553,684)	(598,240)
Balance as of 31 December 2013	64,144,404	141,873,059	640,641,546	15,348,432	15,770,258	59,849,813	937,627,512
Accumulated depreciation							
Balance as of 1 January 2013	-	(51,645,653)	(314,041,834)	(12,472,357)	(12,799,225)	-	(390,959,069)
Foreign exchange differences	-	59,089	1,168,386	36,614	1,735	-	1,265,824
Depreciation	-	(7,290,390)	(38,202,216)	(692,708)	(952,983)	-	(47,138,297)
Sales	-	-	207,128	139,575	41,688	-	388,391
Destructions	-	(14,953)	(118,800)	18,829	4,084	-	(110,840)
Impairment	-	2,046,845	5,987,173	-	-	-	8,034,018
Transfers to / from investment property	-	(554,871)	-	-	-	-	(554,871)
Reclassification	-	-	1,153	(1,153)	-	-	-
Balance as of 31 December 2013	-	(57,399,933)	(344,999,010)	(12,971,200)	(13,704,701)	-	(429,074,844)
Net book value as at 31December 2013	64,144,404	84,473,126	295,642,536	2,377,232	2,065,557	59,849,813	508,552,668
COMPANY							
Cost							
Balance as of 1 January 2012	34,524,366	68,851,569	360,544,136	8,980,742	8,161,131	12,015,836	493,077,780
Additions	2,093,706	631,672	2,620,692	413,075	321,974	22,800,389	28,881,508
Sales- deletions	-	-	(1,075)	-	(1,609)	-	(2,684)
Reclassification/ transfer to intangibles	-	1,842,255	7,282,889	-	-	(9,164,386)	(39,242)
Balance as of 31 December 2012	36,618,072	71,325,496	370,446,642	9,393,817	8,481,496	25,651,839	521,917,362
Accumulated depreciation							
Balance as of 1 January 2012	-	(26,513,001)	(161,934,633)	(7,834,928)	(7,507,043)	-	(203,789,605)
Depreciation of the period	-	(3,934,378)	(22,748,347)	(366,132)	(315,071)	-	(27,363,928)
Sales- deletions	-	-	109	-	1,508	-	1,617
Balance as of 31 December 2012	-	(30,447,379)	(184,682,871)	(8,201,060)	(7,820,606)	-	(231,151,916)
Net book value as at 31 December 2012	36,618,072	40,878,117	185,763,771	1,192,757	660,890	25,651,839	290,765,446
Cost							
Balance as of 1 January 2013	36,618,072	71,325,496	370,446,642	9,393,817	8,481,496	25,651,839	521,917,362
Additions	3,732,450	4,472,914	2,338,969	383,452	313,622	25,611,435	36,852,842
Sales- deletions	-	-	(22,619)	-	(12,645)	-	(35,264)
Readjustments	-	15,777	182,786	-	-	(26,023)	172,540
Reclassification	-	2,870,176	20,418,326	-	76,749	(23,365,251)	-
Balance as of 31 December 2013	40,350,522	78,684,363	393,364,104	9,777,269	8,859,222	27,872,000	558,907,480
Accumulated depreciation							
Balance as of 1 January 2013	-	(30,447,379)	(184,682,871)	(8,201,060)	(7,820,606)	-	(231,151,916)
Depreciation of the period	-	(4,161,921)	(22,787,913)	(338,081)	(373,405)	-	(27,661,320)
Sales- deletions	-	-	20,984	-	12,139	-	33,123
Readjustments	-	(14,953)	(176,638)	(322)	593	-	(191,320)
Balance as of 31 December 2013	-	(34,624,253)	(207,626,438)	(8,539,463)	(8,181,279)	-	(258,971,433)
Net book value as at 31 December 2013	40,350,522	44,060,110	185,737,666	1,237,806	677,943	27,872,000	299,936,047

VI. Notes to annual financial statements

9. Property, plant and equipment (continued)

Due to the drop of demand and the sales of extrusion aluminium products in Greek market and due to the increased economic crisis in Greece, the Management of subsidiary ETEM S.A. decided in compliance with IAS 36 “Impairment of Assets”, to perform an impairment test with respect to its fixed assets. The impairment test involving the land and buildings was assigned to an independent valuator, which performed the valuation in accordance with RICS – Valuation Professional Standards by applying the comparative method. The impairment test involving the machinery was determined on the basis of the value in use. Such value in use was calculated using provisions for cash flows, which were based on the five-year business plan approved by Management, were initially projected over a five-year period and, thereafter, the residual useful life of the machinery. The discount rate used was 9.95% for the 5-year period and 12.95% for the residual useful life of the machinery.

The fair value of the land and buildings that arose from the above valuation study stood at €11.1 million and is less than the book value of the assets by €2.5 million. Based on the results of the machinery impairment test, it was established that the recoverable amount of the machinery cash flow generating unit is less than its book value by € 5 million. Therefore, the impairment of fixed assets charged to the results was calculated to €7.5 million and was posted to “Other expenses” (note 29).

10. Intangible assets

GROUP - Amounts in Euros	Trade marks and licenses	Software	Other	Total
Cost				
Balance as of 1 January 2012	551,742	15,503,347	284,754	16,339,843
Foreign exchange differences	-	(2,055)	2,761	706
Additions	-	388,419	-	388,419
Sales – deletions	-	(83,911)	-	(83,911)
Transfers from property, plant and equipment	-	238,000	-	238,000
Balance as of 31 December 2012	551,742	16,043,800	287,515	16,883,057
Accumulated amortization				
Balance as of 1 January 2012	(122,253)	(12,269,150)	(242,530)	(12,633,933)
Foreign exchange differences	-	1,467	(2,761)	(1,294)
Amortization	(136,875)	(1,314,011)	(32,065)	(1,482,951)
Sales – deletions	-	83,197	-	83,197
Balance as of 31 December 2012	(259,128)	(13,498,497)	(277,356)	(14,034,981)
Net book value as of 31 December 2012	292,614	2,545,303	10,159	2,848,076
Cost				
Balance as of 1 January 2013	551,742	16,043,800	287,515	16,883,057
Foreign exchange differences	-	(879)	(2,536)	(3,415)
Additions	-	116,890	-	116,890
Sales – deletions	-	(18,639)	-	(18,639)
Transfers from property, plant and equipment	35,320	562,920	-	598,240
Balance as of 31 December 2013	587,062	16,704,092	284,979	17,576,133
Accumulated amortization				
Balance as of 1 January 2013	(259,128)	(13,498,497)	(277,356)	(14,034,981)
Foreign exchange differences	-	644	2,536	3,180
Amortization	(126,396)	(1,201,305)	(10,159)	(1,337,860)
Sales – deletions	-	3,932	-	3,932
Balance as of 31 December 2013	(385,524)	(14,695,226)	(284,979)	(15,365,729)
Net book value as of 31 December 2013	201,538	2,008,866	-	2,210,404

COMPANY - Amounts in Euros	Software
Cost	
Balance as of 1 January 2012	10,412,252
Additions	296,522
Sales	(467,046)
Transfers from property, plant and equipment	39,242
Balance as of 31 December 2012	10,280,970
Accumulated amortization	
Balance as of 1 January 2012	(8,200,260)
Amortization	(899,858)
Sales	109,291
Balance as of 31 December 2012	(8,990,827)
Net book value as of 31 December 2012	1,290,143

VI. Notes to annual financial statements

10. Intangible assets (continued)

Cost	
Balance as of 1 January 2013	10,280,970
Additions	17,261
Sales	(378)
Balance as of 31 December 2013	10,297,853
Accumulated amortization	
Balance as of 1 January 2013	(8,990,827)
Amortization	(632,714)
Sales	68
Balance as of 31 December 2013	(9,623,473)
Net book value as of 31 December 2013	674,380

11. Investment property

Investment properties as of 31 December 2013 and 2012 consist of lands and buildings owned by Company's subsidiaries and are analysed as follows:

	GROUP	
<i>Amounts in Euros</i>	31/12/2013	31/12/2012
Cost	6,278,499	6,875,450
Opening balance		
Foreign exchange differences	-	(23,585)
Sales	-	(264,652)
Depreciation	(103,419)	(308,714)
Transfers from investment property	226,751	-
Transfers to investment property	(4,895,665)	-
Closing balance	1,506,166	6,278,499

Transfers to investment property consists of property plant and equipment used from group company.

12. Investment in subsidiaries

Company's investments in subsidiaries are analyzed as follows:

	COMPANY	
<i>Amounts in Euros</i>	31/12/2013	31/12/2012
Opening balance	175,813,113	173,194,113
Additions	1,222,484	2,664,000
Sales	-	(45,000)
Closing balance	177,035,597	175,813,113

Ownership percentages are analyzed below:

Entity Name	Field of activity	Country	Holding percentage 2013			Holding percentage 2012		
			Direct	Indirect	Total	Direct	Indirect	Total
BRIDGNORTH Ltd	Aluminium rolling	UK	75.00%	-	75.00%	75.00%	-	75.00%
VIOMAL S.A	Formation of aluminium products	Greece	50.00%	-	50.00%	50.00%	-	50.00%
SYMETAL S.A	Aluminium rolling & aluminium - paper products	Greece	99.99%	-	99.99%	99.99%	-	99.99%
STEELMET ROMANIA S.A	Commercial	Romania	40.00%	14.16%	54.16%	40.00%	14.16%	54.16%
BLYTHE Ltd	Advisory services	Cyprus	100.00%	-	100.00%	100.00%	-	100.00%
ANOXAL S.A	Metal processing and recycling	Greece	100.00%	-	100.00%	100.00%	-	100.00%
ALURAME Spa	Commercial	Italy	70.00%	12.50%	82.50%	70.00%	12.50%	82.50%
VIEXAL S.A	Services	Greece	73.33%	-	73.33%	73.33%	-	73.33%
ATHENS ART CENTRE S.A	Services	Greece	100.00%	-	100.00%	100.00%	-	100.00%
ETEM S.A	Aluminium extrusion	Greece	70.78%	-	70.78%	70.78%	-	70.78%
ETEM BULGARIA S.A. (*)	Aluminium extrusion	Bulgaria	-	70.78%	70.78%	-	70.78%	70.78%
QUANTUM PROFILES S.A. (*)	Aluminium extrusion	Bulgaria	-	70.78%	70.78%	-	70.78%	70.78%
ETEM ALBANIA SHPK (*)	Commercial	Albania	-	70.78%	70.78%	-	70.78%	70.78%
LLC ETEM SYSTEMS UKR (*)	Commercial	Ukraine	-	70.78%	70.78%	-	70.78%	70.78%
S.C. ETEM SYSTEMS S.R.L. (*)	Commercial	Romania	-	70.78%	70.78%	-	70.78%	70.78%
ETEM COMMERCIAL S.A. (*)	Commercial	Greece	-	70.78%	70.78%	-	70.78%	70.78%
ETEM SCG D.O.O. (*)	Commercial	Serbia	-	70.78%	70.78%	-	70.78%	70.78%
ALU BUILD S.R.L (*)	Commercial	Italy	-	70.78%	70.78%	-	70.78%	70.78%
MOPPETS LIMITED (*)	Commercial	Cyprus	-	70.78%	70.78%	-	70.78%	70.78%
AL - AMAR S.A (*)	Aluminium extrusion	Libya	-	63.70%	63.70%	-	63.70%	63.70%
ELVAL COLOUR S.A.	Coating of aluminium rolled products	Greece	100.00%	-	100.00%	97.29%	-	97.29%
CCS S.A. (**)	Commercial	Greece	-	98.13%	98.13%	-	91.79%	91.79%

(*) Subsidiaries of ETEM Group

(**) Subsidiaries of ELVAL COLOUR Group

VI. Notes to annual financial statements

12. Investment in subsidiaries (continued)

Acquisition of non-controlling interests

a) On September, the Company acquired the remaining interest in its subsidiary ELVAL COLOUR S.A. for €1.2 million in cash, increasing its ownership from 97.29% to 100%.

The changes in Company's ownership interest in subsidiary ELVAL COLOUR S.A. is shown below:

<i>Amounts in million Euros</i>	
Ownership cost as at 1/1/2013	20,8
Acquisition of minority interests	<u>1,2</u>
Ownership cost as at 31/12/2013	22,0

On December, the Company announced that the Boards of Directors of ELVAL S.A. and its subsidiary ELVAL COLOUR S.A. decided the absorption of ELVAL COLOUR S.A. by ELVAL S.A. The merger will take place in accordance with the stipulations laid down in L.2166/1993 and the transformation financial statement will be as at 31/12/2013.

b) On December, subsidiary ELVAL COLOUR participated in the share capital increase of its subsidiary CCS S.A., increasing its participation percentage from 94.35% to 98.13%. The Group recognized an increase of €14,428 in retained earnings and a decrease of €14,428 in non-controlling interests.

Brief financial information for subsidiaries with significant non-controlling interests

<i>31/12/2013 – amounts in Euros</i>	ETEM S.A.	VIOMAL S.A.	BRIDGNORTH Ltd	Other	Total
Non-controlling interest percentage stake	29.22%	50.00%	25.00%		
Non-current assets	72,261,049	4,972,416	37,764,044		
Current assets	54,325,329	8,126,921	72,705,678		
Long-term liabilities	42,934,142	3,618,156	9,962,179		
Short-term liabilities	74,635,113	4,230,356	14,427,152		
Equity	9,017,124	5,250,825	86,080,390		
Non-controlling interests in €	2,634,804	2,625,413	21,520,098	2,709,640	29,489,955
Sales	84,440,275	11,199,943	212,153,356		
Earnings / (losses)	(19,933,857)	(654,058)	10,580,794		
Other comprehensive income	96,372	-	(2,555,204)		
Total comprehensive income for the period	(19,837,485)	(654,058)	8,025,590		
Non-controlling interests in earnings / (losses)	(5,824,673)	(327,029)	2,645,199	(24,199)	(3,530,702)
Non-controlling interests in other comprehensive income	28,160	-	(638,801)	41,609	(569,032)
Cash flow from operating activities	622,393	(439,192)	17,401,657		
Cash flow from investing activities	(3,635,225)	(92,949)	(22,060,667)		
Cash flow from financing activities	2,997,937	(470,313)	(2,891,928)		
Change in cash and cash equivalents	(14,895)	(1,002,454)	(7,550,938)		

<i>31/12/2012 - amounts in Euros</i>	ETEM S.A.	VIOMAL S.A.	BRIDGNORTH Ltd	Other	Total
Non-controlling interest percentage stake	29.22%	50.00%	25.00%		
Non-current assets	82,980,490	5,424,154	20,696,960		
Current assets	66,640,589	9,664,904	89,933,454		
Long-term liabilities	19,924,270	3,905,632	11,735,956		
Short-term liabilities	100,842,200	5,369,438	19,241,326		
Equity	28,854,609	5,795,085	79,653,132		
Non-controlling interests in €	8,431,317	2,897,543	19,913,283	3,935,290	35,177,433
Sales	99,607,661	13,627,411	205,568,888		
Earnings / (losses)	(9,741,612)	(628,805)	10,097,962		
Other comprehensive income	(204,752)	-	1,086,970		
Total comprehensive income for the period	(9,946,364)	(628,805)	11,184,932		
Non-controlling interests in earnings / (losses)	(2,846,499)	(314,403)	2,524,491	104,098	(532,313)
Non-controlling interests in other comprehensive income	(59,829)	-	271,743	(106,976)	104,938
Cash flow from operating activities	3,875,606	887,107	7,643,709		
Cash flow from investing activities	(2,785,944)	(147,646)	(3,978,352)		
Cash flow from financing activities	(7,286,440)	(396,134)	(1,021,015)		
Change in cash and cash equivalents	(6,196,778)	343,327	2,644,342		

VI. Notes to annual financial statements

13. Investment in equity-accounted investees

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Opening balance	10,039,114	9,270,128	5,512,294	5,261,934
Share of profit/ (loss)	(412,322)	648,934	-	-
Additions	510,000	563,369	504,000	250,360
Foreign exchange differences	(72,480)	(71,036)	-	-
Transfers from available-for-sale investments	149,597	-	-	-
Transfers to available-for-sale investments	(47,310)	-	-	-
Dividends received	(229,100)	(372,281)	-	-
Closing balance	9,937,499	10,039,114	6,016,294	5,512,294

The addition of €504.000 concerns the purchase of 20% stake in ELKEME S.A from the related party SIDENOR S.A.

Transfers from available-for-sale investments concern the participation of subsidiary ETEM S.A. in associates ELKEME S.A., TEPROMETAL AG, STEELMET S.A. while transfers to available-for-sale investments concern the participation of subsidiary ETEM S.A. in ENERGY SOLUTIONS S.A. and COPPERPROM S.A..

Brief financial information follows:

	Country	Assets	Liabilities	Sales	Share of profit / (loss)	Holding percentage
2013 - Amounts in €						
ANAMET S.A.	Greece	54,288,842	45,489,745	240,111,165	(652,971)	26.67%
VEPEM S.A.	Greece	17,494	-	-	(2,724)	50.00%
TEPROMETAL AG	Germany	30,467,266	20,022,339	114,209,057	180,871	46.43%
DIAPEM COMMERCIAL S.A.	Greece	638,052	15,650	-	(1,114)	33.32%
ELKEME S.A.	Greece	2,037,407	242,851	1,426,075	(202,438)	65.31%
STEELMET S.A.	Greece	4,209,660	2,841,290	13,525,213	92,197	33.57%
METAL GLOBE Doo	Serbia	75,578	753,090	-	-	40.00%
AFSEL S.A.	Greece	830,056	252,206	837,502	181,337	50.00%
METAL AGENCIES Ltd	UK	27,094,989	26,400,666	117,502,451	(7,480)	44.99%
		119,659,344	96,017,837	487,611,463	(412,322)	
2012 - Amounts in €						
ANAMET S.A.	Greece	53,568,875	42,284,763	332,770,518	293,137	26.67%
VEPEM S.A.	Greece	24,826	1,884	-	(3,171)	50.00%
TEPROMETAL AG	Germany	27,838,604	17,723,694	109,921,117	120,787	46.35%
DIAPEM COMMERCIAL S.A.	Greece	662,035	36,292	-	(3,098)	33.32%
ELKEME S.A.	Greece	2,367,466	262,938	1,887,334	4,946	40.00%
STEELMET S.A.	Greece	4,762,905	3,573,521	13,029,383	84,955	29.56%
METAL GLOBE Doo	Serbia	78,214	753,304	-	-	40.00%
AFSEL S.A.	Greece	681,542	187,366	-	147,170	50.00%
METAL AGENCIES Ltd	UK	23,341,708	22,615,429	104,442,245	7,923	44.99%
ENERGY SOLUTIONS S.A.	Bulgaria	1,098,303	472,920	2,470	(3,715)	6.03%
		114,424,478	87,912,111	562,053,067	648,934	

14. Available-for-sale investments

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Equity securities listed to active markets	144,536	77,846	144,536	77,846
Equity securities non-listed to active markets	927,006	1,401,863	723,924	809,476
Balance as of 31 December 2013	1,071,542	1,479,709	868,460	887,322

For the Group and for the year ended 31 December 2013, there were losses from the valuation of equity securities recognised in OCI amounted to €113,339 (net from deferred tax €39,821) while an impairment loss of €152,720 recognized in profit or loss. For the Company and for the year ended 31 December 2013, there were losses from the valuation of equity securities recognised in OCI amounted to €13,958 (net from deferred tax €4,904).

Information about the Group's exposure to credit and market risks and fair value measurement, is included in note 34.

VI. Notes to annual financial statements

15. Derivatives

The fair values of derivatives as at 31 December 2013 and 2012, are analyzed as follows:

Derivatives <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Non-current assets				
Foreign exchange swaps	295,219	327,695	-	-
Total	295,219	327,695	-	-
Current assets				
Foreign exchange swaps	587,102	1,801,920	-	-
Fx future contracts	-	463,554	-	375,689
Forwards	167,556	-	114,674	-
Future contracts	871,107	2,202,299	465,066	1,171,460
Total	1,625,765	4,467,773	579,740	1,547,149
Long-term liabilities				
Interest rate swaps	154,693	444,262	-	-
Foreign exchange swaps	130,590	33,827	-	-
Fx future contracts	-	18,930	-	18,930
Future contracts	-	63,794	-	63,794
Total	285,283	560,813	-	82,724
Short-term liabilities				
Interest rate swaps	213,623	221,307	-	111,039
Fx future contracts	-	136,516	-	24,236
Forwards	425,673	-	216,770	-
Future contracts	1,916,663	2,379,928	1,844,525	2,077,694
Total	2,555,959	2,737,751	2,061,295	2,212,969

Group's and Company's results from the acts of hedging recorded in the profit and loss for the fiscal year 2013 & 2012 that presented for metal future contracts and fx future contracts in the "Sales" and the "Cost of sales" while for interest rate swaps in the "Financial income / (expenses)" are as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Future contracts (metal)	2,184,354	1,069,831	152,177	1,992,977
Interest rate swaps	(111,172)	(238,129)	(111,172)	(209,688)
Foreign exchange swaps	250,530	-	-	-
Forwards	645,402	1,417,245	620,528	(1,434,965)

Information about the Group's exposure to credit and market risks and fair value measurement, is included in note 34.

16. Trade and other receivables

<i>Current Assets</i> <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Customers	138,607,924	142,518,648	63,224,492	68,881,268
Receivables from related parties (note 32)	12,053,890	10,249,540	21,573,692	28,783,248
Notes - cheques receivables	14,984,542	19,684,559	607,389	1,012,871
Less: Allowance for customers	(21,063,201)	(20,719,525)	(2,269,983)	(2,191,459)
Net receivables from customers	144,583,155	151,733,222	83,135,590	96,485,928
Plus:				
Other down payments	540,047	631,719	401,095	468,387
Current tax claims	19,821,699	22,868,320	10,312,078	12,312,778
Sundry debtors	10,832,952	12,151,178	3,924,033	4,738,487
Less: Allowance for sundry debtors	(363,459)	(363,459)	(363,459)	(363,459)
Total trade and other receivables	175,414,394	187,020,980	97,409,337	113,642,121
Non-current Assets				
<i>Amounts in Euros</i>				
Long-term receivables against related parties	20,907	20,907	-	-
Other long-term receivables	1,747,771	1,896,335	1,390,796	1,430,292
Total other long-term receivables	1,768,678	1,917,242	1,390,796	1,430,292
Total receivables	177,183,072	188,938,222	98,800,133	115,072,413

Information about the Group's exposure to credit and market risks and impairment losses for trade and other receivables, is included in note 34.

VI. Notes to annual financial statements

17. Inventories

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Merchandise	11,914,744	14,031,844	1,594	1,663
Finished products	86,749,538	72,835,342	53,925,953	35,955,124
Semi-finished	59,154,835	61,345,239	53,647,287	56,789,130
By-products and scrap	9,756,661	13,453,825	9,674,298	13,253,938
Work in progress	11,871,028	14,336,521	-	-
Raw and indirect materials - consumables - spare parts and packaging materials	98,300,809	102,707,020	43,669,563	45,807,292
Down-payments for the purchase of inventory	10,973,499	7,243,243	10,841,823	7,037,689
Total	288,721,114	285,953,034	171,760,518	158,844,836
Impairments:				
Merchandise	(439,621)	(342,139)	-	-
Finished products	(83,010)	-	-	-
Semi-finished	(83,130)	-	-	-
Raw materials	(2,726,081)	-	(2,726,081)	-
Indirect materials - consumables - spare parts and packaging materials	(1,502,220)	(1,684,417)	(1,211,496)	(805,796)
	(4,834,062)	(2,026,556)	(3,937,577)	(805,796)
Total net realizable value	283,887,052	283,926,478	167,822,941	158,039,040

Due to the drop in the primary aluminium price at the end of the year 2013, a provision was raised for impairment of inventories which are not covered by hedging contracts (un-hedged inventory), this totalling €2.7 million which was recorded in "Cost of sales".

18. Cash and cash equivalents

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2012	31/12/2013
Cash on hand	25,665	165,894	2,502	13,081
Short-term bank deposits	40,938,153	39,733,884	16,277,278	8,122,840
Total	40,963,818	39,899,778	16,279,780	8,135,921

The short-term bank deposits, at their largest part, concern time deposits with maturity of less than 3 months.

19. Share capital and share premium

The share capital as of 31 December 2013 and 2012 amounted to €37,230,245 analysed to 124,100,815 shares of €0,30 per share nominal value.

The share premium of €158,760,404 is a complement of the share capital resulting from its increase by issuing shares in cash at a value higher than their nominal value.

20. Reserves

<i>Amounts in Euros</i>	GROUP				
	Legal reserve	Special reserve	Untaxed reserve	Other reserves	Total other reserves
Balance as of 1 January 2012	13,937,796	13,765,118	137,359,183	1,758,326	166,820,423
Distribution	1,012,791	3,551	11,890,000	-	12,906,342
Reclassification	-	587,870	(734,838)	-	(146,968)
Change of participation in subsidiaries	215,668	263,606	574,922	95,890	1,150,086
Balance as of 31 December 2012	15,166,255	14,620,145	149,089,267	1,854,216	180,729,883
Distribution	918,035	75,621	14,600,000	-	15,593,656
Share capital increase	-	-	(105,880)	-	(105,880)
Change of participation in subsidiaries	59,868	-	417,246	194,264	671,378
Reclassification	594,377	2,061,953	-	(336,900)	2,319,430
Balance as of 31 December 2013	16,738,535	16,757,719	164,000,633	1,711,580	199,208,467
<i>Amounts in Euros</i>	COMPANY				
	Legal reserves	Special reserves	Untaxed reserves	Other reserves	Total other reserves
Balance as of 1 January 2012	10,085,032	10,768,335	112,589,128	328,381	133,770,876
Reclassification	-	587,870	(734,838)	-	(146,968)
Distribution	828,500	-	11,890,000	-	12,718,500
Balance as of 31 December 2012	10,913,532	11,356,205	123,744,290	328,381	146,342,408
Distribution	646,200	-	14,600,000	-	15,246,200
Balance as of 31 December 2013	11,559,732	11,356,205	138,344,290	328,381	161,588,608

VI. Notes to annual financial statements

20. Reserves (continued)

Legal reserve

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

Special and untaxed reserves

The special reserves and the tax-free reserves include:

- (a) Blocked reserves to cover equity participation of subsidized investment programs.
- (b) Non-distributed tax-exempt earnings based on special provisions of development laws (on the condition that there are sufficient earnings for their creation).
- (c) Reserves from tax-exempt income and reserves specially taxed regarded income from interest for which tax deduction has occurred in the source.

21. Fair value reserves

GROUP

<i>Amounts in Euros</i>	Hedging reserve	Available-for- sale investments reserve	Total
Balance as of 1 January 2012	683,040	-	683,040
Foreign exchange differences	50,887	-	50,887
Valuation in equity	(57,874)	-	(57,874)
Change of participation in subsidiaries	(1,356)	-	(1,356)
Balance as of 31 December 2012	674,697	-	674,697
Foreign exchange differences	(36,397)	-	(36,397)
Valuation in equity	(1,397,473)	(113,339)	(1,510,812)
Balance as of 31 December 2013	(759,173)	(113,339)	(872,512)

COMPANY

<i>Amounts in Euros</i>	Hedging reserve	Available-for- sale investments reserve	Total
Balance as of 1 January 2012	(683,594)	-	(683,594)
Valuation in equity	84,760	-	84,760
Balance as of 31 December 2012	(598,834)	-	(598,834)
Valuation in equity	(497,516)	(13,958)	(511,474)
Balance as of 31 December 2013	(1,096,350)	(13,958)	(1,110,308)

Hedging reserve

The hedging reserve concerns the valuation of the derivatives used by the Group and the Company to hedge the risk from the change of their future cash flows. In Company level, the valuation of the derivatives as of 31 December 2013 revealed a loss of €1.5 mil. (2012: loss of €0.7 mil.), which, after the deduction of the corresponding deferred tax asset of €0.4 mil. (2012: deferred tax asset of €0.2 mil.), appears to decrease Company's Equity.

In Group level, the valuation of the derivatives brought a loss of €0.9 mil. (2012: gain €1.1 mil.) which after the deduction of the corresponding deferred tax asset of €0.2 mil. (2012: deferred tax liability of €0.4 mil.) appears to decrease Groups' Equity.

The net change in fair value of cash flow hedges as it is shown in statement of comprehensive income concerns the net change in the fair value reserves as at 31/12/2013 and 31/12/2012.

VI. Notes to annual financial statements

22. Loans and liabilities from leasing activities

Long-term and short-term loans are analysed as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Long-term loans				
Bank loans	21,410,886	26,013,429	4,000,000	5,000,000
Bond loans	154,514,989	48,049,644	96,033,989	27,599,644
Total long-term loans	175,925,875	74,063,073	100,033,989	32,599,644
Short-term loans				
Long-term loans paid in next 12 months period	61,034,660	66,651,018	9,696,210	37,385,704
Bank loans	11,812,046	108,916,309	10,612,654	51,030,647
Total short-term loans	72,846,706	175,567,327	20,308,864	88,416,351
Total loans	248,772,581	249,630,400	120,342,853	121,015,995
The maturity dates of the long-term loans are presented below:				
Between 1 to 2 years	19,012,745	49,668,067	11,630,239	25,795,684
Between 2 to 5 years	156,393,786	21,681,828	88,403,750	6,803,960
More than 5 years	519,344	2,713,178	-	-
	175,925,875	74,063,073	100,033,989	32,599,644

Fair values of loans are approximately equal with their carrying amounts due to their floating rate interest. The Group has sufficient credit limits to cover future needs.

In 30 December 2013 the Group announced, according to article 16 par. 3 of Law 3556/2007, the refinancing of part of the existing loans of ELVAL Group through the issuance of new syndicated collateralized long-term bond loans amounting to €158,956,000, with co-arrangers the four major Greek Banks, NATIONAL BANK OF GREECE S.A., ALPHA BANK S.A., EUROBANK ERGASIAS S.A. and PIREAUS BANK S.A., as follows:

- ELVAL S.A.: €100,475,000
- ETEM S.A.: €38,254,000
- SYMETAL S.A.: €11,227,000
- ELVAL COLOUR S.A.: €9,000,000.

The loans have 5 years maturity with an option of 2 years extension and have been issued according to L.3156/2003 and L.2190/1920, based on decisions of the respective General Shareholders Meetings. Encumbrances and mortgages on Group's and Company's property, plant and equipment will be used to secure the loans, amounting about at €190 mill.

In Group loans, there are covenants that are fully met, in order to ensure them.

The actual weighed average interest rates at the balance sheet date are the following:

31/12/2013	GROUP			COMPANY		
	€	US\$	£	€	US\$	£
Bank loans (short-term)	5.6%	7.6%	4.5%	7.9%	7.6%	6.9%
Bank loans (long-term)	3.3%	-	4.5%	2.8%	-	-
Bonds	4.2%	-	-	4.4%	-	-
31/12/2012	GROUP			COMPANY		
	€	US\$	£	€	US\$	£
Bank loans (short-term)	5.9%	6.8%	2.1%	7.6%	6.8%	6.7%
Bank loans (long-term)	3.2%	-	2.9%	3.0%	-	-
Bonds	4.4%	-	-	4.7%	-	-

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is included in Note 34.

VI. Notes to annual financial statements

23. Employee benefits

The Group has fulfilled its obligations for pension programs set from the law. Pursuant to the Greek labor law, employees are entitled to an indemnification in the event of their discharge or their retirement, the amount of which is variable depending on the wages, their years of service and the manner by which they withdraw from the company (discharge or retirement). Employees that resign or are discharged justifiably are not entitled to an indemnification. The payable indemnity in the event of retirement is equal to 40% of the indemnification which would be payable in the event of unjustifiable discharge. The Group charges its results for accumulated benefits in each period with a corresponding increase of the retirement liability. Benefits that are paid to pensioners during each period are charged against this liability. The Company's and Group's liability for personnel compensation as of 31 December 2013 and 2012 is analysed as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Statement of Financial Position liabilities for:				
Retirement benefits	9,383,570	10,039,465	6,851,715	6,936,844
Amendments to IAS 19 (<i>note 35</i>)	-	3,548,180	-	2,577,522
Present value of obligations	9,383,570	13,587,645	6,851,715	9,514,366
Liability in the Statement of Financial Position	9,383,570	13,587,645	6,851,715	9,514,366
Changes in net liability recognised:				
Net liability at the beginning of the period	13,587,645	11,675,595	9,514,366	8,214,911
Benefits paid	(466,449)	(801,376)	(132,008)	(582,451)
Total expense recognised in profit and loss (<i>note 28</i>)	592,979	315,081	545,615	347,456
Net liability at the end of the period	13,714,175	11,189,300	9,927,973	7,979,916
Amendments to IAS 19	-	2,398,345	-	1,534,450
Remeasurements of the employee benefit liability recognised in OCI	(4,330,605)	-	(3,076,258)	-
Present value of liability at the end of the period	9,383,570	13,587,645	6,851,715	9,514,366
Charges to the Income Statement				
Retirement benefits (<i>note 28</i>)	592,979	315,081	545,615	347,456
Analysis of expenditures recognised in the Income Statement				
Service cost	569,775	740,681	281,545	478,153
Interest cost	349,916	509,855	244,964	357,052
Cost of additional benefits	(931,133)	(1,245,166)	-	(286,167)
Cost of settlement from employee transfers	5,331	(14,238)	-	-
Expenses	75,175	36,353	19,106	29,605
Cost of past service during the period	523,915	287,596	-	(231,187)
Total expenditure recognised in the Income Statement (<i>note 28</i>)	592,979	315,081	545,615	347,456
The main actuarial acknowledgments that were used for accounting purposes are the following:				
Discount rate	3.2%	2.7%	3.2%	2.7%
Future salary increases	2.0%	4.0%	2.0%	4.0%

24. Government grants

The government grants for the fiscal years 2013 and 2012 are as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Balance at the beginning of the period	21,794,994	21,968,164	10,953,973	11,870,461
Government grants received	10,302,881	2,231,836	6,543,505	-
Amortization of government grants (<i>note 29</i>)	(2,850,106)	(2,405,006)	(1,928,803)	(916,488)
Balance at the end of the fiscal year	29,247,769	21,794,994	15,568,675	10,953,973

The above grants have been received against investments in property, plant and equipment.

VI. Notes to annual financial statements

25. Provisions

GROUP			
Long-term liabilities			
<i>Amounts in Euros</i>	Other provisions		
1 January 2012			1,077,457
Provision charges for the year		25,349	
31 December 2012			1,102,806
Foreign exchange differences		(23,281)	
31 December 2013			1,079,525
Short-term liabilities			
<i>Amounts in Euros</i>	Claims	Other provisions	Total
1 January 2012	148,310	119,717	268,027
Foreign exchange differences	-	2,817	2,817
Provision charges for the year	-	130,779	130,779
Reclassification	(140,000)	-	(140,000)
Used provisions for the year	(8,310)	-	(8,310)
31 December 2012	-	253,313	253,313
Foreign exchange differences	-	(2,587)	(2,587)
Provision charges for the year	-	321,862	321,862
Used provisions for the year	-	(130,779)	(130,779)
31 December 2013	-	441,809	441,809

The other long-term and short-term provisions mostly concern provisions recognized by Group's international subsidiary regarding its obligation to meet environmental terms in relation to properties bought in 2011 abroad.

26. Trade and other payables

Trade and other payables as of 31 December 2013 and 2012 are analyzed as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Suppliers	61,807,132	73,207,092	35,826,761	40,414,128
Cheques payable	141,790	196,450	-	-
Customer down-payments	2,695,028	4,256,612	1,391,948	1,686,801
Liabilities to insurance organisations	2,758,482	2,676,039	1,599,293	1,422,678
Amounts due to related parties (note 32)	7,782,481	8,477,232	13,248,658	15,083,627
Dividends payable	22,050	22,050	22,050	22,050
Sundry creditors	2,687,578	3,052,375	733,090	1,276,353
Accrued income	-	23,654	3,820,971	4,093,897
Accrued expenses	6,119,731	8,453,662	1,683,524	2,106,425
Other transitory credit accounts	1,965,681	430,809	1,823,571	402,580
Sundry taxes	2,162,531	1,751,669	852,081	642,653
Total trade and other payables	88,142,484	102,547,644	61,001,947	67,151,192

Information about the Group's exposure foreign currency and liquidity risk is included in Note 34.

27. Income tax expense

The income tax presented in the Income Statements is analysed as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Current tax	(9,806,986)	(4,505,947)	(4,073,431)	(1,230,011)
Deferred tax	(8,904,027)	2,980,302	(7,297,089)	1,095,355
Total Income Tax	(18,711,013)	(1,525,645)	(11,370,520)	(134,656)

According to the new tax law 4110/2013 of the Greek State, which was set into force on 23 January 2013, the corporate income tax rate of legal entities in Greece is set at 26% for fiscal year 2013 and onwards, from 20% that was valid in fiscal year 2012. Due to the above change in the tax rate, the deferred tax expense has burdened with the amount of €12.9 mil. (Company: € 9.7 mil.).

VI. Notes to annual financial statements

27. Income tax expense (continued)

Income tax recognised in other comprehensive income

GROUP	2013			2012		
	Before tax	Tax	Net of tax	Before tax	Tax	Net of tax
<i>Amounts in Euros</i>						
Amendments to IAS 19	-	-	-	(2,398,345)	479,673	(1,918,672)
Remeasurements of the employee benefit liability	4,330,605	(1,125,957)	3,204,648	-	-	-
Foreign exchange differences	(1,672,211)	-	(1,672,211)	1,319,314	-	1,319,314
Net change in available-for-sale investments	(153,161)	39,822	(113,339)	-	-	-
Net change in fair value of cash flow hedges	(2,313,632)	636,015	(1,677,617)	(297,177)	136,180	(160,997)
	191,601	(450,120)	(258,519)	(1,376,208)	615,853	(760,355)
COMPANY						
<i>Amounts in Euros</i>						
Amendments to IAS 19	-	-	-	(1,534,450)	306,890	(1,227,560)
Remeasurements of the employee benefit liability	3,076,258	(799,827)	2,276,431	-	-	-
Net change in available-for-sale investments	(18,862)	4,904	(13,958)	-	-	-
Net change in fair value of cash flow hedges	(733,012)	235,496	(497,516)	105,950	(21,190)	84,760
	2,324,384	(559,427)	1,764,957	(1,428,500)	285,700	(1,142,800)

Reconciliation of income tax using Company's effective tax rate

<i>Amounts in Euros</i>	GROUP		COMPANY			
	31/12/2013	31/12/2012*	31/12/2013	31/12/2012*		
Profit before tax	15,545,380	22,881,002	15,626,964	16,385,356		
Tax rate	26%	20%	26%	20%		
	(4,041,799)	(4,576,200)	(4,063,011)	(3,277,071)		
Exempt income	-0.3%	(48,155)	246,284	2.3%	363,029	95,753
Untaxed reserves	33.5%	5,200,000	2,773,032	33.3%	5,200,000	2,773,032
Adjustment in tax values of assets	-	-	797,152	-	-	495,631
Change in tax rate	-83.2%	(12,929,116)	-	-62.0%	(9,688,673)	-
Difference tax rate of foreign subsidiaries	0.2%	36,676	(524,629)	-	-	-
Permanent tax differences	-32.2%	(5,009,373)	(1,805,627)	-4.2%	(658,634)	(222,001)
Tax provision for reserves	-17.1%	(2,657,095)	-	-16.1%	(2,523,231)	-
Tax audit provision	-1.0%	(150,000)	(15,000)	-	-	-
Reversal of tax for dividends from abroad	5.7%	887,849	1,579,343	-	-	-
	-120.4%	(18,711,013)	(1,525,645)	-72.8%	(11,370,520)	(134,656)

*Adjusted amounts due to amended IAS 19 "Employee benefits"

In 2013, Annual Tax Certificates as provided for by paragraph 5 of Article 82 of L.2238/1994, were issued with unqualified opinion for the parent Company and its subsidiaries ETEM S.A., SYMETAL S.A., VIOMAL S.A., ELVAL COLOUR S.A and ANOXAL S.A for the tax audit of the fiscal year 2012. The fiscal years that the companies of the Group have not been audited by the tax authorities are set out in the following table:

<u>Entity name</u>	<u>Country</u>	<u>Holding percentage</u>	<u>Method of consolidation</u>	<u>Tax-unaudited years</u>
ELVAL S.A.	Greece	Parent	Parent	2008-2010 & 2013
ETEM S.A.	Greece	70.78%	Full Consolidation	2008-2010 & 2013
SYMETAL S.A.	Greece	99.99%	Full Consolidation	2009-2010 & 2013
VIOMAL S.A.	Greece	50.00%	Full Consolidation	2008-2010 & 2013
ELVAL COLOUR S.A.	Greece	100.00%	Full Consolidation	2007-2010 & 2013
VIEXAL S.A.	Greece	73.33%	Full Consolidation	2010-2011 & 2013
BRIDGNORTH ALUMINIUM Ltd	UK	75.00%	Full Consolidation	2003-2011 & 2013
BLYTHE Ltd	Cyprus	100.00%	Full Consolidation	2010 & 2013
STEELMET ROMANIA S.A.	Romania	54.16%	Full Consolidation	2009-2013
ATHENS ART CENTRE S.A.	Greece	100.00%	Full Consolidation	2005-2013
ANOXAL S.A.	Greece	100.00%	Full Consolidation	2010 & 2013
ALURAME Spa	Italy	82.50%	Full Consolidation	-

In Group level the provision for tax-unaudited years, amount to €425,850 and in Company level amount to €127,623.

VI. Notes to annual financial statements

27. Income tax expense (continued)

Movement in deferred tax balances

GROUP	Balance	Foreign	(Debit) / credit	(Debit) /	Balance	Foreign	(Debit) /	(Debit) /	Balance
Deferred tax – amounts in €	1/1/2012(*)	exchange	of profit and	credit of	31/12/2012(*)	exchange	credit of	credit of	31/12/2013
Revaluation of assets/ Differences in depreciation rates		differences	loss (*)	equity (*)		differences	profit and loss	equity	
Revaluation of assets/ Differences in depreciation rates	(47,243,141)	(5,705)	720,072	-	(46,528,774)	(11,025)	(11,084,875)	-	(57,624,674)
Non – recognised intangible assets	(211,341)	-	(17,235)	-	(228,576)	-	468,465	-	239,889
Difference in provisions	2,848,125	-	571,937	479,669	3,899,731	612	1,076,976	(1,125,957)	3,851,362
Hedging	(523,181)	(17,880)	-	136,180	(404,882)	11,810	-	636,015	242,944
Available-for-sale	-	-	-	-	-	-	-	39,822	39,822
Tax losses	816,374	-	(702,447)	-	113,927	(5)	(349)	-	113,573
Tax-rate differences in subsidiaries	(2,471,515)	-	1,579,342	-	(892,173)	-	892,173	-	-
Other	27,620	(12,793)	828,633	-	843,460	(651)	(256,417)	-	586,392
	(46,757,059)	(36,378)	2,980,302	615,848	(43,197,287)	741	(8,904,027)	(450,119)	(52,550,692)

COMPANY	Balance	(Debit) / credit	(Debit) /	Balance	(Debit) / credit	(Debit) / credit	Balance
Deferred tax – amounts in €	1/1/2012(*)	of profit and	credit of	31/12/2012(*)	of profit and loss	of equity	31/12/2013
Revaluation of assets/ Differences in depreciation rates		loss (*)	equity (*)				
Revaluation of assets/ Differences in depreciation rates	(32,585,916)	1,165,036	-	(31,420,880)	(7,532,083)	-	(38,952,963)
Non – recognised intangible assets	(299,286)	45	-	(299,241)	424,668	-	125,427
Difference in provisions	660,271	(136,286)	306,890	830,876	(889,946)	(799,827)	(858,897)
Hedging	170,897	-	(21,190)	149,707	-	235,496	385,203
Available-for-sale	-	-	-	-	-	4,904	4,904
Other	(149,922)	66,560	-	(83,362)	700,272	-	616,910
	(32,203,956)	1,095,355	285,700	(30,822,900)	(7,297,089)	(559,427)	(38,679,419)

(*)Adjusted amounts due to amended IAS 19 “Employee benefits”.

28. Expenses

Amounts in Euros	GROUP		COMPANY	
	31/12/2013	31/12/2012*	31/12/2013	31/12/2012*
Employee benefits	78,933,950	79,548,759	33,257,695	32,977,192
Cost of inventories recognised as an expense	661,895,174	699,566,609	457,257,252	489,732,119
Depreciation-Amortization	48,579,576	50,069,729	28,294,034	28,263,786
Insurance costs	4,199,114	4,199,513	2,273,893	2,206,066
Rents	3,979,944	4,180,702	1,415,615	1,570,474
Transportation	28,271,755	31,961,704	18,881,876	18,697,913
Promotional and advertisement expenses	1,320,514	1,438,116	321,581	338,311
Services of third parties	67,113,064	72,136,832	49,073,437	50,775,630
Provisions	2,439,073	2,185,060	111,782	201,962
Other expenses	82,504,321	91,268,806	48,569,466	57,430,176
Total cost of sales, selling, distribution and administrative expenses	979,236,485	1,036,555,830	639,456,631	682,193,629

*Adjusted amounts due to amended IAS 19 “Employee benefits”

Other expenses concern energy costs and results from the acts of hedging. On Group level, “Services of third parties” for year ended 2013, include audit services from Group auditors amount to €238,903, audit services from other auditors amount to €453,454, other services from auditors amount to €35,586 and other non-audit services of €11,940.

Employee benefits for fiscal years 2013 and 2012 are analysed as follows:

Amounts in Euros	GROUP		COMPANY	
	31/12/2013	31/12/2012*	31/12/2013	31/12/2012*
Personnel fees and expenses	62,953,256	63,487,355	24,291,702	24,572,708
Social security expenses	11,867,890	12,010,928	6,746,230	6,184,050
Defined contribution plan	354,654	353,629	-	-
Retirement benefits (Defined benefit plan)	592,979	315,081	545,615	347,456
Other personnel fringe benefits	3,165,171	3,381,766	1,674,148	1,872,978
Total	78,933,950	79,548,759	33,257,695	32,977,192

* Adjusted amounts due to amended IAS 19 “Employee benefits”.

In Group level for year 2013, other personnel fringe benefits related to distribution of earnings to personnel and consequential benefits of personnel (food, training, etc.). For the Company, other personnel fringe benefits concern consequential benefits of personnel.

Number of employees at the end of the year 2013: Company: 727 (year 2012: 717), Group: 2,159 (year 2012: 2,090).

VI. Notes to annual financial statements

29. Other operating income / (expenses)

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Other operating income				
Subsidies	29,267	142,244	15,170	105,747
Income from incidental activities	532,964	590,097	-	-
Amortization of government grants received (<i>note 24</i>)	2,850,106	2,405,006	1,928,803	916,488
Income from services	392,499	358,043	124,800	124,800
Buildings and machinery rents	371,814	792,902	965,771	1,024,136
Insurance indemnification	17,239	136,131	14,116	128,589
Profit / (loss) from the sale of property, plant and equipment	30,878	(120,887)	9,864	109,672
Foreign exchange differences	745,161	1,041,997	-	-
Other income	3,852,481	2,913,289	2,388,447	2,151,843
Total other operating income	8,822,409	8,258,822	5,446,971	4,561,275
Other operating expenses				
Development expenses	(270,526)	(324,335)	-	-
Impairment loss on property, plant and equipment (<i>note 9</i>)	(7,500,000)	(479,623)	-	-
Foreign exchange differences	(1,033,470)	(1,017,985)	-	-
Other expenses	(848,766)	(870,572)	(102,930)	(145,184)
Total other operating expenses	(9,652,763)	(2,692,515)	(102,930)	(145,184)

30. Finance income / (expenses) and dividend income

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Finance income				
Interest income	146,697	681,175	66,354	67,411
Interest income from clients	5,766,946	6,648,925	5,766,946	6,648,925
Foreign exchange differences	263,079	333,563	-	-
Gain from the sale of warrants	3,442,139	-	3,442,139	-
Loss from the sale of securities	(4,984,551)	-	(4,984,551)	-
Impairments in available-for-sale investments	(152,720)	-	-	-
Other	237,942	280,054	143,885	160,535
Total finance income	4,719,532	7,943,717	4,434,773	6,876,871
Finance expenses				
Interest expense and related expenses	(16,739,133)	(17,844,493)	(9,690,142)	(10,260,327)
Foreign exchange differences	(429,984)	(634,781)	-	-
Other	(28,183)	(54,984)	-	-
Total finance expense	(17,197,300)	(18,534,258)	(9,690,142)	(10,260,327)
Finance income / (expenses) - net	(12,477,768)	(10,590,541)	(5,255,369)	(3,383,456)

In June 2013, the Company participated in the share capital increase of "NATIONAL BANK OF GREECE" and acquired 2,913,752 shares and 2,913,752 warrants, for €12.5 mil. On August 2013, the Company sold 2,913,752 shares for a total amount of €7.52 mil. and a loss resulted from the sale of € 4.98 mil. During 4th quarter 2013, the Company sold 2,913,752 warrants for a total amount of €3.4 mil. that recorded as a gain in "Finance income".

Dividend income for 2013 and 2012 is as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Dividend income	-	31,942	1,381,095	373,018

31. Commitments

1, Contractual commitments <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2013	31/12/2013	31/12/2012
Property, plant and equipment	7,809,462	1,381,095	3,208,729	-

The Group leases cars and buildings by operating leases. The future payable total leases in accordance to the operating leases are as follows:

2, Liabilities from operating leases <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Up to 1 year	1,202,629	1,241,512	448,062	484,623
From 1-5 years	2,282,847	2,836,681	898,375	1,250,513
More than 5 years	-	231,465	-	3,465
	3,485,476	4,309,658	1,346,437	1,738,601

Expenses from operating leases are included in rents (*note 28*).

VI. Notes to annual financial statements

32. Transactions with related parties

Group's and Company's main transactions with related parties for the year 2013 and year 2012 and the corresponding receivables and liabilities as of 31 December 2013 and 31 December 2012 analysed as follows:

Transactions <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Sales of goods				
Subsidiaries	-	-	140,637,902	135,365,190
Associates	33,388,885	30,029,479	13,865,294	12,293,437
Other related parties	7,798,622	8,022,298	2,891,261	3,326,627
	41,187,507	38,051,777	157,394,457	150,985,254
Sales of services				
Subsidiaries	-	-	1,356,220	1,250,752
Associates	184,993	189,067	184,253	187,561
Other related parties	747,736	945,637	453,364	514,366
	932,729	1,134,704	1,993,837	1,952,679
Sales of property, plant and equipment				
Associates	270	33,990	-	-
Other related parties	9,090	25,000	-	-
	9,360	58,990	-	-
Purchases of goods				
Subsidiaries	-	-	18,401,606	18,957,884
Associates	2,641,125	4,805,538	2,600,600	4,610,672
Other related parties	15,655,362	20,620,824	1,387,735	1,367,082
	18,296,487	25,426,362	22,389,941	24,935,638
Purchases of services				
Subsidiaries	-	-	31,143,576	32,676,067
Associates	8,469,782	7,435,872	6,268,234	5,518,589
Other related parties	3,512,745	4,141,613	2,054,255	2,591,879
	11,982,527	11,577,485	39,466,065	40,786,535
Purchases of property, plant and equipment				
Other related parties	13,410,024	5,794,027	12,989,712	4,555,703
	13,410,024	5,794,027	12,989,712	4,555,703
Benefits to Management				
Fees – benefits to the members of the B,o,D, and executives	4,210,633	3,454,565	1,998,987	1,697,896
Year-end balances				
<i>Amounts in Euros</i>				
Receivables from related parties:				
Subsidiaries	-	-	16,455,629	23,460,537
Associates	6,961,933	7,315,314	2,645,270	3,560,159
Other related parties	5,091,957	2,934,226	2,472,793	1,762,552
Total receivables from related parties	12,053,890	10,249,540	21,573,692	28,783,248
Liabilities to related parties:				
Subsidiaries	-	-	8,033,594	10,358,884
Associates	3,051,823	3,197,765	1,894,232	2,114,730
Other related parties	4,730,658	5,279,467	3,320,832	2,610,013
Total liabilities to related parties	7,782,481	8,477,232	13,248,658	15,083,627

33. Earnings per share

Basic and diluted earnings per share for the fiscal years 2013 and 2012 are as follows:

Basic and Diluted earnings per share <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012*	31/12/2013	31/12/2012*
Earnings that correspond to Company's shareholders	365,069	21,887,670	4,256,444	16,250,700
Weighted average number of shares	124,100,815	124,100,815	124,100,815	124,100,815
Earnings per share (Euros per share)	0.003	0.176	0.034	0.131

* Adjusted amounts due to amended IAS 19 "Employee benefits".

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management

(a) Accounting classifications and fair values

GROUP	Note	Carrying amount				Total	Fair value			
		Hedging instruments	Cash and receivables	Available-for-sale	Other financial liabilities		Level A	Level B	Level C	Total
31/12/2013 – Amounts in Euros										
Financial assets measured at fair value										
-Foreign exchange swaps	15	882,321	-	-	-	882,321	-	882,321	-	882,321
-Forwards	15	167,556	-	-	-	167,556	-	167,556	-	167,556
-Future contracts	15	871,107	-	-	-	871,107	871,107	-	-	871,107
-Securities	14	-	-	1,071,542	-	1,071,542	144,536	-	927,006	1,071,542
Total		1,920,984	-	1,071,542	-	2,992,526	1,015,643	1,049,877	927,006	2,992,526
Financial assets not measured at fair value										
-Trade and other receivables	16	-	144,583,155	-	-	144,583,155	-	-	-	-
-Cash and cash equivalents	18	-	40,963,818	-	-	40,963,818	-	-	-	-
Total		-	185,546,973	-	-	185,546,973	-	-	-	-
Financial liabilities measured at fair value										
-interest rate swaps	15	368,316	-	-	-	368,316	-	368,316	-	368,316
-foreign exchange swaps	15	130,590	-	-	-	130,590	-	130,590	-	130,590
-Forwards	15	425,673	-	-	-	425,673	-	425,673	-	425,673
-Future contracts	15	1,916,663	-	-	-	1,916,663	1,916,663	-	-	1,916,663
Total		2,841,242	-	-	-	2,841,242	1,916,663	924,579	-	2,841,242
Financial liabilities not measured at fair values										
-Loans	22	-	-	-	248,772,581	248,772,581	-	-	-	-
-Trade and other payables	26	-	-	-	88,142,484	88,142,484	-	-	-	-
Total		-	-	-	336,915,065	336,915,065	-	-	-	-

GROUP	Note	Carrying amount				Total	Fair value			
		Hedging instruments	Cash and receivables	Available-for-sale	Other financial liabilities		Level A	Level B	Level C	Total
31/12/2012 – Amounts in Euros										
Financial assets measured at fair value										
-foreign exchange swaps	15	2,129,615	-	-	-	2,129,615	-	2,129,615	-	2,129,615
-Fx future contracts	15	463,554	-	-	-	463,554	463,554	-	-	463,554
-Future contracts	15	2,202,299	-	-	-	2,202,299	2,202,299	-	-	2,202,299
-Shares	14	-	-	1,479,709	-	1,479,709	-	-	1,479,709	1,479,709
Total		4,795,468	-	1,479,709	-	6,275,177	2,665,853	2,129,615	1,479,709	6,275,177
Financial assets not measured at fair value										
-Trade and other receivables	16	-	151,733,222	-	-	151,733,222	-	-	-	-
-Cash and cash equivalents	18	-	39,899,778	-	-	39,899,778	-	-	-	-
Total		-	191,633,000	-	-	191,633,000	-	-	-	-
Financial liabilities measured at fair value										
-interest rate swaps	15	665,569	-	-	-	665,569	-	665,569	-	665,569
-foreign exchange swaps	15	33,827	-	-	-	33,827	-	33,827	-	33,827
-Fx future contracts	15	155,446	-	-	-	155,446	155,446	-	-	155,446
-Future contracts	15	2,443,722	-	-	-	2,443,722	2,443,722	-	-	2,443,722
Total		3,298,564	-	-	-	3,298,564	2,599,168	699,396	-	3,298,564
Financial liabilities not measured at fair values										
-Loans	22	-	-	-	249,630,400	249,630,400	-	-	-	-
-Trade and other payables	26	-	-	-	102,547,644	102,547,644	-	-	-	-
Total		-	-	-	352,178,044	352,178,044	-	-	-	-

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(a) Accounting classifications and fair values (continued)

COMPANY		Carrying amount					Fair value				
		Note	Hedging instruments	Cash and receivables	Available-for-sale	Other financial liabilities	Total	Level A	Level B	Level C	Total
31/12/2013 –											
<i>Amounts in Euros</i>											
Financial assets measured at fair value											
	-Forwards	15	114,674	-	-	-	114,674	-	114,674	-	114,674
	-Future contracts	15	465,066	-	-	-	465,066	465,066	-	-	465,066
	-Shares	14	-	-	868,460	-	868,460	144,536	-	723,924	868,460
	Total		579,740	-	868,460	-	1,448,200	609,602	114,674	723,924	1,448,200
Financial assets not measured at fair value											
	-Trade and other receivables	16	-	83,135,590	-	-	83,135,590	-	-	-	-
	-Cash and cash equivalents	18	-	16,279,780	-	-	16,279,780	-	-	-	-
	Total		-	99,415,370	-	-	99,415,370	-	-	-	-
Financial liabilities measured at fair value											
	-Forwards	15	216,770	-	-	-	216,770	-	216,770	-	216,770
	-Future contracts	15	1,844,525	-	-	-	1,844,525	1,844,525	-	-	1,844,525
	Total		2,061,295	-	-	-	2,061,295	1,844,525	216,770	-	2,061,295
Financial liabilities not measured at fair values											
	-Loans	22	-	-	-	120,342,853	120,342,853	-	-	-	-
	-Trade and other payables	26	-	-	-	61,001,947	61,001,947	-	-	-	-
	Total		-	-	-	181,344,800	181,344,800	-	-	-	-

COMPANY		Carrying amount					Fair value				
		Note	Hedging instruments	Cash and receivables	Available-for-sale	Other financial liabilities	Total	Level A	Level B	Level C	Total
31/12/2012 –											
<i>Amounts in Euros</i>											
Financial assets measured at fair value											
	-Fx future contracts	15	375,689	-	-	-	375,689	375,689	-	-	375,689
	-Future contracts	15	1,171,460	-	-	-	1,171,460	1,171,460	-	-	1,171,460
	-Shares	14	-	-	887,322	-	887,322	-	-	887,322	887,322
	Total		1,547,149	-	887,322	-	2,434,471	1,547,149	-	887,322	2,434,471
Financial assets not measured at fair value											
	-Trade and other receivables	16	-	96,485,928	-	-	96,485,928	-	-	-	-
	-Cash and cash equivalents	18	-	8,135,921	-	-	8,135,921	-	-	-	-
	Total		-	104,621,849	-	-	104,621,849	-	-	-	-
Financial liabilities measured at fair value											
	-Interest rate swaps	15	111,039	-	-	-	111,039	-	111,039	-	111,039
	-Fx future contracts	15	43,166	-	-	-	43,166	43,166	-	-	43,166
	-Future contracts	15	2,141,488	-	-	-	2,141,488	2,141,488	-	-	2,141,488
	Total		2,295,693	-	-	-	2,295,693	2,184,654	111,039	-	2,295,693
Financial liabilities not measured at fair values											
	-Loans	22	-	-	-	121,015,995	121,015,995	-	-	-	-
	-Trade and other payables	26	-	-	-	67,151,192	67,151,192	-	-	-	-
	Total		-	-	-	188,167,187	188,167,187	-	-	-	-

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(b) Measurement of fair values

Type	Valuation technique
Future contracts and fx future contracts	<i>Market comparison technique:</i> 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
Equity securities traded in active markets	<i>Market value:</i> price as traded in active market.
Equity securities not traded in active markets	<i>Discounted cash flows:</i> The fair value of shares not traded in an active market is defined based on the provisions of the Group 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.
Other financial liabilities	<i>Discounted cash flows:</i> The fair value of financial liabilities are estimated based on the present value of the future cash flows that arise from specific contracts using the effective interest rate that is available for the Group for the use of similar financial instruments

Level C fair values

The following table shows a reconciliation from the opening to the closing balances for Level C fair values:

Available-for-sale investments – Amounts in Euro	GROUP	COMPANY
Balance at 1/1/2012	1,477,709	887,322
Additions	2,000	-
Balance at 1/1/2013	1,479,709	887,322
Net change in fair value in OCI	(219,851)	(85,552)
Impairment in profit or loss	(152,720)	-
Transfers to Level A	(77,846)	(77,846)
Transfers to equity-accounted investees	(149,596)	-
Transfers from equity-accounted investees	47,310	-
Balance at 31/12/2013	927,006	723,924

Transfers to equity-accounted investees concern the participation of subsidiary ETEM S.A. in associates ELKEME S.A., TEPROMETAL AG, STEELMET S.A. while transfers from equity-accounted investees concern the participation of subsidiary ETEM S.A. in ENERGY SOLUTIONS S.A. and COPPERPROM S.A..

Transfer to Level A concern equity securities traded in active market.

(c) Financial risk management

This note provides information regarding the exposure of the Group to each of the above risks, the goals of the Group, its risk assessment and management policies and procedures, as well as the Group's capital management.

The Group's risk management policies are implemented in order to identify and analyse risks faced by the Group as well as set risk-taking limits and implement controls thereon. Risk management policies and related systems are periodically monitored, in order to ensure that they incorporate the changes in market conditions and in the Group's activities.

The Internal Audit department is responsible for monitoring compliance with risk management policies and procedures. The department carries out regular as well as special audits in order to ascertain compliance with proper procedures and its findings are communicated to the Board of Directors.

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Credit risk

Credit risk is the risk of loss for the Group in the case a customer or third party in a financial instrument transaction, does not fulfil his contractual obligations and is mainly related to the receivables from customers and to investments in securities.

The Financial assets subject to credit risk are as follows

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Available-for-sale financial assets	1,071,542	1,479,709	868,460	887,322
Customers (less impairment losses)	144,583,155	151,733,222	83,135,590	96,485,928
Cash in hand and cash equivalents	40,963,818	39,899,778	16,279,780	8,135,921
Derivatives	1,920,984	4,795,468	579,740	1,547,149
	188,539,499	197,908,177	100,863,570	107,056,320

i. Customers and other receivables

The Group's exposure to credit risk is mainly affected by the characteristics of each customer. The demographic characteristics of the Group's client base, including the risk of default payments that characterizes the specific market and the country where customers operate in, affect credit risk less as there is no geographic concentration of credit risk.

The Board of Directors has established a credit policy, according to which each new customer is examined on an individual basis for his credit ability before the ordinary payment terms are proposed to such. The examination of credit ability performed by the Group includes the examination of bank resources and other third party resources for credit rating, if available. Credit lines are defined for each customer, and are re-examined according to the current conditions, while if necessary the sales and payment terms are readjusted. The credit lines of customers are mainly defined according to the insurance limit received for them from insurance companies and following the receivables are insured according to such limits.

During the monitoring of customer credit risk, customers are grouped according to their credit characteristics, the maturity characteristics of their receivables and any possibly prior payment problems displayed. Customers and other receivables mainly include wholesale customers of the Group. Customers characterized as "high risk" are placed in a special customer statement and future sales must be pre-collected and approved by the Board of Directors. According to the customer's history and capacity, in order to secure its receivables, the Group requests real guarantees or collateral (i.e. letters of guarantee), when possible.

The Group registers an impairment provision, which represents its estimation for losses regarding its customers, other receivables and investments in securities. This provision is mainly comprised of impairment losses of specific receivables that it is estimated (based on the given conditions) that they will be realized but have not yet been finalized.

The ageing analysis of customers is presented below:

Customers <i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Neither past due nor impaired	121,071,237	130,218,829	80,791,616	90,857,805
Due				
Up to 6 months	15,754,753	16,650,516	2,343,974	5,628,123
> 6 months	7,757,165	4,863,877	-	-
Total	144,583,155	151,733,222	83,135,590	96,485,928

The above "Neither past due nor impaired" amounts also include receivables from related parties.

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Credit risk (continued)

The Group and the Company have made an adequate provision in order to cover a bad debt risk. The movement in the allowance for impairment in respect of receivables from customers is as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Opening balance	20,719,525	22,821,210	2,191,459	2,075,756
Charge of the year	421,626	735,764	111,782	141,493
Deletions	(62,537)	(2,822,775)	(33,258)	(25,790)
Foreign exchange differences	(15,413)	(14,674)	-	-
Closing balance	21,063,201	20,719,525	2,269,983	2,191,459

i. Investments

Investments are classified by the Group according to the purpose for which they were acquired. The Management decides on the proper classification of the investment when such is initiated and re-examines the classification at each balance sheet date.

ii. Guarantees

The Group has a policy not to provide financial guarantees, except for by exception, guarantees to subsidiaries or affiliated companies following a decision by the Board of Directors.

Liquidity risk

Liquidity risk is the risk that the Group would be unable to fulfill its financial obligations when they fall due. The approach adopted by the Group for the liquidity management is to secure, through holding the minimum necessary cash and sufficient credit limits from cooperating banks, that will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as difficult conditions, without sustaining non-acceptable losses or risking the Group's reputation.

In order to avoid liquidity risks, the Group realizes a cash flow provision for a period of one year during the preparation of the annual budget, and a monthly rolling three-month provision in order to secure that it has adequate cash equivalents to cover its operating needs, including covering its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be forecasted.

The analysis of financial liabilities and derivatives (buys are presented with plus and sells are presented with minus) is based on their maturity, as follows:

GROUP (*Amounts in Euros*)

Financial liabilities	31/12/2013	<1 year	1- 2 years	2-5 years	>5
Bank debt	85,559,623	64,148,737	6,137,107	14,754,435	519,344
Bond loans	163,211,199	8,696,210	12,875,639	141,639,350	-
Open bank accounts	1,758	1,758	-	-	-
Trade and other payables	88,142,484	88,142,484	-	-	-
	336,915,064	160,989,189	19,012,746	156,393,785	519,344

Derivatives (*Analysis per category*)

	31/12/2013	<1 year	1- 2 years	2-5 years
Nominal value of foreign exchange swaps	(81,356,264)	(18,773,787)	(28,062,065)	(34,520,412)
Nominal value of interest rate swaps (in £)	9,662,649	1,332,614	1,332,614	6,997,421
Nominal value of foreign exchange forward contracts (in \$)	(22,305,749)	(22,305,749)	-	-
Nominal value of foreign exchange forward contracts (in £)	(6,350,569)	(6,350,569)	-	-
Nominal value of aluminum derivatives	6,443,679	6,443,679	-	-
	(93,906,254)	(39,653,812)	(26,729,451)	(27,522,991)

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Liquidity risk (continued)

GROUP (Amounts in Euros)

Financial liabilities	31/12/2012	<1 year	1- 2 years	2-5 years	>5
Bank debt	140,221,209	114,207,780	4,422,383	18,877,868	2,713,178
Bond loans	108,364,842	60,315,198	45,245,684	2,803,960	-
Open bank accounts	1,044,350	1,044,350	-	-	-
Trade and other payables	102,547,648	102,547,648	-	-	-
	352,178,049	278,114,976	49,668,067	21,681,828	2,713,178

Derivatives (Analysis per category)

	31/12/2012	<1 year	1- 2 years	2-5 years
Nominal value of interest rate swaps (in €)	22,500,000	22,500,000	-	-
Nominal value of interest rate swaps (in £)	10,551,709	680,676	1,361,353	8,509,680
Nominal value of foreign exchange forward contracts (in \$)	(76,574,976)	(47,907,724)	(28,667,252)	-
Nominal value of foreign exchange forward contracts (in \$)	21,200,976	16,312,976	4,888,000	-
Nominal value of foreign exchange forward contracts (in £)	10,242,989	10,242,989	-	-
Nominal value of aluminum Derivatives	4,390,756	6,307,775	(1,917,019)	-
	(7,688,546)	8,136,692	(24,334,918)	8,509,680

COMPANY (Amounts in Euros)

Financial liabilities	31/12/2013	<1 year	1- 2 years	2-5 years
Bank debt	15,612,654	11,612,654	1,000,000	3,000,000
Bond loans	104,730,199	8,696,210	10,630,239	85,403,750
Trade and other payables	61,001,947	61,001,947	-	-
	181,344,800	81,310,811	11,630,239	88,403,750

Derivatives (Analysis per category)

	31/12/2013	<1 year
Nominal value of foreign exchange forward contracts (in \$)	(26,423,105)	(26,423,105)
Nominal value of foreign exchange forward contracts (in £)	(589,357)	(589,357)
Nominal value of aluminum Derivatives	14,098,336	14,098,336
	(12,914,126)	(12,914,126)

COMPANY (Amounts in Euros)

Financial liabilities	31/12/2012	<1 year	1- 2 years	2-5 years
Bank debt	57,894,647	52,894,647	1,000,000	4,000,000
Bond loans	63,121,348	35,521,704	24,795,684	2,803,960
Trade and other payables	67,151,192	67,151,192	-	-
	188,167,187	155,567,543	25,795,684	6,803,960

Derivatives (Analysis per category)

	31/12/2012	<1 year	1- 2 years
Nominal value of interest rate swaps (in €)	22,500,000	22,500,000	-
Nominal value of foreign exchange forward contracts (in \$)	25,834,872	20,946,872	4,888,000
Nominal value of foreign exchange forward contracts (in £)	245,907	245,907	-
Nominal value of aluminum Derivatives	2,174,971	4,091,990	(1,917,019)
	50,755,750	47,784,769	2,970,981

Market risk

Market risk corresponds to risk from changes in the prices of raw materials, foreign exchange rates and interest rates that affect the Group's results or the value of its financial instruments. The aim of market condition risk management is to control the Group's exposure to such risks in the context of acceptable parameters, by optimizing performance at the same time.

The Group realizes transaction on financial derivatives in order to hedge part of the risk from market conditions.

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Market risk (continued)

i. Risk from Fluctuation of Prices of Metal Raw Materials (aluminium)

The Group bases both its purchases and its sales on market prices/indices for the price of aluminium it uses and that are included in its products. The risk from the fluctuation of metal prices is covered with hedging (futures contracts on the London Metal Exchange – LME). However the Group does not cover its entire basic operational stock with hedging and as a result a possible decrease in metal prices may negatively affect its results through the devaluation of stocks

ii. Foreign exchange risk

The Group is exposed to foreign exchange risk in its sales and purchases and in loans that have been issued in currencies other than the operating currency of the Group's companies, which is principally the Euro. Currencies in which such transactions take place is mainly the Euro, USD and GBP.

Throughout time, the Group hedges the largest part of its estimated exposure to foreign currency in relation to estimated sales and purchases, as well as its receivables and liabilities in foreign currency. The Group mainly takes position into foreign exchange futures contracts with external third parties to face risk from changes in exchange rates. Such contracts mainly expire in less than one year from the balance sheet date. When deemed necessary, the contracts are renewed at their maturity. In some cases foreign exchange risk may be covered also with loans in the respective currencies.

The loan interest is in the same currency as that used in the cash flows, which arise from the Group's operating activities, mainly the Euro.

The Group's investments in other subsidiaries are not hedged, as such foreign exchange positions are considered long-term.

The risk from changes in foreign exchange fluctuations is as follows:

GROUP (amounts in Euros)	31/12/2013			
Foreign exchange risk	€	\$	£	Other
Trade and other receivables	125,627,257	28,398,548	8,582,839	12,805,750
Loans	(237,901,333)	(189,049)	(9,663,554)	(1,018,645)
Trade and other payables	(70,283,765)	(5,901,569)	(5,655,499)	(6,301,651)
Cash and cash equivalents	27,467,921	3,440,999	8,945,185	1,109,713
	(155,089,920)	25,748,929	2,208,971	6,595,167
Derivatives for hedging (nominal value)		(8,666,766)	(5,761,212)	-
Total Risk	-	17,082,163	(3,552,241)	6,595,167

GROUP (amounts in Euros)	31/12/2012			
Foreign exchange risk	€	\$	£	Other
Trade and other receivables	121,498,790	47,594,292	6,814,713	11,113,181
Loans	(220,890,481)	(16,251,716)	(11,232,393)	(1,255,810)
Trade and other payables	(70,733,745)	(24,380,376)	(343,609)	(7,089,918)
Cash and cash equivalents	15,937,217	2,344,409	17,288,405	4,329,747
	(154,188,219)	9,306,609	12,527,116	7,097,200
Derivatives for hedging (nominal value)	-	4,633,896	(3,577,795)	-
Total Risk	-	13,940,505	8,949,321	7,097,200

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Market risk (continued)

COMPANY (amounts in Euros)	31/12/2013			
Foreign exchange risk	€	\$	£	Other
Trade and other receivables	80,081,299	16,027,538	1,267,767	32,733
Loans	(120,152,898)	(189,049)	(906)	-
Trade and other payables	(60,201,219)	(408,311)	(312,475)	(79,942)
Cash and cash equivalents	14,842,366	1,177,597	259,817	-
	(85,430,452)	16,607,775	1,214,203	(47,209)
Derivatives for hedging (nominal value)	-	(12,784,122)	-	-
Total Risk	-	3,823,653	1,214,203	(47,209)

COMPANY (amounts in Euros)	31/12/2012			
	€	\$	£	Other
Trade and other receivables				
Loans	75,479,066	37,256,477	874,701	31,877
Trade and other payables	(104,764,273)	(16,251,715)	(7)	
Cash and cash equivalents	(54,176,837)	(12,842,572)	(86,663)	(45,120)
Trade and other receivables	5,040,012	384,569	11,340	2,700,000
	(78,422,032)	8,546,759	799,371	2,686,757
Total Risk	-	8,546,759	799,371	2,686,757

Sensitivity Analysis:

If the foreign currency increased by 10% against the euro, the effect would be:

GROUP	Profit and loss		Equity	
	2013	2012	2013	2012
\$	(2,340,812)	(846,055)	787,888	(421,263)
£	(200,816)	(1,138,829)	523,747	325,254
Leva	(158,953)	(37,278)	-	-
Ron	(311,074)	(244,492)	-	-
COMPANY	2013	2012	2013	2012
\$	(1,509,798)	(776,978)	1,162,193	-
£	(110,382)	(72,670)	-	-

Interest rate risk

The Group finances its investments as well as its needs in working capital through bank debt and corporate bond loans, and as a consequence its results are charged with interest expense, Increasing trends in interest rates will have a negative effect on results as the Group will be charged with additional borrowing costs.

Interest rate risk is contained as part of the group's loans are with fixed interest rates, either directly or through the use of financial instruments (interest rate swaps).

The risk from interest rate fluctuations is as follows:

Amounts in Euros	GROUP		COMPANY	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Fixed interest rates				
Financial liability items	23,234,077	22,500,000	5,000,000	22,500,000
	23,234,077	22,500,000	5,000,000	22,500,000
Floating interest rates				
Financial liability items	225,538,504	227,130,402	115,342,853	98,515,997
	225,538,504	227,130,402	115,342,853	98,515,997

If interest rates increased / decreased by 0.25% the effect on profit and loss and equity would be as follows:

GROUP	Profit and loss		Equity	
	2013	2012	2013	2012
Floating interest rate	+/-795,297	+/-654,412	-	-
Interest rate swaps	-	-	+/-44,777	+/-23,052
COMPANY				
Floating interest rate	+/-485,615	+/-412,888	-	-
Interest rate swaps	-	-	-	+/-135

VI. Notes to annual financial statements

34. Financial instruments – Fair values and risk management (continued)

(c) Financial risk management (continued)

Capital management

The policy of the Board of Directors corresponds to maintaining a powerful capital base, in order to maintain trust in the Group from investors, creditors and the market and to allow the future development of the Group's activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided with the total equity, excluding non-controlling interest. The Board of Directors also monitors the level of dividends to shareholders of common shares.

The Board of Directors tries to maintain a balance between the highest returns that would be plausible with higher debt levels and the advantages and security that would be provided by a powerful and healthy capital position.

The Group does not have a specific plan for purchase of own shares. There were no changes in the approach adopted by the Group as regards to capital management during the period.

The Group monitors and examines its capital adequacy overall based on the ratio: Net debt to EBITDA (earnings before interest, taxes, depreciation & amortization). The ratio was as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	2013	2012	2013	2012
Total debt	248,772,581	249,630,400	120,342,853	121,015,995
Less: Cash and cash equivalents	(40,963,818)	(39,899,778)	(16,279,780)	(8,135,921)
Net debt	207,808,763	209,730,622	104,063,073	112,880,074
EBITDA	74,164,940	80,153,761	45,866,469	46,743,092
Net debt / EBITDA	2.80	2.62	2.27	2.41

35. Adjustments

Due to the amendment of IAS 19 regarding the immediate recognition of past service cost, Group adjusted profits, equity and employee benefits in prior years as follows:

<i>Amounts in Euros</i>	GROUP		COMPANY	
	12 months until 31/12/2012	12 months until 31/12/2012		
Profit for the period				
Profit before the adoption of the amended IAS 19	21,114,053	16,065,750		
Effect of the amended IAS 19	301,630	231,187		
Adjustment of income taxes	(60,326)	(46,237)		
Profit after the adoption of the amended IAS 19	21,355,357	16,250,700		
Change in profit due to IAS 19 distributed to:				
Equity holders of the Company	235,682	184,950		
Non-controlling interests	5,622	-		
	241,304	184,950		
			COMPANY	
Equity	31/12/2012	1/1/2012	31/12/2012	1/1/2012
Equity before the adoption of the amended IAS 19	594,300,632	574,692,262	516,054,802	499,904,292
Effect of the amended IAS 19	(3,548,180)	(1,451,464)	(2,577,522)	(1,274,259)
Change in deferred tax liabilities	709,636	290,288	515,506	254,852
Equity after the adoption of the amended IAS 19	591,462,088	573,531,086	513,992,786	498,884,885
Change in equity due to IAS 19 distributed to:				
Equity holders of the Company	(2,761,082)	(1,166,066)	(2,062,016)	(1,019,407)
Non-controlling interests	(77,462)	4,890	-	-
	(2,838,544)	(1,161,176)	(2,062,016)	(1,019,407)
			COMPANY	
Employee benefits	31/12/2012	31/12/2012		
Employee benefits before the adoption of the amended IAS 19	10,039,465	6,936,844		
Effect of the amended IAS 19	3,548,180	2,577,523		
Employee benefits after the adoption of the amended IAS 19	13,587,645	9,514,366		

VI. Notes to annual financial statements

36. Subsequent events

No significant subsequent events have occurred after December 31, 2013.

Summarized financial data and information



Summarised financial data and information for the fiscal year from January 1 to December 31, 2013 (According to article 135 of Law 2190 for companies publishing annual statements in accordance with IAS/IFRS)

The figures illustrated below, derived from Company's and Group's Financial Statements, aim to give summary information about the financial position and results of ELVAL S.A./HELLENIC ALUMINIUM INDUSTRY S.A. and the Group ELVAL S.A. Any reader who aims to invest or make any transaction with the Company, should visit the Company's web site (www.elval.gr), where he/she should have access to the Company's and Group's Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the independent auditor.

GEMI No.: 340401000

Registered Office address: 2-4 Messogion Av. Athens Tow er

Supervising Authority: Ministry of Development (Department for limited companies)

Web address: www.elval.gr

Board of Directors: Miltiades Lidorkis (Chairman and non-executive member), Dimitrios Kyriakopoulos (Vice Chairman and executive member), Michael Stasinopoulos (executive member), Konstantinos Katsaros (executive member), Nicholas Koudounis (executive member), Lampros Varouchas (executive member), Andreas Kyriazis (independent, non-executive member), Konstantinos Bakouris (non-executive member), Avraam Megir (non-executive member), Konstantinos Koukellis (non-executive member), Gerard Decoster (independent, non-executive member).

Date of approval of the financial statements (from which the summarised figures are derived): 27 March 2014

Certified Auditor: NICK VOUNSEAS (REG.No. SOEL 18701)

Audit Firm: KPMG CERTIFIED AUDITORS A.E.

Review type: Unqualified opinion

STATEMENT OF FINANCIAL POSITION (Group and Company) - amounts in Euro

	GROUP		COMPANY	
	31 DEC. 2013	31 DEC. 2012	31 DEC. 2013	31 DEC. 2012
ASSETS				
Property, plant and equipment	508.552.668	493.032.597	299.936.047	290.765.446
Investment property	1.506.166	6.278.499	-	-
Intangible assets	2.210.404	2.848.076	674.380	1.290.143
Other non-current assets	13.072.938	13.763.760	185.311.147	183.643.021
Inventories	283.887.052	283.926.478	167.822.941	158.039.040
Trade receivables	144.583.155	151.733.222	83.135.590	96.485.928
Other current assets	73.420.822	79.655.309	31.133.267	26.839.263
Total assets	1.027.233.205	1.031.237.941	768.013.372	757.062.841
TOTAL EQUITY AND LIABILITIES				
Share capital	37.230.245	37.230.245	37.230.245	37.230.245
Other shareholders' equity	519.579.093	519.054.410	482.783.942	476.782.541
Total shareholders' equity (a)	556.809.338	556.284.655	520.014.187	513.992.786
Non-controlling interest (b)	29.489.955	35.177.433	-	-
Total equity (c) = (a) + (b)	586.299.293	591.462.088	520.014.187	513.992.786
Long-term loans and borrowings	175.925.875	74.063.073	100.033.989	32.599.644
Provisions / Other long-term liabilities	92.546.839	80.243.545	61.099.809	51.373.963
Short-term loans and borrowings	72.846.706	175.567.327	20.308.864	88.416.351
Other short-term liabilities	99.614.492	109.901.908	65.556.523	70.680.097
Total liabilities (d)	440.933.912	439.775.853	247.999.186	243.070.055
TOTAL EQUITY AND LIABILITIES (e) = (c) + (d)	1.027.233.205	1.031.237.941	768.013.372	757.062.841

STATEMENT OF COMPREHENSIVE INCOME (Group and Company) - amounts in Euro

	GROUP		COMPANY	
	1 Jan.-31 Dec. 2013	1 Jan.-31 Dec. 2012	1 Jan.-31 Dec. 2013	1 Jan.-31 Dec. 2012
Total Sales	1.008.502.309	1.063.780.190	653.613.828	697.173.332
Gross profit	82.141.087	81.060.973	29.817.344	30.299.986
Profit / (loss) before taxes, financing and investing results	28.435.470	32.790.667	19.501.238	19.395.794
Profit / (loss) before taxes	15.545.380	22.881.002	15.626.964	16.385.356
Income tax expense	(18.111.013)	(11.525.645)	(11.370.520)	(134.659)
Total profit / (loss) after taxes (A)	(3.165.633)	21.355.357	4.256.444	16.250.700
Equity holders of the parent	365.069	21.887.670	4.256.444	16.250.700
Non-controlling interest	(3.530.702)	(532.313)	-	-
	(3.165.633)	21.355.357	4.256.444	16.250.700
Other comprehensive income after taxes (B)	(258.519)	(760.355)	1.764.957	(1.142.800)
Total comprehensive income (A) + (B)	(3.424.152)	20.595.002	6.021.401	15.107.900
Equity holders of the parent	675.582	21.022.377	6.021.401	15.107.900
Non-controlling interest	(4.099.734)	(427.375)	-	-
	(3.424.152)	20.595.002	6.021.401	15.107.900
Earnings per share after taxes - basic (in Euro)	0,0029	0,1764	0,0343	0,1309
Proposed dividend per share (in Euro)	0,0000	0,0000	0,0000	0,0000

STATEMENT OF CHANGES IN EQUITY (Group and Company) - amounts in Euro

	GROUP		COMPANY	
	31 DEC. 2013	31 DEC. 2012	31 DEC. 2013	31 DEC. 2012
Equity at the beginning of the year (01/01/2013 and 01/01/2012 respectively)	591.462.088	573.531.086	513.992.786	498.884.886
Total comprehensive income for the year after taxes	(3.424.152)	20.595.002	6.021.401	15.107.900
Increase of share capital	(1.105.880)	-	-	-
Dividends	(431.936)	-	-	-
Acquisition of non-controlling interests	(1.200.827)	(2.664.000)	-	-
Equity at the end of the year (31/12/2013 and 31/12/2012 respectively)	586.299.293	591.462.088	520.014.187	513.992.786

STATEMENT OF CASH FLOW (Group and Company - indirect method) - amounts in Euro

	GROUP		COMPANY	
	1 Jan.-31 Dec. 2013	1 Jan.-31 Dec. 2012	1 Jan.-31 Dec. 2013	1 Jan.-31 Dec. 2012
Operating activities				
Profit before taxes for the year (continuing operations)	15.545.380	22.881.002	15.626.964	16.385.356
Plus / less adjustments for:				
Depreciation of property, plant and equipment and amortization of intangible assets	48.579.576	50.069.729	28.294.034	28.263.786
Amortization of government grants	(2.850.106)	(2.405.006)	(1.928.803)	(916.488)
Impairment of property, plant and equipment	7.500.000	479.623	-	-
Provisions	3.546.746	(2.938.381)	3.657.170	(3.420.449)
Results (income, expenses, profit, loss) from investing activity	(3.621.537)	(7.907.907)	(5.845.238)	(7.505.102)
Interest expense and related expenses	16.767.071	17.844.493	9.690.142	10.260.327
Plus / less adjustments for changes in working capital accounts or related to operating activities:				
Decrease/ (increase) of inventories	(3.673.618)	(14.725.969)	(12.915.682)	(5.954.878)
Decrease/ (increase) of receivables	10.783.871	11.294.501	16.214.174	(115.029)
Decrease/ (increase) of liabilities (except liabilities from bank loans)	(13.754.454)	8.778.385	(7.306.827)	11.430.423
Less:				
Interest payable and related expenses paid	(17.716.410)	(17.844.497)	(10.170.094)	(10.660.960)
Taxes paid	(4.944.225)	(3.950.309)	(258.553)	-
Total net cash (used in) / generated from operating activities (a)	56.162.294	61.905.664	35.057.287	37.766.987
Investing activities				
(Acquisition) / sales of subsidiaries, associates and other investments	(3.253.239)	(3.229.369)	(3.268.895)	(2.869.360)
Purchases of property, plant and equipment and intangible assets	(69.170.631)	(46.023.017)	(36.831.811)	(29.032.489)
Proceeds from sale of property, plant and equipment and intangible assets	2.342.077	383.678	12.307	468.485
Interest received	5.913.644	7.330.100	5.977.185	6.876.871
Dividends received	171.825	311.153	1.327.420	279.948
Total net cash (used in) / generated from investing activities (b)	(63.996.324)	(41.227.455)	(32.783.794)	(24.276.535)
Financing activities				
Proceeds from issued long-term loans	158.956.000	7.585.000	100.475.000	7.585.000
Payment of loans / change in short term loans	(159.569.255)	(50.714.625)	(101.148.139)	(39.178.127)
Proceeds from government grants	10.302.881	2.231.836	6.543.505	-
Dividends paid	(431.936)	(547)	-	(547)
Total net cash (used in) / generated from financing activities (c)	9.257.690	(40.898.336)	5.870.366	(31.593.674)
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	1.423.660	(20.220.127)	8.143.859	(18.103.222)
Cash and cash equivalents at the beginning of the year	39.899.778	59.795.132	8.135.921	26.239.143
Foreign currency translations differences in cash at the beginning of the year	(359.620)	324.773	-	-
Cash and cash equivalents at the end of the year	40.963.618	39.899.778	16.279.780	8.135.921

	74.164.940	80.455.390	45.866.469	46.743.092
Depreciation expense	48.579.576	50.069.729	28.294.034	28.263.786

Additional data and information:

- Companies that are included in the Group's financial statements of the fiscal year 2013 are presented in note 28 of the annual financial statements including locations, percentage Group ownership and consolidation method.
- The Group recorded impairments in Property, plant and equipment for the amount of €7.5 mill and in Inventories for the amount of €2.8 mill. The above impairments presented in note 9 and note 17 respectively of the annual financial statements.
- The Company acquired minority interests in its subsidiary ELVAL COLOUR S.A. and ELKEME S.A. (note 12 and note 13 of the annual financial statements).
- The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in note 27 of the annual financial statements.
- The Group's financial statements are included in the consolidated financial statements prepared by VIOHALCO S.A/NV based in Belgium with 73.14%.
- On 31/12/2013, there are no encumbrances on the Company's fixed assets. Encumbrances and mortgages on fixed assets will be used to secure the Group loans.
- There are no pending court decisions or differences under arbitration, which may have a significant effect on the Company's and Group's financial position. In group level, the provisions for tax unaudited years amount to €425.9 thousand and in company level amount to €127.6 thousand. Groups' other provisions as at 31.12.2013 amount to €1,521.3 thousand.
- The number of the personnel at the end of the period was as follows: Company 727 (31.12.2012: 717), Group 2,159 (31.12.2011: 2,090).
- The cumulative amounts of sales and purchases from the beginning of the financial year and the balances of the Company's receivables and obligations at the end of the period, resulting from it's transactions with associated parties, following the I.A.S. 24, are, as follows:

(Amounts in thousand Euros)	GROUP	COMPANY
i) Revenues	42,130	159,388
ii) Expenses	43,689	74,946
iii) Receivables	12,054	21,574
iv) Payables	7,782	13,249
v) Allowances to members of Management or Executives	4,211	1,999

- Other comprehensive income after taxes consist of:
 - Group: Remeasurements of the employee benefit liability amount to € 3,204.6, foreign translations differences amount to € (1,672.2) thousand, net change in available-for-sale financial assets amount to € (113.3) and derivatives valuation from cash flow hedging amount to € (1,677.7) thousand
 - Company: Remeasurements of the employee benefit liability amount to € 2,276.4, net change in available-for-sale financial assets amount to € (14.0) and derivatives valuation from cash flow hedging amount to € (497.5) thousand
- In the Income Statement the account "taxes" is analyzed as follows:
 - Group 31.12.2013: income tax € (9,807) thousand, deferred tax due to the change of tax rate € (12,929), deferred tax € 4,025 thousand - 31.12.2012 € (4,505.9) thousand and deferred tax € 2,980.3 thousand.
 - Company: 31.12.2013 income tax € (4,073.4) thousand, deferred tax due to the change of tax rate € (9,698), deferred tax € 2,391.6 thousand - 31.12.2012 € (1,230.0) thousand and deferred tax € 1,085 thousand.
- Due to the amendment of IAS 19 regarding the immediate recognition of past service cost, Group adjusted profits, equity and employee benefits in prior years. The above adjustments presented in note 35 of the annual financial statements.

THE CHAIRMAN OF THE B.O.D.
MILTIADES LIDORKIS
Id.C.No. N 032204

A MEMBER OF THE B.O.D.
NIKOLAOS KOUDOUNIS
Id.C.No. AE 012572

THE FINANCIAL MANAGER
LAMPROS VAROUCHAS
Id.C.No. AB 535203

THE FINANCIAL MANAGER
NICOLAOS PSIRAKIS
Id.C.No. T 015843