KLEEMANN HELLAS

MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2016
ACCORDING TO THE ARTICLE 4 OF L.3556/2007

KLEEMANN HELLAS S.A.
Registration No 10920/06/B/86/40
G.E.MI. No 14486435000
Head Offices: Industrial Area of Stavrochori, Kilkis

CONTENTS

DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS
(ACCORDING TO THE ARTICLE 4, PAR.2 OF THE LAW 3556/2007)

The following undersigned, with the present Report, we responsibly declare that as far as we know:

- the attached annual Financial Statements Separate and Consolidated of KLEEMANN HELLAS S.A., for the period of 1 January to 31 December 2016, which have been prepared according to the International Financial Reporting Standards as they have been adopted by the European Union, depict in a truthful way the figures of the assets, equity and liabilities as well as the Statement of Income of "KLEEMANN HELLAS S.A.", and also of the companies which are included in the consolidation taken as total,
- The Annual Report of the Board of Directors depicts in a truthful way the progress, the performance and the financial position of "KLEEMANN HELLAS S.A.", as well as of the companies which are included in the consolidation taken as total. Furthermore, it includes a description of the main risks and uncertainties that they confront.
- The attached annual Financial Statements are those approved by the Board of Directors of KLEEMANN HELLAS - "KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A." on 26/04/2017 and will be fully disclosed on the internet, at www.kleemann.gr.

Kilkis 26 April 2017

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE PRESIDENT OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR
Nikolaos K. Koukountzos I.D.No: AB 454713	Menelaos K. Koukountzos I.D.No: AB 454710	Konstantinos N. Koukountzos I.D.No: AE 171629

ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2016

TO THE ANNUAL ORDINARY GENERAL MEETING OF SHAREHOLDERS

The present annual Report of the Board of Directors (the "Report") of "KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A." and also of the Group, concerns the fiscal year 2015 (1 January to 31 December 2016), has been edited and harmonized according to the relevant provisions of the L.3556/2007 (Government Paper 91A/30.4.2007) and with the corresponding executive rules issued by the Capital Market Commission, included all the necessary thematic units according to the above mentioned legislative framework.

The Report represents truly and includes all the information that is necessary according to the above mentioned legislation, in order for someone to have a substantial and thorough understanding of the activity of the Company «KLEEMANN HELLAS S.A.», and of the Group of KLEEMANN as well, during the specific fiscal year, together with the annual Financial Statements and the declarations of the B.o.D.'s members.

The readers, who are interested in more information, can visit the website of the Parent Company www.kleemann.gr or contact during the working days and hours the head offices of the Company.

General Information

"KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A." with distinctive title "KLEEMANN HELLAS S.A." (the "Parent" or the "Company") was lawfully established in June 1983 (Government Paper 2308/27.7.1983) and its S.A. registration number is 10920/06/B/86/40. Its operating duration has been defined until 31.12.2050 and its head offices are located in the Industrial area of Stavrochori, Kilkis.

Group Structure

The subsidiaries, which are consolidated according to the method of the total consolidation, are the following:

COMPANY	HEAD OFFICES	Participation 31.12.16	Participation 31.12.15
KLEFER A.E.	Industr. area of Kilkis, Greece	50%	50%
KLEEMANN ASANSOR San. Ve Tic. A.S.	Istanbul, Turkey	70%	70%
KLEEMANN LIFTOVI D.o.o. (1)	Belgrade, Serbia	100%	100%
KLEEMANN LIFT RO S.R.L. (1)	Bucharest, Romania	100%	100%
HONG KONG ELEVATOR SYSTEMS LIMITED (1)	Hong-Kong	100%	100%
KLEEMANN LIFTS U.K. LTD (2)	Oxford, UK	100%	100%
KLEEMANN LIFTS RUS (1)	Moscow, Russia	99,5%	99,5%
KLEEMANN SERVICES LTD (1)	Nicosia, Cyprus	100%	100%
KLEEMANN LIFTS (CHINA) CO. LTD (3)	Kunshan, China	100%	100%
KLEEMANN LIFTS TRADING CO., LTD (3)	Kunshan, China	100%	100%
KLEEMANN DIZALA D.o.o (1)	Zagreb, Croatia	100%	100%
KLEEMANN ELEVATORS AUSTRALIA PTY (1)	Sydney, Australia	80,09%	80,09%
KLEEMANN AUFZUGE GmbH (1)	Dusseldorf, Germany	100%	100%
KLEEMANN LIFTS DMCC (4)	Dubai, United Arab Emirates	100%	100%

(1) It is a subsidiary company of KLEEMANN LIFTS UK LTD
(2) It is a subsidiary company of KLEEMANN HELLAS A.E.
(3) It is a subsidiary company of HONG KONG ELEVATOR SYSTEMS LIMITED
(4) It is a subsidiary company of KLEEMANN SERVICES LTD

Description of Activity

The main activity of the Group is the manufacturing and trading of elevator systems, such as: hydraulic elevating mechanisms (piston, power unit, car frame), electromechanical elevating mechanisms (machine, car frame, counterweights), cabins (passenger, cargo, panoramic), electronic controllers, electronic systems and compact type elevators for elevating cargos. The urge for immediate adaptation to customer needs and market trends, has led the Group to create a new business activity, which is the "complete elevator package".

The new products cover all possible requirements of every construction such as: hydraulic elevator without machine room (ARION Hydro MRL), electromechanical elevator without machine room (APOLLO Traction MRL, ATLAS Traction MRL), hydraulic elevator Maison Lift, elevator for smaller cargos DUMBWAITER and antiseismic elevator.

The main trading components that the Group and the Company uses for elevators of houses and offices, panoramic elevators of malls and hotels and elevators of cargos of industrial places are the following: electromechanical motors guide rails, oils, wires, buffers, ropes and other mechanical components.

The products and commodities are meant for elevators of houses, offices, malls, hotels, industrial areas, airports etc. The objective of KLEEMANN is to satisfy the particular needs of each client while simultaneously increasing its market share and its international brand awareness.

Tangible Fixed Assets of the Group

<table>
<tr><th>Land</th><th>Buildings</th></tr>
<tr><td colspan="2">KLEEMANN HELLAS S.A.</td></tr>
<tr><td rowspan="4">Sites in the Industrial area of Kilkis, of 53.632 m² total surface.</td><td>Manufacturing and storage building, of 21.242 m² total coverage.</td></tr>
<tr><td>Testing tower building for high speed elevators with offices of 5.274 m² total coverage.</td></tr>
<tr><td>Manufacturing building (Electronics) and offices, opposite the main facilities of the Company, 2.301 m².</td></tr>
<tr><td>Manufacturing and storage building (Cabins) close to the main Group of buildings, of 9.329 m² total surface, together with an administration building, with a surface of 1.000 m².</td></tr>
<tr><td rowspan="4">Plots of 99.840 m² total surface, abutted on the border of the industrial area of Kilkis and the Land owned by the Company.</td><td>Logistics building and offices, with a surface of 15.511 m².</td></tr>
<tr><td>Manufacturing and storage building, of 3.952 m² total coverage.</td></tr>
<tr><td>Storage building for recycling purposes, of 485,05 m² total surface.</td></tr>
<tr><td>Manufacturing and storage building, of 3.431 m² total coverage.</td></tr>
<tr><td>Plots of 12.882 m² total surface in Aspropyrgos, Attica, next to Attica Highway.</td><td>Logistics centre, of 3.642 m² total surface in the plot.</td></tr>
<tr><td>Site-Plot in Polichni of 2.483 m² total surface</td><td>Buildings with offices, with a surface of 1.160 m². (basement 435 m², storage 435 m², ground floor 145 m², and 1st floor 145 m²)</td></tr>
<tr><td rowspan="4">Apartments</td><td>Ground floor store of 122 m², which remains unoccupied, in 23 Nestoros Str. and 52 Akropoleos Str., in Nikaia, Piraeus.</td></tr>
<tr><td>Semi – underground warehouse 174 m², in 13 Lesvou street, in Galatsi, Athens, which is currently leased.</td></tr>
<tr><td>Apartment, in Kilkis, 19 P. Mela Str., with a surface of 81 m², which is currently leased.</td></tr>
<tr><td>Apartment in Kilkis in 21 Iouniou & Grevenon Str., with a surface of 93 m², is provided to employees for accommodation</td></tr>
</table>

	Four storey building with office & branches in 2 Dimokratias Street (formerly Likovrisis), Athens, of 1.015,05 m² (262,60 m² basement, ground floor 197,54 m², first floor 197,54 m², 2nd floor 181,09 m², 3rd floor 153,52 m², loft & auxiliary 22,76 m²). From the whole building, its basement and ground floor are leased while the rest remains empty.
KLEFER S.A.	
Plots in the Industrial area of Kilkis, of 19.561 m² total surface.	Manufacturing and storage building (Doors), with a total surface of 11.731 m² (1.736 m² of which include administration buildings).
KLEEMANN LIFTOVI D.o.o.	
A plot in Simanovci of Pecinci Municipality, in Belgrade, Serbia, with a total surface of 30.859 m².	Manufacturing, warehouse and office buildings, with a total surface of 8.282 m²

Machinery equipment

Companies of the Group are equipped with machinery of latest technology, with high grade of automation and production capacity.

Means of transportation

The privately owned transportation fleet of the Group, consists of sixty nine trucks for transportation of cargo, of various capability, and professional cars – vans used at service operation, six buses, twenty one privately owned cars, ten motorcycles for personnel transportation and seventy internal transportation forklift trucks (automatically or manually operated) and two open carriages for the transportation of visitors within the premises.

Furniture & other equipment

Furniture & other equipment include the equipment with all the necessary furniture, office devices and machines, computers and computer systems, telecommunication systems equipment and all manufactured showroom exhibits located both in Company and third parties-customers' premises.

Insurance Contracts – Guarantees

The Group Companies have contracted a range of insurance contracts, such as for fire protection, profit-loss, credit policy, civil responsibility on products and transferred freights. Also, the Parent Company has given guaranties amounting to 3.000.000 euros, for loans taken by its subsidiary "KLEEMANN ASANSOR S.A.", of which it has made use of the amounts 2.800.000 euros.

Personnel

The Group executives are highly educated and qualified. More specifically, the Company insists on continuous training of its personnel, in order to successfully meet with the increasing market requirements. Moreover, the Management makes efforts and has managed to retain intact relations with its personnel, a fact that contributes to the harmonic operation of the Group. The evolution of the average personnel of the Group and of the total number of personnel of the Company and the Group respectively is presented in the following table:

Average	**2016**	**2015**	**Total No at the end of the year**	**31/12/2016**	**31/12/2015**
Salaried	836	690	Parent Company	806	786
Laborers	412	404	Group	1.249	1.169
TOTAL	**1.248**	**1.094**			

INFORMATION ABOUT THE ELEVATOR MARKET

General Information About The Market

The Group is activated in the industrial field that is referred to manufacturing and trading lift components. The demand of these products is related directly with the building activity, as well as the number and the type of buildings that are constructed. The market is also influenced by general trends as the saving of energy, new technologies, need for better services and more severe safety regulations.

Based on their business operation, companies of the field may be separated in four categories:

- Companies producing components. This category refers to a number of small companies, which produce lift components.
- Companies of lift installation and maintenance. These Companies supply the building contractor with the elevator and they undertake its installation as well as its maintenance.
- Commercial companies of lift components. These companies are activated between companies that produce lift components and those that do the installation of the lift systems.
- Companies-Suppliers of complete lift systems. This is an advanced type of companies that trade components. They can supply the installation companies with a complete package of components.

The limits among the above mentioned categories are not well defined, as a consequence there are companies that combine some of the above activities. For example in the elevator sector in Europe, there are many multinational companies active which apart from production of elevator parts they proceed to the installation and maintenance. The specific companies have given during the last years great emphasis in the market of maintenance, where Kleemann Group is not activated. Finally there are companies that produce and trade all elevator parts, providing complete lift solutions and one of them is the Parent Company KLEEMANN HELLAS S.A.. The competition against Kleemann Group is coming mainly from small-medium production companies of lift compartments, from similar companies and from other competitors who are able to produce the main lift compartments and additionally they involve in installation and maintenance of the elevators. These kind of companies a lot of times are functioning as customers to Kleemann Group when there is no potentiality to be provided through their Group for their own various reasons all the lift compartments.

Prospects of the global market

The growth prospects presented in the elevator international market seem promising. An increase in sales is expected for the industry, which is based on the recovery of developing countries such as India and China. It should be noted that China is expected to create approximately half of the global demand, due to its urban and economic development.

In addition it is estimated that by 2030 the 2/3 of the Earth's population will live in cities, a remarkable percentage and promising for the lift sector. But even in the markets of Europe, the United States and Japan where a significant increase in demand for new products isn't expected, it is estimated that an increase in demand for renovation products will be strong because of the need to comply to the new safety regulations. Also, it is worth noting that currently, there is a trend in the global market for products that are energy-efficient, environmentally friendly and have enhanced security, comfort and efficiency features, which is estimated that it will increase their demand.

Based on the above, the lift trade is determined by an upward trend and taking into consideration earlier measurements, the increase in sales is guaranteed.

Significant events of the fiscal year 2016

The most significant events which have took place during the fiscal year 2016, as well as their impact to the Financial Report are the following:

SHARE CAPITAL INCREASE IN THE SUBSIDIARY KLEEMANN LIFTS UK LTD

On March 3, 2016, the parent company decided to complete the share capital increase of Kleemann Lifts UK, amounted to 7 mln euros. This amount had already been sent to the subsidiary in the UK within the year 2015, after a relevant BoD resolution for future share capital increase, for the purpose of funding the following investments a) acquisition of a company in Australia amounting to 2.5 mln €, which was done in July 2015 b) establishment of a new company in Germany with a share capital of 500 thous €, which was done in August 2015 c) future investments in China amounting to 4 mln €.

Share Capital Increase in the Subsidiary in Hong Kong

On March 28, 2016, Kleemann Lifts UK decided to proceed to a capital increase, amounting to 1.5 mln euros, in the subsidiary company of Hong Kong, HONG KONG ELEVATOR SYSTEMS LIMITED, to be used in the future for a share capital increase in order to fund new investments in China.

Tender Offer

On the 19th of September 2016, the shareholderes Mr. Nikolaos Koukoutzos son of Konstantinos, Konstantinos Koukoutzos son of Nikolaos, Nikolaos Koukoutzos son of Nikolaos, Aikaterini Koukountzou daughter of Nikolaos, Menelaos Koukoutzos son of Konstantinos, Aikaterini Koukountzou daughter of Menelaos and Konstantinos Koukoutzos son of Menelaos orally agreed pursuant to Article 2 (e) of the Law 3461/2006 to act in concert for the joint control of the Company.

In this context, the shareholders exchanged their shares for shares issued by MCA ORBITAL GLOBAL HOLDINGS LTD (MCA or the Offeror), for the implementation of the share exchange agreement signed the same day. Consequently, the Offeror acquired a total of 15.896.582 Shares and voting rights of the Company, which correspond to the sum of the issued shares of the Company held by the aforementioned shareholders, i.e. to a percentage of 67.22% of the total voting rights of the Company. As a result of the above, the obligation for the submission of the present mandatory tender offer, pursuant to article 7 of the Law 3461/2006, was triggered.

On September 21, 2016 , MCA proceeded with the submission of the mandatory tender offer with an offer price of 2,02€ per share, submitted the draft information memorandum to the Hellenic Capital Market Commission and informed the Board of Directors of the Company.

On November 22, 2016, the Board of Directors of the Hellenic Capital Market Commission approved the information Memorandum of the Tender Offer. The acceptance period of the Tender Offer began on the 25h of November 2016 and ended successfully on January 9th 2017.

On February 2, 2017, MCA submitted to the Hellenic Capital Market Commission a request for the exercise of the squeeze-out right for the remaining ordinary shares of the Company in accordance with the provisions of Article 27 of Law 3461/2006 for a price in cash equal to the Offer Price of the Tender Offer.

The Board of Directors of the Hellenic Capital Market Commission, pursuant to its decision on the 4th of April 2017, approved MCA's request for the exercise of the squeeze-out right and set the 21st of April 2017 as the date that trading of the shares of the Company ceased.

On April 27, 2017 the procedure of exercising the squeeze-out right was completed with the registration of MCA in the Dematerialized Securities System, as the new owner of 846.745 ordinary registered shares. Consequently, MCA holds, directly, 23.648.700 shares in total, representing 100% of the total paid up capital and voting rights in the Company.

Subsequently, pursuant to a relevant decision of the General Meeting of the Shareholders of the Company, a request will be submitted by the Company for the deletion of its shares from the Stock Exchange, in accordance with Article 17, par. 5 of the L.3371/2005.

Events after 31 December 2016

There are no significant events that took place after the end of the financial year 2016 and up to the date of writing of the report which deserve special notice.

Progress and performance

Sales of Kleemann Group in 2016 were increased compared to last year. More specifically, total revenue of the Group amounted to 115.9 million euros compared to 107.0 million euros in the respective period of 2015, a total increase of 8.2%.

The profit before tax for 2016 amounted to 5.3 million euros from 4.8 million euros in 2015, while EBITDA amounted to 8.3 million euros compared to 7.8 million euros. The profit before tax margin amounted to 4.6% from 4.5%, while the EBITDA margin of the Group amounted to 7.2%, as last year.

Finally, earnings after tax and non-controlling interest amounted to 3.5 million euros from 2.8 million euros in the corresponding previous period, while the respective margin is 3.1% from 2.7% in 2015.

Despite the continuing challenges in significant international markets such as Turkey and the United Kingdom, the management expects for the Group to maintain its healthy liquidity in 2017, while it continues penetrating markets that show growth potential.

Comment on figures

The positive progress of the Group, considering the new facts which arise from the financial crisis that affects the whole world, is imprinted on the financial results of the fiscal year.

Turnover: The Group's turnover amounted to 115.9 million euros (an increase of 8.2%), while for the Company to 81.1 million euros (decrease of -3.1%) compared with the same period of last year. The Group's internationalization strategy and extraversion enabled it to enter new markets and thus be present in more than 100 countries, while it also increased its international sales to 91% of the total turnover from 90% in the previous year.

Gross profit: Gross margin of the Group (33% versus 31.1% in 2015) appears increased, while the gross profit of the Company (26% versus 26.3% in 2015) has decreased.

Earnings Before Interest Tax Depreciation and Amortization (EBITDA): The Group's earnings before interest and tax depreciation and amortization was 8.3 million euros (2015: 7.8 million euros) and the EBITDA margin for the Group was 7.2% (2015: 7.2%), while for the Company was 2.9 million (2015: 4.0 million) and margin EBITDA was 3.7% (2015: 4.8%).

Net Earnings after tax: The result after tax of the Group amounted to 4.0 million (2015: 3.6 million), while for the Company to 2.0 million euros (2015: 2.0 million euros).

Cash flow: Net cash flows from operating activities amounted for the Group to an inflow of 6.1 million (2015: inflow of 1.8 million euros) and for the Company to an inflow of 11.7 million (2015: inflow of -5.2 million).

Inventories: The Group's inventory amounted to 27.6 million euros or 18.8% of total assets (2015: 25.7 million or 18.6% of total assets) and for the Company to 19.2 million against 18.4 million euros in 2015 (or 16.4% and 16.5% of the total assets respectively).

Receivables from customers: Receivables from customers for the Group amounted to 29.7 million (2015: 31.0 million) or 20.2% of total assets (2015: 22.5%) and for the Company to 23.6 million (2015: 26.2 million euros) or 20.2% of total assets (2015: 23.5%).

Suppliers: The rest of the suppliers of the Group amounted to 12.3 million euros (2015: 12.6 million euros) or 21.9% (2015: 25.7%) of total liabilities, while for the Company to 15.1 million euros (2015: 15.4 million euros) or 33.6% (2015: 37.3%) of all obligations.

Long-term bank liabilities: Long-term loans for the Group amounted to 7.1 million euros (2015: 7.9 million) and for the Company to 6.9 million euros (2015: 7.7 million euros).

Short-term bank liabilities: Short-term loans for the Group amounted to 16.6 million euros (2015: 11.6 million euros) and for the Company to 13.7 million euros (2015: 8.8 million).

The following tables provide information on changes in percentage terms of the accounts of the situation result and financial position.

Assets	**Group**		**Company**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Tangible assets for own use	1,1%	5,3%	(3,3%)	1,0%
Inventory	7,2%	12,8%	4,2%	6,4%
Receivables	(4,2%)	2,3%	(10,0%)	(6,0%)
Participations in Subsidiaries	-	-	56,9%	8,2%
Other long-term Receivables	(17,4%)	(14,5%)	(20,1%)	(13,9%)
Deferred tax Receivables	28,3%	36,3%	29,1%	32,1%
Cash and cash equivalents	24,5%	(24,7%)	132,8%	(69,8%)
Capital and Liabilities				
Suppliers	(2,6%)	(1,1%)	(1,8%)	(3,6%)
Bank Liabilities	21,0%	13,8%	24,9%	24,2%
Deferred tax Liabilities	(30,1%)	54,8%	-	-
Equity Capital	2,3%	(1,4%)	2,9%	(7,2%)

For the Income Statement, it is presented the following table (amounts in mln. euros).

	Group			Company		
	From 1 January until			From 1 January until		
(Amounts in mln. euros)	**31.12.2016**	**31.12.2015**	**%**	**31.12.2016**	**31.12.2015**	**%**
Sales	**115,86**	**107,05**	**8,2%**	**81,11**	**83,68**	**(3,1%)**
Cost of sales	(77,67)	**(73,74)**	5,3%	**(60,02)**	(61,68)	(2,7%)
Gross Profit	**38,19**	**33,31**	**14,7%**	**21,09**	**22,00**	**(4,1%)**
Other operating income	0,39	1,94	(79,9%)	1,66	2,06	(19,4%)
Administrative expenses	(12,35)	(9,58)	28,9%	(7,81)	(6,66)	17,3%
Research & development expenses	(1,51)	(1,42)	6,3%	(1,33)	(1,25)	6,4%
Selling expenses	(18,62)	(18,63)	(0,1%)	(12,21)	(13,59)	(10,2%)
Income from Dividends	-	-	-	1,43	0,11	1.200,0%
Income from securities and participations	0,02	(0,01)	(300,0%)	0,02	(0,01)	(300,0%)
Interests and relevant expenses	(0,80)	(0,81)	(1,2%)	(0,87)	(0,60)	45,0%
Profit/(loss) before tax	**5,32**	**4,80**	**10,8%**	**1,98**	**2,06**	**(3,9%)**
Income tax	(1,33)	(1,18)	12,7%	0,06	(0,10)	(160,0%)
Profit /(loss) after tax	**3,99**	**3,62**	**10,2%**	**2,04**	**1,96**	**4,1%**

For the better comprehension of the Financial Statements, are presented the following financial ratios for the Group and the Company.

RATIOS	**Group**		**Company**	
	2016	**2015**	**2016**	**2015**
DEVELOPMENT (%)				
Changes in Sales	8,23%	9,27%	(3,07%)	7,01%
Changes in Net Profit after Tax	10,12%	20,88%	3,87%	(66,65%)
Changes in Fixed Assets	2,07%	6,16%	(1,36%)	2,39%
Changes in total Equity	2,30%	(1,35%)	2,87%	(7,18%)
PROFITABILITY (in thous. Euros)				
Earnings after Tax (EAT)	3.989	3.622	2.035	1.960
Earnings before Tax (EBT)	5.322	4.804	1.976	2.063
Earnings before Interest, Tax, Depreciation and Amortization(EBITDA)	8.318	7.752	2.984	4.026
WORKING CAPITAL (days)				
Receivables turnover Ratio (Clients+Notes+Checks)	94	102	109	115
Liabilities turnover Ratio (Suppliers+ Notes + Checks.)	58	62	91	91
Inventory turnover Ratio	125	120	114	105
Operating turnover average duration	219	222	223	220
Commercial turnover average duration	161	161	132	129
CAPITAL STRUCTURE				
Ratio of Equity Capital to Total Capital	0,62	0,64	0,62	0,63
Equity to total liabilities Ratio	1,62	1,81	1,60	1,70
Bank Loans to Equity	0,26	0,22	0,28	0,23
LIQUIDITY				
Total Liquidity	2,39	2,56	1,81	2,06
Short-term Liabilities to Net Profit after tax	11,82	12,52	17,10	15,64
Short-term Liabilities to Equity	0,46	0,40	0,48	0,44
INVESTING				
Working Capital per Share (CFPS)	2,45	2,34	1,19	1,37
Book Value per Share (BVPS)	3,45	3,35	3,05	2,96
Share Price to profit after tax and minority rights (P/E)	13,51	12,74	23,47	18,46

As in previous years, both the Parent Company and its subsidiaries did not proceed to a purchase of own shares during 2016.

During the year, both the Company and the subsidiaries which are included in the consolidation did not hold shares of the listed Parent Company.

After the date of the Statement of Financial Position and until the date of the submission of this Report, there are no events that took place, to affect the financial statement of the Company and the Group Kleemann or to require their disclosure at the Financial Statements of the period. During this fiscal year, the activity of the Company was according the current legislation and its targets, as they are defined at its memorandum.

Regarding the distribution of dividend, the Management of the Company refers that its dividend policy is directly connected with its capital structure, its efficiency, its earnings and self-financing of its investments, with main target the long-term benefit of the Company and of its shareholders.

ALTERNATIVE RATIOS OF MEASUREMENT OF THE EUROPEAN SECURITIES AND MARKETS AUTHORITY (ESMA /2015/1415EL)

The European Securities and Markets Authority (ESMA/2015/1415el) published the final guidelines as regards the "Alternative Performance Ratios" (ESMA) or Alternative Performance Measures (APMs), applicable from 3rdJuly 2016 to companies with Securities traded in organized Stock Exchanges. The ESMA are imparted by the issuers during the publication of the adjustable information and are aimed to enhance the transparency and to promote the usefulness and further, the correct and absolute information to the future investors.
The Alternative Ratio of Measurement the Performance "ESMA" is an adjusted financial measurement of historical or future financial performance, of financial position or cash flow, different from the financial measurement defined in the applicable financial reporting framework. That is to say ESMA does not rely solely on the standards of the financial statements , but provides substantial additional information, excluding elements that may differ from the operating result or the cash flows.
Transactions with non-operating or non-cash valuation, with a significant effect on the Statement of Comprehensive Income are considered as factors influencing the adjustment of the Ratios to the ESMA. These non -recurring items, in most cases, could arise, among others, from:

- Impairments of assets
- Restructuring measures
- Reorganization measures
- Sales of assets or assignments
- Changes in legislation, compensations for damages or legal claims

The ESMA should always be taken into account in conjunction with the financial results, that have been conducted according to IFRS and shouldn't in any case be considered that they replace them. The Group uses the adjusted Ratios for the first time in the year 2016 in order to better reflect the financial and operating performances related to the Group's actual activity to the referred year, as well as to the corresponding comparable period of last year. The definition, analysis and base of calculation of the ESMA used by the Group is set out below. It is being noted that for the elements affecting the adjustment an analytical table is provided at the end of the this chapter.

1. Margin of adjusted EBITDA (EBITDA Margin)

This Ratio is widespread known in the investment community and is part of the overall section of profitability ratios, having the advantage of being isolated from the effects of financial investment results, of income tax and of the main non-cash expense category, i.e. depreciations.
The Statement of Comprehensive Income includes "The Profit before Taxes, Financing, Investment Results and Depreciation/EBITDA" ,which is adjusted as follows:

Adjusted EBITDA =	Profits before Taxes, Financial Investment Results and Depreciations	-	Elements that affect the Adjustment

In thousands €	Group 2016	Group 2015	Company 2016	Company 2015
EBITDA	**8.318**	**7.752**	**2.984**	**4.026**
Impairment of receivables / (Reversal of provision)	1.644	1.997	900	2.288
Impairment of inventories / (Reversal of provision)	(238)	796	(200)	811
Loss from recovery / (Return of Grants)	616	-	460	-
Other provisions / (Reversal of provisions)	106	(642)	36	(555)
EBITDA adjusted	**10.445**	**9.903**	**4.180**	**6.570**
Divergence %	**26%**	**28%**	**40%**	**63%**

The Ratio "Margin adjusted EBITDA (EBITDA Margin)" derives from the table below, dividing the "EBITDA adjusted" with the Turnover. It expresses the percentage of EBITDA on Turnover or alternatively, how much EBITDA profits correspond to a unit of sales. The Management of the Group uses this Ratio in the frame of the whole valuation of the operating performance of the Company.

In thousands €	Group 2016	Group 2015	Company 2016	Company 2015
Turnover	115.859	107.047	81.113	83.680
EBITDA adjusted	10.445	9.903	4.180	6.570
Margin of adjusted EBITDA (EBITDA Margin)	**9,02%**	**9,25%**	**5,15%**	**7,85%**

2. Margin of adjusted EBIT (EBIT Margin)

This Ratio, like the previous one, is widespread known in the investment community and it is part of the overall unity of profitability ratios, having the advantage of being isolated from the effects of financial investment results and income tax.

The Statement of Comprehensive Income includes " Profit before taxes, financial and investment results/ EBIT", adjusted as follows:

Adjusted EBIT =	Profits before taxes, financial and investments results	-	Elements that affect the adjustment

In thousands €	Group 2016	Group 2015	Company 2016	Company 2015
EBIT	**6.101**	**5.624**	**1.415**	**2.562**
Impairment of receivables / (Reversal of provision)	1.644	1.997	900	2.288
Impairment of inventories / (Reversal of provision)	(238)	796	(200)	811
Loss from recovery / (Return of Grants)	616	-	460	-
Other provisions / (Reversal of provisions)	106	-642	36	-555
EBIT adjusted	**8.228**	**7.775**	**2.611**	**5.107**
Divergence %	**35%**	**38%**	**85%**	**99%**

The Ratio "Margin Adjusted EBIT (EBIT Margin)" derives from the table below, by dividing the "EBIT adjusted" with the Turnover. It expresses the percentage of EBIT on Turnover. The Management of the Group uses this Ratio in the frame of the whole valuation of the operating performance of the Company.

In thousands €	Group 2016	Group 2015	Company 2016	Company 2015

Turnover	115.859	107.047	81.113	83.680
EBIT adjusted	8.228	7.775	2.611	5.107
Margin of adjusted EBIT (EBIT Margin)	**7,10%**	**7,26%**	**3,22%**	**6,10%**

3. Margin of adjusted EBT (EBT Margin) & EAT (EAT Margin)

These Ratios, like the previous ones, form part of the overall unity of profitability ratios. In the Statement of Comprehensive Income are included the "Outcome before taxes/EBT" and the "Outcome after taxes/ EAT», that are adjusted as follows:

Adjusted EBT =	Profits before taxes	-	Elements that affect the adjustment

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
EBT	**5.322**	**4.804**	**1.976**	**2.063**
Impairment of receivables / (Reversal of provision)	1.644	1.997	900	2.288
Impairment of inventories / (Reversal of provision)	(238)	796	(200)	811
Loss from recovery / (Return of Grants)	616	-	460	-
Other provisions / (Reversal of provisions)	106	(642)	36	(555)
EBT adjusted	**7.449**	**6.955**	**3.172**	**4.608**
Divergence %	**40%**	**45%**	**61%**	**123%**

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
Turnover	115.859	107.047	81.113	83.680
EBIT adjusted	7.449	6.955	3.172	4.608
Margin of adjusted EBT (EBT Margin)	**6,43%**	**6,50%**	**3,91%**	**5,51%**

Adjusted EAT =	Profits after taxes	-	Elements that affect the adjustment

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
EAT	**3.989**	**3.622**	**2.035**	**1.960**
Impairment of receivables / (Reversal of provision)	1.644	1.997	900	2.288
Impairment of inventories / (Reversal of provision)	(238)	796	(200)	811
Other provisions / (Reversal of provisions)	106	(642)	36	(555)
Loss from recovery / (Return of Grants)	616	-	460	-
Tax adjustment	(617)	(624)	(347)	(738)
EAT adjusted	**5.499**	**5.149**	**2.885**	**3.766**
Divergence %	**38%**	**42%**	**42%**	**92%**

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**

Turnover	115.859	107.047	81.113	83.680
EAT adjusted	5.499	5.149	2.885	3.766
Margin of adjusted EAT (EAT Margin)	**4,75%**	**4,81%**	**3,56%**	**4,50%**

The Ratios "Margin of Adjusted EBT (EBT Margin)" and "Margin of adjusted EAT (EAT Margin) derive from the tables above, by dividing the "EBT adjusted" and the "EAT adjusted" with the Turnover. The Management of the Group uses these Ratios in the frame of the whole valuation of the operating performance of the Company.

4. Free Cash Flows to the Firm

This Ratio form part of the overall unity of performance ratios, since it indicates the amount the cash flows available for distribution to the shareholders and creditors of the Company, and at the same time is one of the most important Ratios of the financial robustness.
The Ratio is calculated if from the Cash Flow Statement the total of inputs/(outflows) from Operating Activities is added to the total of inputs/(outflows) from Investing activities.

Adjusted Cash Flows after Investments =	Net Cash Flows from Operating Activities	-	Net Cash Flows from Investment Activities

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
Net Cash Flows from Operating Activities	2.395	(198)	9.607	(6.187)
Net Cash Flows from Investment Activities	(2.417)	(4.491)	(6.464)	(3.985)
CASH FLOWS AFTER INVESTMENTS	**(22)**	**(4.689)**	**3.143**	**(10.172)**
Elements that affect the adjustment	-	-	-	-
Adjusted Cash Flows from Investment Activities	**(22)**	**(4.689)**	**3.143**	**(10.172)**

5. Return on Equity

In general the return on equity shows the profit that corresponds to the shares investment of an entity. It belongs to the group of performance Ratios and is as well widespread known for purposes of comparing similar businesses and assessing the management of an entity.
The Ratio is calculated by dividing the net income (Earnings after Taxes-EAT) by the average of the equity of the beginning and the end of the period.

Adjusted Return on Equity (ROE) =	Net Profits of period after taxes –Elements that affect the adjustment
	Total sum of Equity (average)

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
Return On Equity	**4,44%**	**4,05%**	**2,86%**	**2,69%**
Net Profits of the period	3.989	3.622	2.035	1.960
Elements that affect the adjustment	1.510	1.527	849	1.807
Total	**5.499**	**5.149**	**2.885**	**3.766**
Total Average Equity	89.833	89.420	71.118	72.824
Adjusted Return on Equity	**6,12%**	**5,76%**	**4,06%**	**5,17%**
Divergence %	**38%**	**42%**	**42%**	**92%**

Elements that affect the adjustment

As presented above with the analysis of each ESMA, the Group significantly improves its image. In particular, with exception of the non-recurring provisions for the years 2016 and 2015, the picture in almost all each of one of the ESMA appears to be improved in both years. In order to provide the financial information more readily to shareholders and investors and for reasons of conservatism, the Group entries amounts in the results that lumber the situation of the Financial Statements. Except for these charges ,we end up with the ESMA, the publication of which started the Group on 31.12.2016.
The analytical data affecting the adjustment of the Ratios (ESMA) for the years 2016 and 2015 are shown in the table below:

	Group		Company	
In thousands €	**2016**	**2015**	**2016**	**2015**
Statement of Total Income				
Impairment of receivables / (Reversal of provision)	1.644	1.997	900	2.288
Impairment of inventories / (Reversal of provision)	(238)	796	(200)	811
Loss from recovery/(Return of Grants)	616	-	460	-
Other provisions / (Reversal of provisions)	106	(642)	36	(555)
Tax adjustment	(617)	(624)	(347)	(738)
Total	**1.510**	**1.527**	**849**	**1.807**

Expected progress and development

The penetration into even more new markets abroad will continue to be a key objective for the Group for 2017, as well. In this context, the strategic plan contains promotional activities, such as the establishment of new representative offices abroad as well as the development of new products and services. Particular emphasis is given to projects that are based on finding and implementing further cost reduction actions to adapt to the new economic environment and on improving the efficiency of processes, particularly in production and administration. The management, judging by the Group's growth ability, which in a few years managed to successfully change its field of activity from the local to the global market, expects a continuation of its successful course in 2017, as well.

At the same time, liquidity is expected to continue to be kept at high levels and gives the Group the required flexibility and the ability to move ahead with new investments. The Group is able to meet its operating needs and additionally to finance its geographical and product development.

It is noted that estimates for the development of activities are based on parameters whose positive or negative changes cannot be forecasted with accuracy by the management, such as the development of the market of raw materials, energy costs, , the trend in the construction activity, the interest rate levels, credit expansion of banks, the current state of the Greek economy, inflation and the purchasing power of consumers.

Major Risks and uncertainties – Management of Financial Risk

The Company and the Group proceed to the required actions in order to limit the negative influence to their financial results, which is derived by the fluctuations of cost and sales variables as well as by the inherent disability to predict the financial markets. Specifically, the Company and the Group face the following risks:

Credit Risk

The financial risk results when the weakness of the contracting parties to pay off their obligations could decrease the amount of the future cash flows from financial assets, based upon the reference date of the Financial Reports.
There is no significant credit risk concentration for the Group. Sales mainly are realized to low-credit risk clients, there is credit insurance for the overseas sales and there is a great dispersion of balances, as there is no client of

the Group with a percentage higher than 5% of total sales. Moreover, geographically there is no concentration of credit risk, with the exception of Greece due which has created provisions for doubtful receivables.

The provision for bad debt presents the estimation of the Company for losses in relation to its customers and is composed of impairment losses of specific receivables of significant risk as well as of collective losses for groups of similar receivables that they are estimated to have been incurred but not yet identified. There is a continuous control of the creditworthiness of large customers and in this way the exposure to risk is limited, with sufficient secure limits concerning the large customers.

At the end of the fiscal year it is estimated that there is no essential credit risk, which is not covered by an insurance as a credit guarantee or by a provision for uncertain receivables.

Liquidity Risk

The liquidity risk is the risk that results when the directly cashable financial assets are not enough to cover the obligations on their expiration date.

The approach of the Group about the liquidity management is to secure that in any case it will retain enough liquidity in order to meet its liabilities when they end, under ordinary or difficult conditions, without incurring non-acceptable losses or putting in danger its reputation. Prudent liquidity management is achieved by the appropriate combination of liquid assets and approved bank credits, while the unused approved bank credits, are adequate to encounter any potential shortage in cash.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days at least, including the servicing of financial obligations. This policy excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. For the minimization of risk in cash and cash equivalents, the Group transacts only with established financial institutes, of high credit level.

In addition, on December 31, 2016 the Group maintains approved bank credit limits up to 32.0 million euros. The Group's target is to have approved credit limit significantly greater than the size of its borrowing, a condition that is currently achieved. Concerning its investment policy, the Group limits its exposure to risks, by investing, at the time, only in directly cashable securities.

On December 31, 2016 it is estimated that there is no material liquidity risk which is not covered either by the Group's cash or by approved bank credits.

Market risk

Market risk is defined as the risk associated with changes in the rate of growth of construction activities as well as with changes in market prices of materials, in foreign exchange rates, interest rates and equity prices, to affect the Group's financial results or the value of its financial assets. It also includes the price of steel which is the main raw material (commodity). Its price is affected by the supply, the demand and the level of reserves in a global perspective. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return. The exposure of economic results of the Group to the above risks is low.

Foreign exchange risk

A) Risk of diminishing gross profitability due to revaluation of foreign currencies

The exposure of the Group in foreign exchange risks mainly derives from existing or expected cash flows in foreign currency (imports/exports), as well as investments abroad. This risk is confronted in the framework of approved policies. The Group operates mainly in Europe and, therefore, the majority of its transactions is based on Euros, while the operation that takes place apart from Europe is based on Euro clause, and therefore the exchange rate risk is minimized. The majority of the Group's foreign exchange differences originated in Turkey, England and Russia due to the strong activity of the Group and the volatility of the exchange rate of these countries. To further decrease the currency risk, the Group signed hedging contracts (hedging currency) with forward contracts, thus ensuring a stable exchange rate.

B) Risk from the conversion of financial statements denominated in a foreign currency

The Group has invested in foreign enterprises whose operating currency is not the Euro, thus their Financial Reports are not conducted into Euro. Due to that fact, the Group is being exposed into risk from the conversion of those Financial Reports into Euro in order to be consolidated to the Financial Reports of the Group.

Interest rate risk

The interest rate risk is the risk that the value of financial instruments may fluctuate due to changes in market interest rates. The Group is not exposed to a significant interest rate risk, since short term borrowings at 31/12/2016 are significant low.

The loan liabilities of the Group are based on pre-agreed and pre-set margins of interest, which according to the market conditions, may be changed into fixed. Group's policy is to observe the trends of the interests and the duration of the financial needs and according to the existing conditions, the Group determines the relation between long-term and short-term bank loans.

The group does not enter into contracts for goods (commodity contracts), other than those required to cover the estimated usage and sales needs.

The Company is activated in a corporate environment which is characterized by variability at interest rates, prices of raw materials and energy. The sensitivity analysis of the above, indicates the following:

Amounts in thous euros	Earnings before tax	Change to Income Statement (thous €)	Change to Equity (thous €)
Published Earnings for 2016	1.976	0	0
+5% interest rates	250	(1.727)	(1.727)
+0,5% interest rates	1.695	(281)	(281)
Increase 5% in prices of raw materials	(399)	(2.375)	(2.375)
Decrease 5% in prices of raw materials	4.352	2.375	2.375
Increase 10% in prices of energy	1.844	(132)	(132)
Decrease 10% in prices of energy	2.108	132	132

Risks and possible consequences for the Group due to the scheduled withdrawal of United Kingdom from the European Union (BREXIT).

On March 29, 2017, United Kingdom put into effect Article 50 of the Treaty of the E.U. (Article 50 of the Treaty on European Union) and since then it started officially the legal procedure for the exit of the country from the European Union (known as «BrExit»). The negotiations with the other 27 members of the European Union for the terms of the exit have already started and there is a timetable of 2 years for their completion.

The depth and the width of the consequences of BrExit will depend upon the outcome of the negotiations between the United Kingdom and the European Union, which will drive through "uncharted waters ", since there is no such other experience in E.U. before in its history. The result of these negotiations will define the grade in which some exemptions and discharges, which still exist according to the tax legislation of the E.U., will remain for the financial entities of the United Kingdom. Furthermore, there is a possibility for fluctuations in the exchange rate between the Euro and the British pound.

The Group is active in the United Kingdom, with the subsidiary KLEEMANN LIFTS UK LTD, which is established in London. The rate of the British pound on 31/12/2015 was 0,734 £/€. During the whole years' period and after the reporting of the outcome of the referendum concerning the country leaving the European Union, the British pound has depreciated towards the Euro and at 31/12/2016 reached 0,856 £/€. The devaluation of the British pound had an effect (€ -580 thousand loss) on the equity of the Group on 31/12/2016.

At the present time it cannot be estimated the effect on the financial reports of the Group of the final exit of United Kingdom from the European Union. In any case the Management evaluates the data constantly in order to reserve the measurements and any actions needed that will have to be taken, so as to minimize the negative consequences in the activity of the Group.

Vision and long-term targets

The vision of the Management is for Kleemann to be the Company of first choice for the international elevator market, due to the fact that it constitutes a modern industry, with strong capital structure, close co-operation with its clients, great reputation and strong market position. To achieve the Group vision, specific strategic objectives have been set which are:

- **High quality:** The Group's objective is the quality to be the key feature of its products and services. Product quality must exceed customer expectations, while at the same time the existing processes must ensure its continuous improvement.
- **Consistency - helpfulness:** The consistency and helpfulness towards the customer is one of the key strategic objectives of the Group. Delivery time of products and customer service constitute critical success factors of the objectives of the Group.

- **Economy - Efficiency:** Maximum results must be achieved by using the least possible resources. The benefits may be significant and disseminate both within the Group (shareholders, management, employees, etc.) and outside (customers, suppliers, community, etc.)
- **Development:** The continuous growth in business activity primarily ensures the viability of the Company and then ensures its leading market position. Conversely, stagnation in a rapidly evolving business environment ultimately leads to shrinkage of operations and the Group's figures.

For the realization of this vision and strategic objectives, the comparative advantages of the Group are the following:

- **Reliability –** The Group has succeeded to connect its name with the reliability, as its main target is to react directly at the expectations and the requirements of the clients, concerning the product, the quality, the speediness and the price. The presence of the Group at important international exhibitions and the records at international branch papers, contribute the brand "KLEEMANN" to be very known and recognizable to the global elevator market. The negotiating power, concerning the suppliers, and the vertical structure of the Group, result the complete control of the quality and cost of production of the final product.

- **Technology** – The Group constitutes a capital intensive industry and one of the most technologically modern in Europe. With the edge of investment in mechanical equipment, the strategy is based on the pillars of quality, innovation, speed and flexibility.

- **Complete elevator system** – Holding the position of «leader», the Group is the only one in Greece which has the capability to offer complete solutions of elevators which assure compatibility of all the materials, absolute secure to the final user and maintainer, cover of specialized solutions (e.g. innovation), complete and continuous technical customer support.

- **Know-how** – the Group has the requisite know-how for the development of innovating and diversified products which is based on the 20-year presence in the international market, on the long-term co-operations with clients-installers, on the 1.249 employees (435 with University education, of which 304 are mechanical engineers) and on its people-centered culture. The Research and Development department support the development of new products of high technology, which they meet the trends of the global market as well as the new legal requirements, while in addition they are designed and imported in the market innovative products, such as the antiseismic elevator, the hydraulic elevator without engine-room, innovative solutions for the refurbishment of elevators, elevation systems, regulations of reduction of energy consumption etc, for which the Group has recorded 21 applications, both in Greece and internationally, for the safeguard of the industrial literary property and it has received the corresponding patents.

The strategic targets of the management are the enforcement of the leading position of the Group, both in the Greek and European market, as well as its further expansion and the improvement of products and services offered. The strategy to accomplish these targets is defined by the cooperation agreements both in the home country and abroad, the update of the information systems of the Company and the restructuring of its organization, the expansion of its international presence aiming at taking advantage of opportunities that arise abroad, the improvement of the training systems of both the personnel and the Company's co-operators, the evolution of new executives, the fulfilment of its significant investment plan and the extensive investment program in Research and Development and the corresponding continuous development of the know-how.

The direct targets of Group's management include:

- **Evolution in home market**. The Group always aims at the expansion of the market share of the domestic market., which is based on the strategy of penetration in the Greek elevator market and the promotion of the complete elevator package, the strengthening of the network of collaborators, the promotion of new proposals such as "Kleemann Design", the communication with the public, engineers and architects and finally in the development of new markets such as parking system, stair lifts and escalators.

- **Increase in exports.** Having the above mentioned comparative advantages, the Group develops its strategy with the enlarge of its client base and the expansion to new demanding markets, as for instance the technologically developing countries of Europe with the strictest specifications in the quality, materials and services. At the same time, it achieves the decrease of dependence from existing markets. In addition, the Group tries to promote its new products and apply a more competitive pricing policy in order to strengthen its presence in the international market.

- **Penetration in the market of upgrading of old elevator systems**. In Greece today there are approximately 300.000 elevators, more than 30 years old, a significant part of which requires partial or total replacement. Although the official Ministry decision, which refers to security of elevators and published at the end of 2008, transferring replacement at the next years, this specific postponement neither improves the operation of the Group, nor it affects significantly the financial figures. The daily reality indicates that there is a sufficient mobility regarding the repair and maintenance services because of the fact that existing elevators become older and need to be modernized.

Important transactions with Affiliated Entities

The most important transactions of the Company with affiliated entities, according the IFRS 24, concern transactions with its subsidiaries, with affiliated entities and with members of the Board of Directors and highest officials.
The transactions with the affiliated entities are summarily presented at the following table.

2016	Group		Company	
	Revenues / Sales	**Expenses / Purchases**	**Revenues / Sales**	**Expenses / Purchases**
Consolidated subsidiary companies	-	-	25.195.859,33	11.413.420,45
Affiliated Companies	868.382,11	3.922.164,98	554.243,96	636.852,41
B.o.D. Members and highest officials	(4.672,95)	1.522.300,98	(4.672,95)	754.954,85
Total	**863.709,16**	**5.444.465,96**	**25.745.430,34**	**12.805.227,71**

	Receivables	Liabilities	Receivables	Liabilities
Consolidated subsidiary companies	-	-	9.091.349,61	6.965.956,94
Affiliated Companies	402.205,16	110.228,78	253.052,27	(114.117,29)
B.o.D. Members and highest officials	5.366,28	-	5.366,28	-
Total	**407.571,44**	**110.228,78**	**9.349.768,16**	**6.851.839,65**

2015	Group		Company	
	Revenues / Sales	**Expenses / Purchases**	**Revenues / Sales**	**Expenses / Purchases**
Consolidated subsidiary companies	-	-	24.831.488,83	10.106.442,35
Affiliated Companies	750.805,96	3.687.537,78	476.376,31	657.265,45
B.o.D. Members and highest officials	14.245,45	1.359.712,37	14.245,45	776.074,15
Total	**765.051,41**	**5.047.250,15**	**25.322.110,59**	**11.539.781,95**

	Receivables	Liabilities	Receivables	Liabilities
Consolidated subsidiary companies	-	-	17.339.867,24	5.915.292,98
Affiliated Companies	480.711,83	621.266,99	309.432,60	(159.727,63)
B.o.D. Members and highest officials	10.529,31	-	10.529,31	-
Total	**491.241,14**	**621.266,99**	**17.659.829,15**	**5.755.565,35**

Analytically, the sales of the Company to the subsidiary companies, for the fiscal years 2016 and 2015 respectively, are analyzed as follows:

Sales 1 January to 31 December

2016	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	90,00	4.321,86	6.621,67	5.032,37	39.149,84	**55.215,74**
KLEEMANN ASANSOR S.A.	470.291,85	4.866.514,37	326.544,07	802,62	33.371,64	**5.697.524,55**
KLEEMANN LIFTOVI D.o.o.	483.751,54	1.705.986,10	52.047,03	103,47	2.319,88	**2.244.208,02**
KLEEMANN LIFT RO SRL	54.192,41	2.045.274,27	36.766,38	612,92	66.278,39	**2.203.124,37**
KLEEMANN LIFTS (CHINA) CO. LTD	(2.444,03)	328.718,88	104.619,91	-	36.964,39	**467.859,15**
KLEEMANN LIFTS U.K. LTD	12.095,88	4.844.923,32	260.499,63	62.566,88	294.535,15	**5.474.620,86**
KLEEMANN LIFT RUS	840.503,00	2.246.643,64	37.100,32	-	-	**3.124.246,96**
KLEEMANN DIZALA	99,34	147.650,45	5.939,91	767,00	6.161,25	**160.617,95**

KLEEMANN ELEVATORS AUSTRALIA PTY	212.310,04	3.919.763,45	60.376,24	137,50	173.515,83	**4.366.103,06**
KLEEMANN SERVICES LTD	126.636,74	1.195.521,03	-	8.188,79	48.380,32	**1.378.726,88**
	1.222,42	4.956,88	16.404,49	-	1.028,00	**23.611,79**
Total	**2.198.749,19**	**21.310.274,25**	**906.919,65**	**78.211,55**	**701.704,69**	**25.195.859,33**

Sales 1 January to 31 December

2015	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	15.085,37	9.104,73	2.786,00	58.894,61	**85.870,71**
KLEEMANN ASANSOR San. Ve Tic. A.S.	280.685,55	5.466.348,27	5.414.473,07	9.238,89	231.892,33	**11.402.638,11**
KLEEMANN LIFTOVI D.o.o.	42.962,00	1.549.839,96	314.513,07	710,00	-	**1.908.025,03**
KLEEMANN LIFT RO SRL	14.517,50	2.210.892,80	33.786,77	590,45	69.473,00	**2.329.260,52**
MODA LIFT S.A.	-	-	-	-	-	**-**
KLEEMANN LIFTS (CHINA) CO. LTD	-	179.181,26	78.366,72	-	30.226,00	**287.773,98**
KLEEMANN LIFTS U.K. LTD	-	3.466.151,07	75.712,24	1.740,00	264.230,00	**3.807.833,31**
KLEEMANN LIFTS RUS	1.330.930,00	1.485.484,84	226.956,88	4.150,00	9.212,00	**3.056.733,72**
HONG KONG ELEVATOR SYSTEMS	-	-	-	-	-	**-**
KLEEMANN DIZALA	-	159.084,13	1.606,93	-	6.253,00	**166.944,06**
KLEEMANN ELEVATORS AUSTRALIA PTY	68.500,00	1.554.224,50	19.490,21	-	59.439,00	**1.701.653,71**
KLEEMANN SERVICES LTD	-	84.755,68	-	-	-	**84.755,68**
Total	**1.737.595,05**	**16.171.047,88**	**6.174.010,62**	**19.215,34**	**729.619,94**	**24.831.488,83**

Purchases 1 January to 31 December

2016	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	91.895,40	8.144.322,93	416.631,93	105.787,12	8.743,79	**8.767.381,17**
KLEEMANN ASANSOR S.A.	98.245,21	56.114,03	2.100,00	-	-	**156.459,24**
KLEEMANN LIFTOVI D.o.o.	350.760,06	38.401,43	-	-	60.682,69	**449.844,18**
KLEEMANN LIFT RO SRL	-	-	-	-	293.575,00	**293.575,00**
KLEEMANN LIFTS (CHINA) CO. LTD	428.125,56	457.582,68	-	-	200.764,79	**1.086.473,03**
KLEEMANNLIFTSRUS						**-**
KLEEMANN LIFTS U.K. LTD	-	-	-	1.671,63	-	**1.671,63**
KLEEMANN SERVICES LTD	650,00	-	-	-	-	**650,00**
KLEEMANN AUFZUGE	-	-	-	304.740,89	-	**304.740,89**
KLEEMANN LIFTS TRADING CO, LTD	352.625,31	-	-	-	-	**352.625,31**
Total	**1.322.301,54**	**8.696.421,07**	**418.731,93**	**412.199,64**	**563.766,27**	**11.413.420,45**

Purchases 1 January to 31 December

2015	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	72.071,07	7.734.760,48	386.189,41	111.196,28	-	**8.304.217,24**
KLEEMANN ASANSOR San. Ve Tic. A.S..	272.488,62	-	-	-	-	**272.488,62**
KLEEMANN LIFTOVI D.o.o.	266.324,81	-	-	-	-	**266.324,81**

KLEEMANN LIFT RO SRL	-	-	-	-	139.470,85	**139.470,85**
MODA LIFT S.A.	-	-	-	-	-	**-**
KLEEMANN LIFTS (CHINA) CO. LTD	-	1.120.639,31	-	-	-	**1.120.639,31**
KLEEMANN LIFTS RUS	-	-	-	-	-	**-**
KLEEMANN LIFTS U.K. LTD	-	-	-	3.301,52	-	**3.301,52**
Total	**610.884,50**	**8.855.399,79**	**386.189,41**	**114.497,80**	**139.470,85**	**10.106.442,35**

Excluding the above, there are no other transactions between the Company and its subsidiaries. Concerning the Receivables and Liabilities of the Company against its subsidiaries, the information is as follows:

	Liabilities		**Receivables**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
KLEFER S.A.	6.182.660,63	5.600.647,69	12.774,03	15.112,05
KLEEMANN ASANSOR S.A.	-	97.220,52	2.515.289,92	4.099.097,30
KLEEMANN LIFTOVI D.o.o.	370.097,49	24.484,94	453.899,28	1.733.030,78
KLEEMANN LIFT RO SRL	139.090,00	75.078,30	741.857,66	872.568,07
MODA LIFT S.A.	-	-	-	-
KLEEMANN LIFTS (CHINA) CO. LTD	249.035.94	(32.281,42)	238.939,82	540.640,96
KLEEMANN SERVICES LTD	650,00	-	16.641,68	81.355,68
KLEEMANN LIFTS U.K. LTD	1.671,63	150.142,95	3.248.559,20	8.769.459,22
KLEEMANN LIFTS RUS	-	-	369.022,90	356.022,83
HONG KONG ELEVATOR SYSTEMS	-	-	-	-
KLEEMANN DIZALA	-	-	285.707,01	158.989,06
KLEEMANN ELEVATORS AUSTRALIA PTY	-	-	1.185.046,32	713.591,29
KLEEMANN AUFZUGE	11.934,53	-	23.611,79	-
KLEEMANN LIFTS DUBAI DMCC	-	-	-	-
KLEEMANN LIFTS TRADING CO., LTD	10.816,72	-	-	-
Total	**6.965.956,94**	**5.915.292,98**	**9.091.349,61**	**17.339.867,24**

The other affiliated companies, which are not consolidated in order to accrue the financial results, are the following: AMETAL ASANSÖR SAN.VE TİC.A.Ş.(Turkey), AMETALLIFT DIŞ TİCARET A.Ş.(ex YAPILIFT Turkey), TECHNOLAMA (Spain), SKYLIFT (Greece), and CITYLIFT (Greece). The receivables and liabilities of the Company and the Group with these companies are analyzed as follows:

Company	**Liabilities**		**Receivables**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
AMETALLIFT DIŞ TİCARET A.Ş.(ex YAPILIFT)	(116.717,29)	(159.727,63)	-	11.912,07
TECHNOLAMA	-	-	-	-
CITYLIFT	-	-	213,38	12,07
SKYLIFT	2.600,00	-	252.838,89	297.508,46
Total	**(114.117,29)**	**(159.727,63)**	**253.052,27**	**309.432,60**

Group	**Liabilities**		**Receivables**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
AMETAL ASANSÖR SAN.VE TİC.A.Ş.	-	-	41.405,99	68.614,52
AMETALLIFT DIŞ TİCARET A.Ş.(ex YAPILIFT)	(116.717,29)	(159.727,63)	62.941,79	101.331,34
TECHNOLAMA	224.346,07	780.994,62	170,33	170,33
CITYLIFT	-	-	213,38	12,07
SKYLIFT	2.600,00	-	297.473,67	310.583,57

Total	**110.228,78**	**621.266,99**	**402.205,16**	**480.711,83**

EXPLANATORY REPORT TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING ACCORDING TO THE ARTICLE 4, par 7 & 8 L. 3556/2007

The present explanatory report of the General Meeting to the Ordinary General Shareholders' Meeting, contains analytical information related with the issues of the paragraph 7, Article 4 of Law N. 3556/2007.

a) Structure of Share Capital of KLEEMANN HELLAS S.A.

Share Capital of "KLEEMANN HELLAS S.A." comes up to 8.277.045,00 euros, divided by 23.648.700 ordinary registered shares, with one voting right and nominal value of 0,35 euros each, which are listed for negotiation in the Value Market of the Athens Stock Exchange.

Each Share of the Company includes all benefits and obligations defined by the Law and Articles of Association of the Company, which does not include provisions, more restrictive than what the Law defines. The ownership of a share title implies by right its owners' acceptance of the Articles of Association of the Company and all the legal decisions of the General Shareholders' Meetings, even if they have not participated to them. Articles of Association of the Company does not include any special rights in favour of specific shareholders.

Shareholders' responsibility is restricted to the amount of the nominal value of the shares that they hold and they participate proportionally in the management and the profits of the Company, according to the provisions of the Law and the Articles of Association. The benefits and obligations that arise from each share are followed on any, total or particular, shareholders' successor.

Shareholders can exercise their rights regarding the Management of the Company only through General Meetings and they hold the right of preference on any future increase of Share Capital of the Company, depending on their participation in the existing share capital, as this is defined in Article 13, paragraph 5 of the Encoded Law 2190/1920.

Shareholders' borrowers and their total or particular successors, can neither cause, under any condition, any seizure or inactivation of any property or the Company's accounts, nor ask for its settlement and distribution and be involved in any way in its management or its administration.

Each shareholder, wherever he or she may live, concerning his relationship with the Company, is considered to be a permanent resident in its Head Offices and he or she is liable to Greek Legislation. Any disagreement between the Company and the shareholders or any other third party is subject to the exclusive responsibility of Greek Courts, while the Company is subject only to the Courts of its Head Offices.

Common shares provide only one voting right. All co-owners of a share, should present a common representative for that share, literally, to the Company, in order to retain the voting right. This representative will stand for them in the General Meeting. Until the representative is appointed, the execution of their rights is postponed.

Ten (10) days before the Ordinary General Meeting, each shareholder can ask for the annual Financial Statements and the relevant reports of the Board of Directors and the Auditors of the Company.

The dividend of each share is paid to the Shareholders of the Company, within two (2) months from the date of the Ordinary General Meeting, which approved the annual Financial Statements. The payment is held with the presentation of the Guarantee of Dividend Beneficiary of Anonymous Values in the Offices of the Company or wherever else defined. The method of deposit is announced in the Press. Dividends that are not demanded for more than five years, are statute-barred in favour of State.

As far as the procedure of depositing the shares is concerned, the shareholders' participation to the General Shareholders' Meetings of the Company and the process of dividend payment, requires the application of everything that the Regulation for the Operation and Liquidation of Immaterial Titles System of the Central Value Warrant defines, as these are in force on any time.

b) Restrictions to the transfer of the Company shares.

The transfer of the Company shares is held as the Law defines, there are no restrictions, impelled by the Articles of Association.

c) Significant direct or indirect participations as these are defined by Law 3556/2007

Significant direct or indirect participations, as these are defined by Articles 9-11 of Law 3556/2007, owning directly or indirectly more than 5% of the total number of Company shares holds only directly the company MCA ORBITAL GLOBAL HOLDINGS LTD and indirectly the persons that act in cooperation with him, based on the agreement at 19/09/2016 (meaning Konstantinos N. Koukountzos, Nikolaos N. Koukountzos, Aikaterini N. Koukountzou, Nikolaos K.Koukountzos, Menelaos K. Koukountzos, Aikaterini M. Koukountzou, and Konstantinos M. Koukountzos).

On 31/12/2016 the number of shares controlled by MCA ORBITAL GLOBAL HOLDINGS directly and the natural persons indirectly rises up to 18.630.071 shares, which represent a percentage close to 78,78% of the share capital and voting rights of the Company. The number of shares on disposal on 31st December 2016 arises to 23.648.700 and they are all ordinary registered shares.

As a notification, on 31/12/2016 was in progress the Formal Proposal that has been submitted by MCA ORBITAL GLOBAL HOLDINGS LTD, for which more details can be found in the section "The most significant events during the year 2016".

d) Shares that provide special auditing rights.

There are not any Company shares that offer special auditing rights to their owners.

e) Restriction on voting right.

The Articles of Association does not inflict any restrictions on the voting right that arises from shares of the Company.

f) Agreements between Shareholders

The Company is not aware of the existence of any possible agreements between its shareholders, which imply restrictions in the transfer of its shares or the execution of the voting rights that arise from its shares.

g) Rules about the appointment and replacement of Board of Directors members and about the Modification of the Articles of Association

The rules that the Articles of Association of the Company define with respect to the appointment and replacement of Board of Directors members and about the modification of its provisions, are not different from the definitions of K.N.2190/1920.

h) Authority of the Board of Directors for the issue of new shares or the purchase of owned shares

a) According to the provisions of Article 13 Par. 1 Elem. B of K.N. 2190/1920 and Article 6 of the Articles of Association of the Company, after a relevant decision by General Meeting, which is subject to the publicity formalities of the 7b Article of K.N. 2190/1920, Board of Directors are entitled to increase the share capital of the Company, by issuing new shares, with a decision that requires the priority of at least two thirds (2/3) of total members.

b) The Board of Directors of the Company have the right to proceed to the purchase of owned shares strictly under a decision of General Shareholders' Meeting, which has been taken according to Article 16 of Law 2190/1920, under the terms and prerequisites mentioned in Law 2190/1920 as is applies modified.

c) There are no shares of the Parent Company that are held by itself or by its subsidiaries at the end of the current period.

i) Important agreements that come into force, are modified, or expire in the occasion of change of auditing, after public proposal.

There are no important agreements that come into force, are modified, or expire in the occasion of change of auditing, after public proposal.

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

There are not any special agreements between the Company and the members of its' Board of Directors or its personnel, which define the deposit of any compensation, especially on the occasion of resignation or dismissal, without reasonable cause for termination either of duty or of employment, because of public proposal.

STATEMENT OF CORPORATE GOVERNANCE

The Statement covers all of the principles and practices adopted by the Company in order to ensure its efficiency, the interests of its shareholders and of all other interested parties. The Company according to article 2, par. 2 of L. 3873/2010 and par 43a par. 29 of L. 2190/1920 states the following:

The structure of the present Statement of Corporate Governance focuses upon the following topics:

1. Statement of Compliance with a Corporate Governance Code.
2. Corporate Governance Practices in addition to the requirements of the Law.
3. Description of the Internal Audit and Risk Management System in relation to the financial statement preparation process.
4. Additional information pursuant to sections (c), (d), (f), (g) and (h) of article 1 par. 10 of the 2004/25/EK directive.
5. Relations with the Shareholders.
6. Composition and functioning of the Board of Directors and any other administrative, management or supervisory bodies and committees of the company.
7. Fees.
8. Adequate/Sufficient Information Policy.
9. Conflict of Interest Policy & Privacy Policy.
10. Diversity policy.
11. Structure of the Company in order to combat the corruption.
12. Divergences and justifications from the Code of Corporate Governance.

1. Statement of Compliance with a Corporate Governance Code.
The Company, complying with the requirements of the Law 3873/2010 implements the Corporate Governance Code, introduced by the Hellenic Federation of Enterprises that can be found in the following website:

http://www.helex.gr/documents/10180/906743/HCGC_GR_20131022.pdf/e8e7b6da-6dd0-4c30-90e9-79fe9ca8383d

2. Corporate Governance Practices in addition to the requirements of the Law.

The Company does not follow any other corporate governance practices additional to the requirements of the law.

3. Description of the Internal Audit and Risk Management System in relation to the financial statement preparation process.
The Board of Directors has the responsibility of monitoring and evaluating the adequacy of the Company's and the Group's system of internal audit. This purpose is contributed by the Audit Committee and Internal Audit

department - through which is monitoring the Internal Control system compliance. On the aforementioned, the financial information for the preparation of the parent and consolidated financial statements and the Annual Report are also included.
The main characteristics of the internal control and risk management systems employed by the Company in connection with the process of preparation of the financial statements and the Financial Report are the following:

- Creation of automated procedures and coordinated actions of all group companies for the preparation of consolidated financial statements.
- Checks and balances of all transactions affecting the preparation of the consolidated financial statements of the Group (agreement, sales-purchases, receivables-liabilities, and intercompany reserves and other transactions).
- Review of accounting principles and policies, whenever is required.
- Existence of recorded procedures related to the issuance of financial statements.
- Existence of audits and development of audit mechanisms for security and reliability of the information used.
- Development of a common accounting platform and structure for the preparation and issuance of financial statements for all companies of the group.
- Adequate knowledge, skills of personnel involved per areas of responsibility.
- Continuous training and updating on new developments.
- Regular contact of the Audit Committee with independent auditors (certified public accountants)
- Preparation and presentation of risk management procedure.
- Evaluation of internal control and risk management systems by the Board of Directors upon the recommendation of the Audit Committee.
- Creation of corporate contracts with the management of Group companies, where are described and defined jurisdiction for conducting any kind of transactions.

An audit plan prepared by Internal Auditing department based on prior risk assessments, in order to provide assurance over key business processes and financial risks faced by the Company. This plan is approved by the Audit Committee yearly.

The company has established appropriate structures, procedures and controls in order to assess and manage risks that may arise on the preparation of separate and consolidated financial statements.

Specific operating procedures have been established for areas associated with high risk of fraud, which describe all authorization steps that are required in order to ensure effective safe and control of these transactions.

The Audit Committee considers significant audit matters raised by management and both the internal and external auditors and submits its findings to the Board of Directors. Where weaknesses of internal control systems are detected, the Audit Committee ensures that management will take all necessary corrective measures.

The major responsibilities of the committee are the following:

Regarding the System of Internal Control and the Management Information System, the audit committee:

- monitors the financial reporting process and the reliability of financial statements. Moreover, it should oversee any formal announcements relating to the financial performance of the company, and examine the key points of the financial statements that involve significant judgments and estimates in terms of management,
- monitors the internal financial controls of the company and monitors the effectiveness of internal control systems and risk management system of the company, unless this responsibility is clearly a duty of the Board or another committee. For this purpose, the audit committee should periodically review the internal control system and risk management system to ensure that the key risks are identified, managed and disclosed correctly;
- examines conflicts of interest between its subsidiaries and the related parties, which are being created while the company operates, and submits relevant reports to the Board,
- supports the Board in order to obtain sufficient information to make decisions relating to the transactions between related parties,

- examines the existence and content of those procedures under which the personnel of the company may confidentially express his concerns about possible illegalities and irregularities in financial reporting or other matters relating to the operation of the company. The audit committee should ensure the existence of procedures for effective and independent investigation of such matters and for appropriate treatment.

Regarding the supervision of the internal audit, the audit committee:

- ensures the operation of the internal audit in accordance with international standards relating to the professional application of internal control,
- identifies and examines the rules of the internal audit unit of the company,
- monitors and supervises the proper functioning of the internal audit , and examines the control unit reports for each quarter,
- ensures the independence of internal audit, by making recommendations to the Board for approving or dismissing the head of internal audit control
- evaluates the Head of Internal Audit Control unit

Regarding the regular audit, the audit committee:

- make recommendations through the Board at the General Assembly relating to the appointment , reappointment and withdrawal of the external auditor as well as the approval of the remuneration and the terms of approving the external auditor,
- reviews and monitors the external auditor's independence, objectivity and effectiveness of the audit processes, while taking into account relevant professional and regulatory requirements in Greece,
- examines and monitors the provision of additional services to the company by the auditing company. For this purpose develops and implements policies for the recruitment of the regular auditors providing non-audit services, and oversees the implementation.
- discusses with the auditor the audit essential differences of the internal audit, regardless of whether they subsequently resolved or remained unresolved,
- discusses with the auditor the report indicating the weaknesses of the internal control system , in particular those relating to procedures for financial reporting and the preparation of financial statements.

4. Additional information pursuant to sections (c), (d), (f), (g) and (h) of article 1 par. 10 of the 2004/25/EK directive

The required information pursuant to section (c), (d), (f), (g) and (h) of article 10 par. 1 of the 2004/25/EC Directive can be found in the section of Explanatory Report of the Board of Directors in these Financial Statements that presents the additional information pursuant to article 4 par. 7 of Law 3556/2007.

5. Relations with the Shareholders

Communication with Shareholders

The company recognizes the importance of effective and timely communication with its shareholders. The interim and annual financial results, the consolidated financial reports and other announcements are available on the company's website. The Company has an Investor Relations Department, which publishes information on its website where shareholders and potential investors can obtain information on the structure of the management, information for shareholders, financial results and press releases.
At the website, the company provides contact details to its shareholders t and answers to their questions.

Information on how the General Meeting of Shareholders operates and its key powers, and a description of shareholders' rights and how to exercise them

The General Shareholder Meeting is the supreme body of the Company, in accordance with the Law 2190/ 1920, as applicable. The General Shareholder Meeting has the authority to decide for the below:

- Amendment of Articles of association.
- Approval of annual separate and consolidated financial statements.
- Election of members of Board of Directors and Certified public accountants.
- Appropriation of profits.
- Merger, split, conversion, dissolution of the company.

- Appointing of liquidators.

The General Assembly is always convened by the Board of Directors and meets at Company's headquarters at least once a year, within six months from the end of the fiscal year that is designated by the Articles of Associations on 31 December. All shareholders are entitled to the right to participate, either in person or by duly authorized agent, always according to the proposed legislation. Decisions of the General Assembly are also binding shareholders who are absent or disagree at the General Meeting of the Company entitled to participate and vote is any shareholder who appears as such in the records of the institution which complies with the securities of the Company. The exercise of these rights does not require the freezing of shares of the beneficiary or keeping a similar procedure.

The General Assembly ensures that all the shareholders are able to participate in its processes, as well as to exercise effectively their shareholder rights and to be informed of all issues of the General Assembly, including those on the agenda. The Chairman of the Board of Directors, the Managing Director, the General Manager, the Chairmen of the Board of Directors Committees, the chief of the Shareholders' department and the chief of the Corporate Announcement's department attend the General Shareholder Assembly and provide shareholders with all necessary information with regard to of the items of the agenda and to the questions posed by the shareholders. The internal auditor also attends the General Shareholder Assembly. General Shareholders Assembly and pursuant to the provisions of Law 3884/2010, the Company publishes on its website at least 20 days prior to the General Shareholder Assembly, information relating to :

- The date, time and place of the convocation of the General Shareholders Meeting.
- The basic rules and practices regarding the participation of the shareholders, including the right to introduce topics in the agenda, to make enquiries and the deadline for the exercise of these rights.
- The voting procedure, the terms and conditions for proxy voting and the necessary forms and documents for proxy voting.
- The proposed agenda of the General Shareholders Assembly, including draft resolutions and any other accompanying documents.
- In case of election of Board of Directors members, the list of the proposed persons along with their curriculum vitae (in case of electing members).
- The total number of shares and voting rights at the time of the convocation of the General Shareholder Assembly.

Notes / summary of the minutes of the General Shareholders Assembly are made available on the Company's website within five (5) days as of the end of the General Shareholder Assembly in both Greek and English.

6. Composition and functioning of the Board of Directors and any other administrative, management or supervisory bodies and committees of the company

The Board of Directors is the governing body of the Company that mainly shapes the strategy and policy development of the Group, having driven and purpose the effective ensuring of interests of the company (including participations) and all shareholders.

The Board of Directors consists totally of seven (7) members. The executive members of the Board of Directors are four (4) and non-executives ones are three (3). Of the three (3) non-executive members two (2) are independent and one (1) has a dependent relationship under the meaning of Article 4 hereof and the rule II.2.5 of Greek Corporate Governance Code.

Independent Directors do not hold more than 0.5% of share capital and not being subordinated to the Company or related parties. The independent members are appointed by the General Assembly. The Board of Directors determines whether an applicant meets the conditions of independence, before the election will be proposed by the General Assembly.

The Board of Directors is supported by competent, qualified and experienced corporate secretary. All members of the Board of Directors have access to the corporate secretary, whose role is to provide practical support to the President and other Board members, based on compliance with corporate rules and legal provisions.

The composition of the Board of Directors of the Company as at 31/12/2016 is presented below:

1) Nikolaos K. Koukountzos, Chairman, Executive Member.
2) Menelaos K. Koukountzos, Vice Chairman &, Executive Member.
3) Konstantinos N. Koukountzos, Managing Director & Executive Member
4) Nikolaos N. Koukountzos, Deputy Manager Director, General Manager &. Executive Member
5) Stergios N. Georgalis, Independent non-Executive Member.
6) Vasilios T. Ziogas, Independent non-Executive Member.
7) Maria D. Karadedoglou, non-Executive Member.

The duty of the above Board of Directors' is validate for 5 years and expires on 30.06.2019

During 2016 the Board of Directors convened 113 times. The attendance of each member of the Board of Directors during 2016 were:

Name	Number of conventions attended	Number of conventions represented
Nikolaos K. Koukountzos	109	0
Menelaos K. Koukountzos	109	0
Konstantinos N. Koukountzos	109	2
Nikolaos N. Koukountzos	105	0
Stergios N. Georgalis	107	0
Vasilios T. Ziogas	16	0
Maria D. Karadedoglou	23	0
TOTAL SUM OF CONVENTIONS	**113**	

The company has adopted a policy of diversity and gender balance both for senior management, and for the members of the Board of Directors. Specifically, the percentage of female representation in senior management is 22% while in the Board Directors is 14%.

Board Member's CV's and Corporate Secretary's CV's

Nikolaos K. Koukountzos, Chairman & Executive Member. He was born in 1944 and is the founder and majority holder of the Company. Since the foundation of the Company he serves as Chairman of the Board of Directors. He is engaged with the strategic development of the Company and the supervision of the technological developments of the field, regarding matters of mechanical equipment and manufacturing process. His main target is the preservation and the expansion of the competitive position of the Company in a global level.
Menelaos K. Koukountzos, Vice Chairman, Executive Member. He was born in 1942 and is the vice-president of the Board. He has a long experience in the field of the lifts and of financial activities as well. Since 1988 he holds the position of Managing Director and is in charge of the financial administration of the Company and the supervision of the developments in the financial field.
Konstantinos N. Koukountzos, Managing Director, Executive Member. He was born in 1973 in Thessaloniki. He holds a degree in Mechanical Engineering from the Polytechnic school of Aristotle University of Thessaloniki. He also holds a Master' s Degree in Business Administration (MBA), from Boston University, USA.
Nikolaos N. Koukountzos, Deputy Manager Director, General Manager. Executive Member, Member of Nomination and Remuneration Committee. He was born in 1977 in Thessaloniki. He holds a BSc degree in Electronic Engineering, an MSc in Mechanical Engineering from King's College, London and a Masters Degree in Business Administration (MBA), from Boston University, USA.
Vasilios T. Ziogas, Independent non-Executive Member, (President of Audit Committee). He was born in 1956 in Fitia, Veria. He graduated from High Industrial School of Thessaloniki at 1979. He is a freelancer in Veria and works as an Economist at Companies. He has an extensive experience in accounting, tax and financial matters as well as in matters of Stock Market (IFRS, Legal Obligations S.A.,C.M.C etc).

Stergios N. Georgalis, Independent non-Executive Member, (President of Nomination and Remuneration Committee, Member of Audit Committee). He was born in 1960 in Keramidi, Volos . He graduated from the Law School from the Aristotle University of Thessaloniki, and has attended courses to the MA department in Law of the Aristotle University of Thessaloniki. He is a lawyer in Thessaloniki since 1981, handling civil, trading and administrative cases.

Maria D. Karadedoglou, non-Executive Member, (Member of Audit Committee & Nomination and Remuneration Committee). Born in 1974 at Thessaloniki. Graduate of the Faculty of Law of the Aristotle University of Thessaloniki, speaks English and French. She is an active lawyer at Kilkis since 1999, handling mainly cases of public, civil and commercial law. She is the Company's legal consultant since 2007.

Christos N. Petridis, Corporate Secretary. He was born in 1962 in Kilkis. He graduated from the Economics Department of the Aristotle University of Thessaloniki. He joined the company in 1988. As he has worked in all Economic departments, he is Chief Financial Officer, since 1998. It has extensive experience in tax consulting and accounting matters, as well as financial analysis and management.

The main, responsibilities of the Board of Directors should include:

- approving the overall long-term strategy and operational goals of the company.
- approving the Companies Internal Code of Operations, Corporate Governance code, code of Ethics and their revisions.
- approving annual budgets and business plans, as well as deciding on major capital expenditures, acquisitions and divestitures.
- development of a risk management and internal control systems.
- insurance of reliability and completeness of the published financial statements of the Group, of the financial reporting systems and of the published data and well-functioning control systems.
- create transparency regime on general business activities of the Group.
- insurance of an efficient regulatory compliance process of the Group.
- selecting Candidates as members of the Board of Directors, Managing Director and senior executives
- existence of organizational structure for all group companies (organization chart), where included the basic areas of responsibility and the corresponding reference lines, for all operational activities and business units.
- responsibility for decision making and monitoring the effectiveness of the Company's management, including procedures for decision-making and delegation of powers to other managers.
- performance measure of senior management and the harmonization of remuneration, regarding long-term benefits of the company and its shareholders.

The Board of Directors meets at the Headquarters of the Company regularly at least once a month and extraordinarily whenever the President deems necessary or convergence of the request by letter, at least two of its members.

The remuneration of the Board of Directors is approved by the Annual General Meeting.

The operation of the Board of Directors is supported by two committees, the Audit Committee and Nomination and Remuneration Committee.

The Audit Committee is a committee of the Board of Directors constituted to provide assistance to the Board of Directors with respect to the fulfilment of its supervisory duties regarding the procedures for reviewing the financial statements, the compliance of the Company and its subsidiaries with the legal and regulatory regime, the assessment of the Company’s internal control environment and the supervision of the internal and external auditors.

The members of the Audit Committee are appointed by the General Shareholder Assembly following the proposal of the Board of Directors. The Audit Committee is made up of two (2) independent non-executive members and of a non-executive one. The Chairman of the Audit Committee is an independent non-executive member and has an in-depth knowledge of financial reporting and accounting issues.

The present composition of the Audit Committee includes the (3) following members:

- Vasilios T. Ziogas - Chairman, Independent non-Executive Member

- Stergios N. Georgalis - Member, Independent non-Executive Member
- Maria D. Karadedoglou – Member, non-Executive Member

During 2016 the Audit Committee convened 8 times during which examined the reports of the Internal Control, adopted the Statute of Internal Audit, proposed regular and alternate auditor for the year 2016 and discussed with the Chartered Accountants of the Company. The attendances of each member of the Audit Committee during 2016 were: Vasilios T. Ziogas (6), Stergios N. Georgalis (6), Maria D. Karadedoglou (6).

During the year 2016, eight (8) meetings of the Audit Committee took place, during which the quarterly Internal Audit reports were examined, a proposal for a trustee and a substitute auditor for the year 2016 was made, discussions were held with the Certified Accountants of the Company and the Audit of the company and group financial statements as well as the Statement of Income Statement of 2016 took place. The presence of each member of the Audit Committee at its meetings during the year 2016 is as follows:

Name	**Number of conventions attended**
Stergios N. Georgalis	8
Vasilios T. Ziogas	8
Maria D. Karadedoglou	8
TOTAL SUM OF CONVENTIONS	**8**

The Nomination and Remuneration Committee's mission is initially to support the Board of Directors in planning the succession of its members, the position of Managing Director and the development of senior management personnel. Secondly, the Commission's role is to formulate corporate policies and principles relating to the provision of remuneration of executive Board members and senior executives. Specifically, the Committee controls -for all above persons-, the system of rewards, evaluates their performance and suggests -with proposals to the Board of Directors - measures and rewards for further developments as well as the increase of their efficiency. The Commission consists of three (3) members, an executive, a non-executive and independent non-executive one.

The Nomination and Remuneration Committee meets as necessary but at least twice a year at the invitation of President. The current composition of the Nomination and Remuneration Committee comprises the following three (3) members:

- Stergios N. Georgalis - Chairman, Independent non-Executive Member
- Nikolaos N. Koukountzos – Member, Executive Member
- Maria D. Karadedoglou – Member, non-Executive Member

During the year 2016, the Nomination and Remuneration Committee had one (1) meeting, in which the whole number of the members attended with main topic of discussion the determination-proposal of the remuneration of the Members of Board of Directors.

Full Name	Number of conventions attended
Stergios N. Georgalis	1
Nikolaos K. Koukountzos	1
Maria D. Karadedoglou	1
Total sum of conventions	**1**

7. Fees
The remuneration of the executive members of the Board is based on the corporate strategy , the purpose/mission of the company and their completion, having as a final objective the creation of a long-term value for the company . A part of the remuneration of the executive members of the Board is formed by a fixed amount , while the remaining part is defined by a series of variables associated with the performance.

In case of misconduct or inaccurate financial statements from previous years or in general based on incorrect financial data used for the calculation of the bonuses, the Board cannot request for repayment of whole or parts of the bonus that is awarded.

The remuneration of executive and non-executive members of the Board of Directors is approved by the General Meeting of shareholders, which is the supreme body of the Company, upon proposal of the Board of Directors and recommendation of the Nomination & Remuneration Committee.

For the executive members' remuneration are considered the following:

- qualitative and quantitative criteria,
- their duties and responsibilities,
- their performance related to the predetermined quantitative and qualitative goals of the company,
- the financial position, the performance and the prospects of the company,
- the level of remuneration for comparable executive agencies in similar companies,
- the amount of the salaries of employees in the company and the group.

For non-executive members, their remuneration reflects their time of employment with the Company in the performance of their duties as non-executive members.

There is a regular evaluation of the effectiveness of the Board of Directors, the President of Board of Directors and the relevant Committees in the discharge of their duties, in order to assess their effectiveness, to be found any weaknesses in their operations and improve their efficiency. The evaluation of the Committees and the President of the Board is carried out by the Board of Directors every two years. The Board of Director's assessment is conducted by itself in the form of self-control and the results are reported to the General Meeting of Shareholders, which is responsible for validating or not the results of self-assessment.

8. Adequate/Sufficient Information Policy
The Board, as part of the internal rules of the company, has adopted a policy to ensure that the Board has sufficient information In order to be able to rely on its decisions with respect to transactions between related parties in accordance with the standard of a prudent businessman. This policy applies to transactions between our subsidiaries with the related parties.

9. Conflict of Interest Policy & Privacy Policy
The company has adopted a policy for managing and addressing conflicts of interest among its members or persons to whom the Board has delegated significant power. In the context of corporate practices, the company

has adopted data protection processes and policies concerning confidentiality and confidentiality of sensitive company data and information.

These policies, which apply to both the parent company and the subsidiaries include procedures that describe how the Board may communicate with a timely and sufficient conflict of interest and confidentiality.

10. Diversity policy

The Company has adopted a diversity policy, for the balance between the genders, not only among the Senior Managers, but as well as between the participants of the Board of Directors. Precisely, the representation percentage of the female gender among the Senior Managers is up to 22%, thus in the Board of Directors is up to 14%.

11. Structure of the Company in order to combat the corruption

In order to avoid the risk of non-compliance with the current legislative and regulatory framework for the Company and its Employees, the company has adopted Management of complaints policy (Whistle Blower) , which is supported by the relevant communication channels (email, telephone). Related articles are also analyzed in the Group's Code of Conduct, which is communicated to all employees of the Group. Additionally, Senior Executives are bound by secrecy and confidentiality. Finally, the Group's Internal Audit Department performs an annual assessment of fraud risks.

12. Divergencies and Justifications from the Code of Corporate Governance

The Company complies with the Code of Corporate Governance that was drafted at the initiative of Hellenic Federation of enterprises (SEV) for Listed Companies (version October 2013) with minor deviations that are presented and explained in the following table.

The Company is subject to the exceptions for the full implementation of the code, just as described in Annex I of the Code, as small size listed company (because it is not included in the indices FTSE / ATHEX 20 and FTSE / ATHEX MID 40). On this basis, the full implementation of the specific practices of Corporate Governance is not required, but it is possible only for specific articles the adoption of specific practices of Annex I.

The deviations from the articles of the code are described below:

§ CODE	CORPORATE GOVERNANCE CODE OF HELLENIC FEDERATION OF ENTERPRISES (SEV) FOR LISTED COMPANIES	JUSTIFICATION FOR DEVIATION FROM SPECIAL PRACTICES OF CORPORATE GOVERNANCE CODE
Part A. The Board of Directors and its members		
2. Size and composition of the Board		
2.2	The Board of Director should comprise a majority of non-executive directors (including independent non-executive members).	This practice cannot be achieved as there is a general avoidance of participation in Board of Directors of quoted Companies, due to the wide range of responsibilities. Members of Company's Board of Directors perform conscientiously and in a legitimate and proper manner their duties and are subjected anytime to control by the General Meeting of Shareholders.
2.5	Determining the independence of both candidates and of active members, the board should consider that dependency relationship exists when the member has served on the Board for more than 12 years from the date of the first election.	The Company follows the provisions of Law. 3016/2002, Art. 4, paragraph 1, in determining the relationship of dependency of the Board members.
3. Role and profile of the chairman of the Board).		
3.3	The Board of Directors should appoint an independent vice chairman from among its independent Board members where a company chooses a) to combine the roles of Chairman and	The Company follows the provisions of Law 3016/2002. The Board of Directors has four (4) executive and three (3) non-executive members of which two (2) independent non-executive

	Chief Executive, b) appoint an executive Chairman. If a former Chief Executive of a company is appointed as Chairman within three (3) years of his retirement as Chief Executive, he should be considered as being an Executive Chairman.	members. The President of the Board is executive like the vice president. The company is a family company and therefore cannot appoint an independent Vice.
3.4	The Independent Vice Chairman should also coordinate the communication between the executive and non-executive Board members and give voice to their views. He should be responsible for leading the Board's evaluation of the Chairman and the meeting of non-executive Board members (as described in paragraph A.VI. (6.5)). He should also be available to shareholders to discuss issues of corporate governance.	
5. Nomination of board of Director's members		
5.1	Board members should be subject to election by shareholders at intervals of no more than four years. They may be re-elected. Terms should be staggered so as to avoid replacement of the entire body at one general assembly and to favor an orderly succession of board members over time.	The members of the Board of Directors are elected by the General Assembly for five (5) years - instead of four (4) which are required by the Code Of Governance. The company follows the Law No. 2190/1920, which stipulates a maximum of six years. Moreover, long-term strategies of the company benefiting from the corresponding long-term presence and knowledge of the same people- members of the Board of Directors.
5.3	Executive board members should undertake to resign from the board upon the termination (in whatever manner) of their executive duties.	It is a strategic choice of the company, the deviation from this particular practice of the Code of Corporate Governance and in any case, if any attend to this need, it will be examine individually.
6. Functioning of the Board of Directors		
6.1	The formal policy and procedure for the functioning and responsibilities of the board should be clear and well documented.	The company has not adopted this practice, as the conditions of the Board of Directors' Policy and Procedures are documented in the provisions of the Company's articles of Association (Chapter III, Board of Directors).
6.5	The board should ensure introductory information programs for new board members, but also the continuous vocational training for other members.	It has not changed the composition of the Board of Directors, therefore there in not need for this practice
Part C. Remuneration		
1.3	Executive Board members' contracts should provide that the Board may demand full or partial recovery of any bonuses awarded on the basis of restated financial statements of previous years or otherwise erroneous financial data used to calculate such bonuses.	There is no such term in the contracts between the Company and the executive members of the Board which include the referring term to a specific practice.
1.4	Individual remuneration of executive Board members should be approved by the Board, on the proposal of the remuneration committee without the presence of executive board members. When remuneration needs to be approved by the general meeting of shareholders according to the law, the proposal to the general meeting should be developed by the Board according to the above procedure. In determining the remuneration of executive board members, the board should consider: • their role and responsibilities	The Board has a majority of four (4) executive members, so it is not possible to decide only the non-executive Board members.

	• their performance against predetermined quantitative and qualitative objectives • the economic situation, performance and outlook of the company, • the remuneration for similar executive functions in peer companies.	
1.6	The Board should establish a remuneration committee, consisting of non-executive and independent in majority members.	The remuneration committee consists of three members, of which one is executive. Because of the composition of the Board of Directors and the proportion of executive and non-executive members, this particular practice cannot be follow.

For those cases referred to in this Statement as deviations from the Code of Corporate Governance of SEV, and combined with the fact that the Company is monitoring carefully the developments of corporate governance in Greek institutional environment, is intending with appropriate conditions in future to make full adoption of these developments, having always driven to promote transparency and efficiency of operations.

NON-FINANCIAL INFORMATION

1. The Corporate Social Responsibility in Kleemann

The Group KLEEMANN seeks to grow through its continuous effort to expand and improve responsibly its products and services, contributing to the welfare of its employees, taking care of the environment and supporting the local society, in which it operates. The principles of sustainable development play a significant role in the structure of the business strategy of the Group, which is based upon four axes:

- Economic development
- Welfare of employees
- Environmental responsibility
- Social awareness

KLEEMANN's values reflect the characteristics of the corporate culture:

- ***Security***

Take care for the health and security of us and our people, of our clients and consumers of our products, as well as for the security of our entities..

- ***Confidence***

We do what we say and we say what we do. We trust the people and their capabilities and for that reason we form into line.

- ***The passion for the human being***

We love and trust our colleague ,our client and our fellow. We have excellent relationships between us.. We love our work and we do create development opportunities for all..

- ***Breakthrough Culture***

We innovate in all factors develop, evolve constantly και improve. We state exceptional goals, we commit, we take the risk and we are not afraid of failing..

The Group manages with issues that are part of Corporate Social Responsibility axes, taking into account the needs of the stakeholders. Kleemann's stakeholders or people interested are an important factor for the continuous development and improvement of the Company, as they reap the benefits from the added value, created by its business activity. The stakeholders of Kleemann are:

1. Stockholders
2. Employees
3. Customers
4. Suppliers
5. State or Regulatory bodies
6. Local communities
7. Media, Network communications
8. Scientific Community

The business activity of the Group KLEEMANN is connected to its continuous trial, firstly and primarily, to associate with a sense of responsibility towards the customers, the clients, the consumers, the associates and the investors, who trust the Group, the employees and the community near to which it operates and develops.

2. Corporate Governance and Combat of the Transparency

The primary objective of KLEEMANN Group is to generate value for its shareholders and each affiliated party, including all its stakeholders. The KLEEMANN Group, through its business activity, contributes to the national economy, while at the same time, by investing annually, it sets the foundations for achieving Sustainable Development. At the same time, the good corporate governance practices applied to KLEEMANN are a factor of stability and prospect.

The Company has adopted the principles of Corporate Governance in its management and operation, as these are defined by the current institutional framework established for the listed companies of Athens Stock Exchange (Law 3016/2002 and the provisions of Law 3873/2010).

The Internal Audit Division, being responsible for the Corporate Governance Statement, ensures the implementation of the policies that have been adopted by the Group, relevant to the conflict of interest and confidentiality, diversity and variety within companies and anti-corruption policy, which is achieved through the Whistle Blower Policy.

The KLEEMANN Group does not show any tolerance in any form of bribery or corrupt business behavior, and for this reason special reference is made to the "Code of Conduct" that has been developed and is followed and applied by all employees of the Group.

3. Responsibility for its Employees

KLEEMANN takes care for the progress of its people not only at a professional, but as well at a personal level. Therefore it invests in their talent and recognizes and rewards their good performances.

We invest in human capital, recognizing that our "people" are the motivating force behind KLEEMANN's successful development and success.

The KLEEMANN Group is a major employer, providing during the year 2016 jobs to 1,267 people, showing an increase of 8% over its employees in comparison to 2015.

Total of employees by gender				
	2015		***2016***	
	Men	***Women***	***Men***	***Women***
Group KLEEMANN	*961*	*212*	*1033*	*234*

The Group has incorporated responsible work prnciples into the way in which it manages the employment issues. The work environment is characterized by meritocracy and equal opportunities for all employees

Code of Conduct

The KLEEMANN Group has developed and implements a Code of Conduct with the main objective of promoting transparency, integrity, credibility, healthy competition within the business, and at the same time broadening the chain of corporate responsibility. The Code of Conduct of the KLEEMANN Group is addressed to all members of the Board of Directors of its subsidiaries, to all its employees, to all interested parties (external contractors, consultants, customers, suppliers, shareholders), as well as to all those acting in representing the company, irrespective of the country where they are being employed.

Under the Group's Diversity Policies, no distinction is accepted on the basis of gender or other characteristics. Social or national backgrounds, political or religious beliefs, age, sexual preferences, physical ability and gender are not criteria for KLEEMANN's employees, but an opportunity for new innovations and better results. Diversity is interrelated with meritocracy and the provision of equal opportunities and opportunities for development. Indicatively, we report the rate of employment of women at all levels of the hierarchy:

Year	% of women in the Company	% of women in Management	% of women in Sales
2004	*12,6%*	*32,0%*	*5,3%*
2016	*20,0%*	*39,5%*	*35,6 %*

In the framework of employees' development, a Human Resources Performance Assessment is carried out, which cconcerns all employees, with no exceptions, and it is annual. Additionally, every year, the company applies a 360 ° evaluation for all Managers / Chiefs and employees, who hold responsible and crucial positions in the company, aiming to achieve a comprehensive and broad employee evaluation through multiple sources and also, through feedback, which will receive each evaluated employee.

Furthermore, Kleemann Group employee training is a priority and an integral part of the development of its people. Each employee has an individual Development Plan, which is completed during the Annual Performance Evaluation and is renewed during the year.

The Group, ensuring the reward of its employees, offers a number of additional benefits:

- Additional medical and hospital coverage
- Financial cover in case of temporary or total incapacity for work
- Life insurance
- Free movement of employees with corporate vans
- Gym and Playroom
- Provision of a subsidized meal at an organized restaurant
- Consultation room
- Happy Benefits
- Personal training grant
- Yearly bonuses based on results
- Rewards for a variety of reasons

Health and Safety at Work

The KLEEMANN Group is committed to maintain a healthy and safe work environment and implements actions beyond the legislative requirements. In order to eliminate the conditions that could lead to an event, the Group has developed a Health and Safety Policy and implements a Health and Safety Management System in accordance with OHSAS 18001. However, maintaining a safe working environment requires the continuous collaboration of all employees and in this context invests significantly in continuous information and education upon health and safety issues.

An Ratio for the performance of preventive action in H & S is the AIR = Accident Incident Rate

$$\text{AIR} = \frac{\text{Number of accidents or Incidents}}{\text{Number of Employees}} \text{X1000}$$

The AIR accident rate for 2016 is 7.96 compared to 10.96 of 2015
The AIR incident index for 2016 is 33.07 compared to 26.02 in 2015

It is noted that the fluctuation of the index depends on the accidents - incidents and the number of employees. Good performance means a decrease in the index.

For the Group, it is a continuous and non-negotiable goal of 0 accidents at work

4. Environmental Treatment

Environmental management for the KLEEMANN Group is a key part of corporate responsibility. The Group is committed to reduce the environmental impact of its operation, as the environmental protection for the Group is not only a necessity but also a mean of achieving the sustainable development of the organization. The protection of the environment is perfectly incident and combined to the basic values of the KLEEMANN Group.

We cannot enjoy real health and safety in a dangerous environment. We cannot have INTEGRITY as people if we do not care to leave the next generations a safe and protected environment. It would not make sense to have PASSION FOR PEOPLE if we do not care for those things which surrounds them and enhance the quality of his life.

For all the reasons mentioned above, KLEEMANN's Management has decided to design and install an Environmental Management System in accordance with the ELOT EN ISO 14001: 2004 standard. The Environmental Management System covers design, construction, assembly, plant studies and methods of final inspection and testing of lifts and components.

KLEEMANN has also been certified according to the requirements of ISO 14006 (Eco product design), which has few companies in Europe. Eco product design is a very important tool that helps the Company to calculate the environmental impression of its products throughout its life cycle from production to the point of recycling. By calculating the impression, the Group is able to redesign the products in such a way as to reduce the environmental impression, both during their production and operation.

The KLEEMANN Group, aiming at limiting its effects on the natural environment and the concomitant reduction of the environmental impression, plans and implements significant investments on an annual basis.

The Group has identified and managed the most important environmental issues related to its operation and has divided them into three main categories regarding the decrease of the environmental impression:

- Energy consumption and greenhouse gas emissions
- Use of natural resources such as water, raw materials and auxiliaries
- Management of solid and aqueous waste.

Energy Consumption within the Group in MWh	2016
Electricity consumption	3.184,84
Gas consumption	4.471,73

The KLEEMANN Group recognizes the importance of its contribution to the attempt against climate change and is therefore making every effort to reduce its emissions. The Group fully complies with the applicable legislation with respect to the limit gas emissions, resulting from its operation.

The Group's production process results in waste, which are being managed in a responsible manner in cooperation with licensed partners and always in accordance with the requirements of the applicable legislation.

Energy consumption within the Group in MWh	2016
Recycling	96,9%
Exploitation	0,1%
Disposal to XYTA	2,9%

The basic principle of the KLEEMANN Group is the full compliance with the applicable National and European environmental legislation. On a quarterly basis, environmental audits are carried out at factories during which compliance with legislation is checked, as well as compliance with procedures and environmental measures. The results of these environmental audits are presented to the Group's Management and, if necessary, additional measures are taken.

5. Market Responsibility

The Kleemann Group specializes in the manufacturing and trading of elevators, lifting equipment and treadmills. It has production facilities in Greece, China, Serbia, Russia, subsidiaries in Turkey, Australia, Serbia, Russia, China, Great Britain, Germany, Romania, Croatia and offices in Saudi Arabia and France. The Group operates through its customer network (B2B) in more than 100 countries worldwide and its major markets are Australia, Turkey, Greece, Great Britain and Russia.

Quality Assurance

The KLEEMANN Group is committed to designing, producing and offering its customers high quality products and services. Thus, the Quality Assurance System, which is implemented, meets all safety and quality standards as foreseen by European and Greek law. The System is in accordance with the following:

- Lift Directive 95/16/EC, Annexes XIII and VIII, Module H and E
- EN ISO 9001: 2008 requirements
- OHSAS 18001:2007 [OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM]
- EN ISO 14001:2004 [ENVIRONMENTAL MANAGEMENT SYSTEM]
- EN ISO 14006:2011 [ECO Design ISO]

The KLEEMANN Group gives great value to the quality and reliability certification of lifts and its services. For this reason, KLEEMANN was among the first in Greece to have developed a quality assurance system.

Quality control is carried out at all stages of the production process of the products, it is fully integrated into the system implemented and carried out on two levels. The first is made by the technicians of production and the second by independent auditors. Quality control is applied in three directions. Incoming materials and components, intermediate products and finished products. Suppliers are selected with strict criteria and evaluated each year. Semi-intermediate and intermediate products are sampled, while the final product is 100% tested.

Customer Service and Satisfaction

In the context of customer service, the KLEEMANN Group applies specific procedures for monitoring and evaluating their satisfaction. In particular:

· Customer satisfaction as expressed through a questionnaire and reflected in a score resulting from it.
· Customer satisfaction from product credibility and customer complaints.

The Complaint Management process details the handling of customer complaints in accordance with the requirements of ISO 10002 and always in accordance with the requirements of ISO 9001: 2015.

Product Research and Development

KLEEMANN Group, remaining faithful to its commitment for continuing growth and innovation, has invested particularly in Research & Development of products and services. R & D focuses mainly on the search for new technologies and market trends in order to improve existing products and also to support the design of new, reliable and innovative features. In order to ensure the quality of KLEEMANN for all produced products, the Group uses state-of-the-art mechanical equipment and employs a team of specialized engineers and technicians. The collaboration of high-technical level engineers that crewed, brings reliable and up-to-date technology products and continuous improvements to all KLEEMANN Group products.

6. Social Responsibility

The KLEEMANN Group and its people are a business group that acts as a living part of society. The long-term goal of the Group is to be an organization that contributes to the production of added value for all, while improving the quality of life of society. In this frame, it develops programs and implements actions to support the local community either independently as a company or in cooperation with Non Profit Organizations. Indicatively during 2016 the Company performed:

· Sponsorships in clubs (eg athletic equipment at a cultural club of N. AGIONERIOU and the Kilkis Health Drivers Association for a race)
· Sponsorship at a "Make a wish" event
· Sponsorship at technology conferences (e.g. three-day robotics competition at Noesis in cooperation with Eduact) and supply of raw materials for Ecothessworkshop2016, for the regeneration of a park in Thessaloniki
· Sponsoring events to support vulnerable social groups (e.g. THERMAIDES to support the Ahepa pediatric cardiac surgery unit and the ALMA LIFE - Sail for Pink Association for Breast Cancer)
· Food donation for the camp of Kilkis Greek guides
· Various donations to primary schools in Kilkis Prefecture
· Collection of clothing and food for Syrian refugees
· Donation of 25 bicycles in Thessaloniki at the Smile of the Child.

Furthermore, with the voluntary contribution of the Group's employees, a total of 500 solidarity packages were delivered. The solidarity packages are prepared twice a year by the Group's employees and distributed to the Metropolies and Churches of both Kilkis and Thessaloniki with the aim of supporting the poor families at the Christmas and Easter festivals

Specifically, KLEEMANN's Corporate Social Responsibility actions are described in the EKE 2016 Report, which is based on the international GRI-G4 standard (http://www.kleemann.gr))

Kilkis, 26 April 2017

President
Of the Board of Directors.

Nikolaos K. Koukountzos

Independent Auditor's Report

(Translated from the original in Greek)

To the Shareholders of the Company KLEEMANN HELLAS- MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.

Report on the Individual and Consolidated Financial Statements

We have audited the accompanying individual and consolidated financial statements of the Company "KLEEMANN S.A.", which comprise the individual and consolidated statement of financial position as at December 31, 2016, the individual and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and methods and other explanatory information.

Management's Responsibility for the Individual and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these individual and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of individual and consolidated 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 individual and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing incorporated into the Greek Legislation (GOVERNMENT GAZETTE/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the individual and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the individual and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the individual and consolidated 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 individual 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 the individual and consolidated 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 accompanying individual and consolidated financial statements present fairly, in all material respects, the financial position of the Company KLEEMANN S.A. and its subsidiaries as at December 31, 2016, and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, the management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

a) The Board of Directors' Report includes the Corporate Governance Statement that provides the data and information defined under article 43bb, CL 2190/1920.

b) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 43a and 107a as well as par. 1 (cases c and d) of Article 43bb, CL 2190/1920, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31/12/2016.

c) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company KLEEMANN S.A. and its environment

Athens, 28th April, 2017
The Chartered Accountant

Christos Vargemezis
SOEL Reg. No. 30891

GrantThornton
An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

ANNUAL FINANCIAL STATEMENTS

Financial Statements were approved by the Board of «KLEEMANN HELLAS S.A» on 26/4/2017 and published by posting them on the company's website http://www.kleemann.gr and on Greek Stock Exchange website, where it will remain available to the investing public for at least five (5) years from the date of its publication.

It is noted that the brief summary of the financial data and the information derived from the financial statements aim to provide to the reader a general overview of the financial situation and results of the company, but they do not provide a complete picture of the financial position, the financial performance and the cash flows of the Company and the Group in accordance with International Financial Reporting Standards.

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

	NOTE	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
ASSETS					
Non-current Assets					
Tangible Assets for own use	**5**	33.933.177,49	33.577.677,05	24.246.742,74	25.068.043,53
Investment Property	**6**	1.510.763,67	1.594.557,01	1.424.912,30	1.480.479,74
Intangible Assets	**7**	1.938.931,25	1.453.413,48	1.910.552,42	1.412.772,40
Participations in Subsidiaries	**8**	-	-	19.297.626,00	12.297.626,00
Other long-term receivables	**9**	5.549.014,58	6.717.531,21	5.089.675,39	6.367.808,70
Deferred tax receivables	**10**	2.500.889,91	1.948.803,31	2.187.493,94	1.694.766,86
Goodwill	**8**	1.787.873,86	1.787.873,86	-	-
		47.220.650,76	**47.079.855,92**	**54.157.002,79**	**48.321.497,23**
Current Assets					
Inventory	**11**	27.581.192,57	25.727.043,27	19.158.069,15	18.377.962,92
Trade Receivables	**12**	29.741.075,48	31.037.046,45	23.590.369,97	26.221.446,80
Other receivables	**13**	16.635.845,22	12.777.370,35	7.837.902,00	12.546.722,74
Short-term investments and securities	**14**	145.971,00	690.072,57	145.971,00	690.072,57
Cash and cash equivalents	**15**	25.721.214,75	20.663.911,91	12.177.287,24	5.231.366,75
		99.825.299,02	**90.895.444,55**	**62.909.599,36**	**63.067.571,78**
Total Assets		**147.045.949,78**	**137.975.300,47**	**117.066.602,15**	**111.389.069,01**
EQUITY AND LIABILITIES					
Equity					
Share Capital	**16**		8.277.045,00	8.277.045,00	8.277.045,00
Share Premium	**16**	8.277.045,00	15.176.472,62	15.176.472,62	15.176.472,62
Other Reserves	**16**	15.176.472,62	43.649.636,99	42.034.293,70	40.823.202,74
Profit carried forward		45.020.423,66	15.336.627,40	6.635.129,36	5.836.385,17
Exchange Rate differences from consolidation of foreign Subsidiaries		17.381.082,62	(3.125.688,05)	-	-
Equity attributable to Company Shareholders		(4.318.032,18)	**79.314.093,96**	**72.122.940,68**	**70.113.105,53**
Non-controlling interest		**81.536.991,72**	9.495.931,12	-	-
Total Equity		9.318.375,	**88.810.025,08**	**72.122.940,68**	**70.113.105,53**
		90.855.367,34			
Long-term Liabilities					
Long-term bank liabilities	**17**	7.099.451,68	7.945.328,55	6.850.000,00	7.700.000,00
Liabilities from employees' termination benefits	**18**	2.545.483,55	2.121.053,79	2.206.651,00	1.795.197,00
Provisions	**22**	8.720,00	-	-	-
Other long-term liabilities	**19**	4.625.454,32	3.389.287,49	1.088.119,22	1.138.328,28
Deferred tax liabilities	**10**	108.452,04	155.057,23	-	-
		14.387.561,95	**13.610.727,06**	**10.144.770,22**	**10.633.525,28**
Short-term Liabilities					
Suppliers	**20**	12.286.853,31	12.611.167,39	15.121.072,19	15.401.772,40
Current tax liabilities	**28**	2.163.698,73	1.840.086,18	287.510,41	839.138,03
Other liabilities	**21**	9.000.824,61	7.806.291,57	4.402.350,38	4.399.363,72
Short term Bank Liabilities	**17**	16.604.586,20	11.647.208,98	13.700.000,00	8.750.000,00
Provisions	**22**	1.747.057,64	1.649.794,21	1.287.958,27	1.252.164,05
		41.803.020,49	**35.554.548,33**	**34.798.891,25**	**30.642.438,20**
Total Liabilities		**56.190.582,44**	**49.165.275,39**	**44.943.661,47**	**41.275.963,48**
Total Equity And Liabilities		**147.045.949,78**	**137.975.300,47**	**117.066.602,15**	**111.389.069,01**

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF INCOME FOR THE PERIOD 1 JANUARY TO 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

		GROUP		COMPANY	
		From 1 January to		From 1 January to	
	NOTE	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Sales	23	**115.858.599,37**	**107.047.446,78**	**81.112.589,16**	**83.680.192,65**
Cost of Sales	24	(77.665.650,28)	(73.736.604,12)	(60.021.866,54)	(61.675.391,99)
Gross Profit		**38.192.949,09**	**33.310.842,66**	**21.090.722,62**	**22.004.800,66**
Other income / (expenses)	26	390.513,46	1.943.566,53	1.664.790,10	2.055.575,97
Selling Expenses	24	(18.624.356,47)	(18.628.767,01)	(12.207.866,07)	(13.587.984,85)
Administrative Expenses	24	(12.347.457,52)	(9.578.000,07)	(7.807.366,65)	(6.661.853,37)
Research and Development Expenses	24	(1.511.130,39)	(1.423.242,48)	(1.325.700,71)	(1.248.463,27)
Operating Income / (loss)		**6.100.518,17**	**5.624.399,63**	**1.414.579,29**	**2.562.075,14**
Financial income	27	570.701,59	550.238,17	176.997,26	312.958,14
Financial expenses	27	(1.367.460,29)	(1.356.899,78)	(1.060.028,95)	(911.240,94)
Income from Dividends	27	-	-	1.426.503,52	112.871,32
Increase (decrease) of investments value in participations and securities	27	18.333,43	(13.673,11)	18.333,43	(13.673,11)
Profit / (loss) before tax		**5.322.092,90**	**4.804.064,91**	**1.976.384,55**	**2.062.990,55**
Income Tax	28	(1.333.584,45)	(1.182.130,99)	59.065,43	(103.359,43)
Profit / (loss) after tax		**3.988.508,45**	**3.621.933,92**	**2.035.449,98**	**1.959.631,12**
Attributable to:					
-Equity holders of the Parent	31	3.536.596,60	2.840.264,65	2.035.449,98	1.959.631,12
-Non-controlling interest		451.911,85	781.669,27	-	-
		3.988.508,45	**3.621.933,92**	**2.035.449,98**	**1.959.631,12**
Earnings / (loss) per share attributed to the shareholders of the Parent Company for the period, basic (in absolute amounts)	31	0,1495	0,1201	0,0861	0,0829
Earnings before Interest, Taxes, Depreciation and Amortization		**8.317.781,82**	**7.751.698,29**	**2.984.468,23**	**4.025.755,13**

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 1 JANUARY TO 31 DECEMBER

(Amounts in Euros, unless it is mentioned differently)

	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Profit/(loss)after tax	**3.988.508,45**	**3.621.933,92**	**2.035.449,98**	**1.959.631,12**
Items that will not be classified in the income statement later:				
Actuarial gain / (losses)	(201.938,07)	12.763,33	(179.178,44)	18.406,75
Revaluation of assets	153.658,11	23.903,82	153.563,61	(4.050,71)
Items that might be classified in the income statement later:				
Exchange rate Differences	(1.454.286,41)	(1.029.703,15)	-	-
Total of other incomes	**(1.505.566,37)**	**(933.036,00)**	**(25.614,83)**	**(14.356,04)**
Other comprehensive income after tax	**(2.485.942,08)**	**(2.628.897,92)**	**2.009.835,15**	**1.973.987,16**
Total comprehensive income after tax	**2.485.942,08**	**2.628.897,92**	**2.009.835,15**	**1.973.987,16**
Attributable to:				
-Equity holders of the Parent	2.308.397,74	2.093.823,72	2.009.835,15	1.973.987,16
-Non-controlling interest	177.544,34	535.074,20	-	-
	2.485.942,08	**2.628.897,92**	**2.009.835,15**	**1.973.987,16**

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

(amounts in euros, unless it is mentioned differently)

	GROUP							
	Share capital	**Share premium**	**Regular Reserve**	**Other Reserves**	**Profit carried forward**	**Equity attributable to Company Shareholders**	**Non-controlling interest**	**Total Equity**
Balance 1 January 2015, as published	**8.277.045,00**	**19.196.751,62**	**2.725.610,52**	**37.415.614,72**	**13.596.644,41**	**81.211.666,27**	**8.817.913,51**	**90.029.579,78**
Total comprehensive income after tax	-	-	-	(780.112,55)	2.865.188,53	2.085.075,98	543.821,94	2.628.897,92
Creation of dividends	-	-	-	-	-	-	(48.373,43)	(48.373,43)
Share capital Increase	-	(4.020.279,00)	-	-	-	(4.020.279,00)	-	(4.020.279,00)
Creation of Reserves and other movements	-	-	992,33	1.161.843,92	(1.125.205,54)	37.630,71	182.569,10	220.199,81
Balance 31 December 2015	**8.277.045,00**	**15.176.472,62**	**2.726.602,85**	**37.797.346,09**	**15.336.627,40**	**79.314.093,96**	**9.495.931,12**	**88.810.025,08**
Balance 1 January 2016	**8.277.045,00**	**15.176.472,62**	**2.726.602,85**	**37.797.346,09**	**15.336.627,40**	**79.314.093,96**	**9.495.931,12**	**88.810.025,08**
Total comprehensive income after tax	-	-	-	(1.232.274,27)	3.536.596,61	2.304.322,34	181.619,74	2.485.942,08
Creation of dividends	-	-	-	-	-	-	(355.099,85)	(355.099,85)
Share capital Increase	-	-	-	-	-	-	-	-
Creation of Reserves and other movements	-	-	64.790,86	1.345.925,95	(1.492.141,39)	(81.424,58)	(4.075,39)	(85.499,97)
Balance 31 December 2016	**8.277.045,00**	**15.176.472,62**	**2.791.393,71**	**37.910.997,77**	**17.381.082,62**	**81.536.991,72**	**9.318.375,62**	**90.855.367,34**

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

(amounts in euros, unless it is mentioned differently)

	COMPANY					
	Share capital	**Share premium**	**Regular Reserve**	**Other Reserves**	**Profit carried forward**	**Total Equity**
Balance 1 January 2015, as published	**8.277.045,00**	**19.196.751,62**	**2.058.857,03**	**37.661.608,75**	**8.341.027,76**	**75.535.290,16**
Adjustments from absorption of MODA LIFT	-	-	-	74.998,00	(3.450.890,78)	(3.375.892,78)
Total comprehensive income after tax	-	-	-	14.356,03	1.959.631,12	1.973.987,15
Share capital increase	-	(4.020.279,00)	-	-	-	(4.020.279,00)
Creation of Reserves and other movements	-	-	-	1.013.382,93	(1.013.382,93)	-
Balance 31 December 2015	**8.277.045,00**	**15.176.472,62**	**2.058.857,03**	**38.764.345,71**	**5.836.385,17**	**70.113.105,53**
Balance 1 January 2016	**8.277.045,00**	**15.176.472,62**	**2.058.857,03**	**38.764.345,71**	**5.836.385,17**	**70.113.105,53**
Total comprehensive income after tax	-	-	-	(25.614,83)	2.035.449,98	2.009.835,15
Share capital increase	-	-	-	-	-	-
Creation of Reserves and other movements	-	-	-	1.236.705,79	(1.236.705,79)	-
Balance 31 December 2016	**8.277.045,00**	**15.176.472,62**	**2.058.857,03**	**39.975.436,67**	**6.635.129,36**	**72.122.940,68**

The attached notes consist an inextricable part of these Financial Statements.

STATEMENT OF CASH FLOWS 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

		GROUP		**COMPANY**	
		From 1 January to		**From 1 January to**	
	NOTE	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
Cash Flows from operating activities					
Cash generated from operations	**29**	6.057.023,89	1.826.815,17	11.705.754,88	(5.195.973,20)
Interests paid		(1.043.389,48)	(1.096.116,18)	(808.751,55)	(894.798,71)
Income tax paid		(2.618.379,88)	(928.983,96)	(1.289.915,85)	(96.404,16)
Net cash flows from operating activities		**2.395.254,53**	**(198.284,97)**	**9.607.087,48**	**(6.187.176,07)**
Cash Flows from investing activities					
Acquisition of subsidiaries, related companies, joint ventures and other investments		468.000,00	(2.193.725,58)	(6.532.000,00)	(4.635.000,00)
Purchases of Tangible and Intangible Assets		(3.180.096,62)	(3.782.193,19)	(1.188.920,55)	(1.114.437,53)
Sales of Tangible and Intangible Assets		116.657,43	186.380,64	-	173.495,15
Interests received		178.389,09	320.951,09	176.997,26	312.958,14
Dividends received		-	-	1.080.317,09	112.871,32
Cash of the absorbed subsidiary Moda Lift & the company acquired in Australia		-	977.373,46	-	1.164.853,28
		(2.417.050,10)	**(4.491.213,58)**	**(6.463.606,20)**	**(3.985.259,64)**
Cash Flows from financing activities					
Share capital increase		-	-	-	-
Share Capital decrease		-	(4.020.279,00)	-	(4.020.279,00)
Increase of Bank Loans		21.370.000,00	12.800.000,00	19.670.000,00	12.800.000,00
Repayment of Bank Loans		(15.660.446,93)	(10.491.398,14)	(15.570.000,00)	(10.400.000,00)
Settlement (payment) of financial leasing liabilities		77.802,12	56.990,14	-	-
Dividends paid and rewards of B.o.D.		(708.256,78)	(423.071,70)	(297.560,79)	(318.018,27)
		5.079.0983,41	**(2.077.758,70)**	**3.802.439,21**	**(1.938.297,27)**
Net increase / (decrease) in cash and cash equivalents		**5.057.302,84**	**(6.767.257,25)**	**6.945.920,49**	**(12.110.732,98)**
Cash and cash equivalents in the beginning of the fiscal year		20.663.911,90	27.431.169,16	5.231.366,75	17.342.099,73
Cash and cash equivalents in the end of the of the fiscal year		**25.721.214,74**	**20.663.911,91**	**12.177.287,24**	**5.231.366,75**

The attached notes consist an inextricable part of these Financial Statements.

NOTES ON FINANCIAL STATEMENTS

1. COMPANY ESTABLISHMENT AND ACTIVITIES

KLEEMANN HELLAS S.A., a Mechanical Constructions Societe Anonyme Industrial Trading Company, with descriptive title KLEEMANN HELLAS S.A. («The Company») was incorporated in 1983 and is registered in the Register of Societes Anonymes under No. 10920/06/B/86/40. Its duration is set up to 31 December 2050, even though it is possible to be extended, under a General Meeting decision.

Main activity of the Company is the manufacturing and trading of complete elevator systems, maintaining a leading position in its sector. Its Head Offices and its contact address are located in the Industrial Area of Stavrochori, Kilkis, while its web site address is www.kleemann.gr.

The Company's share has been listed on the Athens Stock Exchange since April 1999. The total number of traded shares, on 31 December 2016 comes up to 23.648.700 and they are all common registered shares.

2. FINANCIAL STATEMENTS' BASIS OF PREPARATION

2.1. NOTE OF COMPLIANCE

The attached individual and consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (I.F.R.S.) as they have been adopted by the European Union, under the rule 1606/2002 of the European parliament and Council of the European union in 19th July of 2002 and on a going concern basis.

2.2. BASIS OF VALUATION

The Financial Statements were prepared on the basis of the historical cost principle with the exception of Land and Securities that are recorded at their fair value.

2.3. OPERATING EXCHANGE RATE AND PRESENTATION

The financial statements and all the financial information are expressed in Euros (unless it is mentioned differently), which constitutes the Company's operating currency.

2.4. APPLICATION OF EVALUATIONS AND JUDGMENTS

For the preparation of financial statements it is required from the management to take decisions and make judgments that affect the application of accounting policies, as well as the recorded figures regarding assets, liabilities, income and expenses. Actual results may differ from those of calculations.

The revisions of evaluations and the relative assumptions are revised on a continuous basis and recognized in the period in which they were made and in future periods if there are any. Special information, in the areas where there is uncertainty regarding the evaluations and the crucial judgments concerning the application of accounting policies, with significant impact on the figures recorded in the financial statements, is given in the following notes:

- Tangible Assets for own use (Note 5)
- Intangible Assets (Note 7)
- Inventories (Note 11)
- Trade receivables (Note 12)
- Provisions (Note 22)
- Commitments, contingent liabilities and receivables (Note 32)

The accounting policies that are presented below have been consistently applied in all the periods that are presented in these Financial Statements and have been consistently adopted by all of the Group's companies.

3. BASIC ACCOUNTING POLICIES

3.1 CONSOLIDATION BASIS

3.1.1 SUBSIDIARIES

Subsidiaries are the companies controlled by the Parent Company. Control is exercised when the Parent Company has the power to reach decisions, directly or indirectly, that concern the subsidiaries' principles of financial management with the beneficiary purposes. The existence of any potential voting rights which may be exercised at the time of preparation of the financial statements is taken into account in order to ascertain whether the Parent Company controls the subsidiaries.

The subsidiaries are consolidated in full (integrated consolidation) from the date that control is acquired and cease to be consolidated from the date that such control ceases to exist. The accounting policies of subsidiaries have been changed where needed to align with the ones of the Group.

The Company records the investments in subsidiaries in the Individual Financial Statements at their acquisition cost less any possible impairment of their value.

3.1.2 TRANSACTIONS ELIMINATED DURING CONSOLIDATION

Inter-Group balances and transactions, as well as profits and losses which occurred from inter-Group transactions are written off during the preparation of the consolidated financial statements. Unrealized profits and unrealized losses from transactions between the companies of the Group, in case there is no indications of impairment of the value, they are written off by the percentage of the Group's holding in them.

3.2 INFORMATION BY SECTOR

As a business sector is defined a Group of assets and operations providing goods and services which are under various risks and yields from those of other business sectors. A geographic sector is defined as a geographical area where goods and services are under various risks and yields from other areas.

IFRS 8 "Operating Segments" set standards for the determination of distinguished activity sectors of entities, which defined according to the structure of the entity. The segments of the entity that have to be disclosed separately, are defined according to the quantitative criteria by Standard 8.

3.3 FOREIGN CURRENCY

3.3.1 TRANSACTIONS IN FOREIGN CURRENCY

The Company keeps the accounting books in euro. Transactions in foreign currency are converted into euro under the official spot exchange rate on the transaction date. Profits and losses from exchange rate differences accrued from the settlement of such transactions, during the fiscal year and from the conversion of currency items expressed in foreign currency with the prevailing rate on the date of the balance sheet, are recorded in the Profit and Loss Statement.

3.3.2 TRANSACTIONS WITH FOREIGN COMPANIES

The conversion of the financial statements of the companies of the Group that are in a different operational currency than the Group's presentation currency (none of which is operating under a status of a hyperinflationary economy), are converted as follows:

Assets and liabilities of activities that are carried out abroad, including the goodwill and readjustment of fair value, during consolidation, are converted to Euro under the base of the foreign currency's official prevailing rate on the date of the Statement of Financial Position.

Income and expenses are converted to Euro under the base of the average exchange rate during the fiscal year, which approaches the spot exchange rate.

Foreign exchange differences arising from the conversion of the net investment in a foreign business unit and of the relative offsets are recognized in statement of other Comprehensive income and in a separate line in the Equity account.

3.4 TANGIBLE ASSETS FOR OWN USE

Tangible fixed assets are shown at acquisition cost, plus all the relative expenditures that are directly associated with them, less accumulated depreciation and any potential impairment of their value, except for Land which is evaluated in fair value.

Later expenditures are recorded as an increase in the accounting value of the tangible fixed assets or as a separate fixed asset only where there is a possibility that the future financial benefits shall flow into the Group and the Company and their cost could be reliably measured. Repairs and maintenance costs are recorded in the Profit and Loss Statement when they are realized.

The acquisition cost and the accumulated depreciation on tangible fixed assets which are sold or withdrew, are transferred from the specific accounts at the moment of sale or withdrawal and the difference between the selling price and the accounting value are recorded as profit or loss in the Profit & Loss account.

According to the clauses of I.F.R.S. 16, the costs that are related with the obligations for withdrawal tangible fixed assets, are recognized in the period when they appeared and in degree that it could be a logical estimation of their fair value. The aforementioned costs are capitalized as a part of the value of the acquired tangible fixed assets and depreciated respectively.

Land is not depreciated. Depreciation on the rest tangible fixed asset items is calculated by the straight line method during the estimated useful life of these assets and of their sections thereof. Useful life range is estimated as follows:

Buildings	8-50 years
Mechanical equipment	1-20 years
Transportation	5-25 years
Other equipment	1-20 years

The residual values and the useful life of tangible fixed assets are subject to review on every Statement of Financial Position date, if it is necessary, whereas the accounting values are investigated for impairment when there are such indications (see note 3.6).

In such cases the recoverable value is calculated and if the accounting value exceed them, the difference is recognized as impairment loss in the Profit & Loss account and the value of tangible fixed assets are decreased in their recoverable value that is higher among the fair value minus the required cost for sale and the value in use of them that estimated through the estimated future cash flows discounted in their present value with a discounted rate that reflects the current estimation of the market for the perpetual value of money and the related risks associated with these tangible assets.

3.5 INTANGIBLE ASSETS

Intangible Fixed Assets concern software licenses. They are evaluated at acquisition cost less accumulated depreciation, less any accumulated impairment. They are depreciated by the straight line method over their useful life, which up to 15 years.

Expenditure necessary for the development and maintenance of software is recognized as an expense in the Profit and Loss Statement for the year in which it occurs.

Costs and expenses concerning the internal creation and development of software are capitalized, in the extent that requirements of the related Standard are fulfilled.

3.6 IMPAIRMENT IN VALUE OF ASSETS

The book value of the Group's assets is checked for impairment when there are indications that their book value will not be recovered. In this case, the asset's recoverable amount is determined and if the book value thereof exceeds the estimated recoverable value, an impairment loss is recognized, which is recorded directly in the Profit and Loss Statement. The recoverable value is the greater amount between an asset's fair value, less the cost that is required for the sale thereof, and the value of the use thereof. In order to estimate the use value, the estimated future cash flows are discounted to the asset's present value with the use of a discount rate that reflects the market's current estimations for the cash's temporal value and for the risks that are associated with these assets. If an asset does not bring significant independent cash flows, the recoverable amount is determined for the cash flow production unit to which the asset belongs.

If an impairment loss is recognized, on each date of the Statement of Financial Position of the Group it is examined if the conditions that led to the recognition continue to exist. In this case, the asset's recoverable value is re-determined and the impairment loss is offset restoring the asset's book value to its recoverable amount to the extent that this does not exceed its book value (net of depreciation) that would have been determined if an impairment loss had not been recorded.

3.7 INVESTMENTS

Investments are classified according to the purpose for which they were acquired. Management decides on the appropriate classification of the investment when the investment is acquired and reviews the classification at every presentation date.

3.7.1 FINANCIAL ASSETS AT A REASONABLE VALUE THROUGH THE PROFIT AND LOSS STATEMENT

This category includes financial assets acquired for the purpose of being resold soon. Assets in this category are classified as Current Assets if they are held to be traded or if it is expected that they shall be sold within 12 months from the Statement of Financial Position.

3.7.2 INVESTMENTS HELD TILL EXPIRY

This category includes investments with fixed or pre-determined payments and a specific expiry date which the Group and the Company are intending as far as possible to hold onto until their expiry.

3.7.3 FINANCIAL ASSETS AVAILABLE FOR SALE

This category includes assets which are either designated for this category or cannot be classified in one of the above categories. They are included in non-Current Assets provided Management does not intent to liquidate them within 12 months form the Statement of Financial Position.

Purchases and sales of investments are recognized on the date of the transaction which is the date the Group commits itself to buy or sell the item. Investments are initially recognized at their fair value plus transaction costs. Investments are eliminated when the rights to collect cash flows from the investments expire or are transferred and the Group has materially transferred all risks and benefits inherent in their ownership.

3.7.4 INVESTMENTS IN EQUITY

Investment in equity are properties which are held either for rental yields or for capital appreciation or both. As investment properties are considered only land and buildings and are initially measured at cost. Initial cost includes transaction costs: professional and legal fees, transfer taxes and other expenses.

Depreciation of investment assets is calculated using the straight-line method over the estimated useful life and their parts, which are 25 to 42 years.

3.8 INVENTORIES

Inventories are evaluated at the lower, per item, price between the acquisition cost or production cost and net liquidation value. Acquisition cost is designated by the FIFO method. Net liquidation value is evaluated on the basis of current stock sale prices in the context of usual business after subtracting any cost of completion and sale where there is such a case. Cost production includes direct materials, direct labour and the corresponding General Industrial Expenses which are incurred in order to transform inventory in their present situation. Eliminations are recognized in the Profit and Loss Statement of the year in which they occur.

3.9 CUSTOMERS AND OTHER CURRENT RECEIVABLES

Short-term receivables from customers are recorded initially at fair value and are controlled on an annual basis for impairment. Impairment losses are recorded when there is an objective indication that the Group is not in a position to collect all the sums owed on the basis of contractual terms. The provision figure is recorded as an expense in the Profit and Loss Statement. Possible deletions of receivables from accounts receivables are effected through the provision that has been formed. Receivables that are deemed as doubtful are deleted.

Long-term receivables from customers are recorded initially at fair value and subsequently carried at amortized cost using the effective interest rate method, less provision for value decline. In case residual value or the cost of a financial asset exceeds that value, then this item is valued in the recoverable amount, which is the present value of future flows of the assets, calculated on the basis of the average borrowing rate of the company.

3.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash balance and bank deposits.

3.11 BANK LOANS

Loans are initially recorded at their fair value. Following their initial recording they are monitored at their outstanding balance. Loans are classified as Current Liabilities unless the Group has the right to postpone final settlement of the liability for at least 12 months from the date of the Statement of Financial Position. In this case they are classified as Long-term Liabilities.

3.12 INCOME TAX AND DEFERRED TAX

Income tax of the fiscal year is comprised of both current and deferred tax. Income tax is recorded in the Profit and Loss Statement unless it concerns amounts that are directly recorded in Equity, in which case it is recorded in Equity.

Current income tax is the expected payable tax against taxable income of the fiscal year, based on the instituted tax rates on the Statement of Financial Position date, as well as any readjustment to the payable tax of previous fiscal years.

Deferred income tax is calculated by the balance sheet method, based on the balance sheet, which derives from the provisional differences between the accounting value and the tax base of assets and liabilities. Deferred income tax is not accounted for if it derives from the initial recognition of an asset or liability item in a transaction, apart from a business merger, which when the transaction took place, affected neither the accounting nor the taxation profit or loss. Deferred tax is calculated using the tax rates which are expected to be in force in the period when the asset shall be liquidated or the liability settled. The usage of future tax rates is based on laws which have been passed at the date of drawing up the financial statements.

Deferred tax claims are recognized in the extent to which there shall be a future tax profit for the use of the provisional difference establishing the deferred tax claim. Deferred tax claims are reduced when the respective tax benefit is materialized.

Concerning additional taxes, which are possible to arise from the tax audits, the Company and its domestic subsidiaries use historical statistic figures from tax audits of previous tax audited fiscal years and through them, they make a provision of future tax differences which will arise from tax audits of the tax unaudited fiscal years.

Additional income taxes which emerge from the distribution of dividends are set in the same time with the obligatory payment of the relevant dividend.

3.13 PERSONNEL FRINGE BENEFITS

3.13.1 DEFINED CONTRIBUTION PLAN

The duties towards benefits in Defined Contribution Plan are registered as an expense in the profits and loss statement during their year of realization.

3.13.2 LIABILITIES ARISING FROM THE PROVISIONS OF THE LAW 2112/1920, ACCORDING TO IAS 19.

The liability recorded in financial statements with regard to established benefit plans is the present value of the accrued benefits, taking any adjustments for potential actuarial results (profits/losses) and the cost of previous maintenance into consideration.

The sum of the liability is calculated annually by an actuarial project, which is executed by independent actuarial company, applying the projected unit credit method.

The present value is defined by discounting the estimated future cash flows with the rate for bond credit rating AA, which is issued in the same currency as the one of the benefit and its remaining duration approaches the duration of the relevant liability.

Accumulated actuarial profits / losses that arise from the deviation between estimations and experience and from the alteration in the actuarial assumptions applied, are depreciated in a period equal to the employees' average remaining working life, to the extent that they exceed 10% of the higher between accrued liabilities and the fair value of the fixed assets of the plan.

The cost of previous maintenance is recorded directly in the Profit and Loss Statement with the exception of the case where variations in the plan depend on the remaining time of maintenance of employees. In this case the cost of previous maintenance is recorded in the Profit and Loss Statement by the straight line method over the maturity period.

3.14 STATE SUBSIDIES

The Group recognizes state subsidies that meet the following criteria: a) there is reasonable certainty that the company has complied or will comply with the terms of the subsidy and b) it is probable that the amount of the subsidy will be received. Subsidies are recorded at fair value and recognized systematically as revenue, based on the principle of matching subsidies, with the related costs which they subsidize.

State subsidies regarding expenses, are deferred and recognized in the Profit and Loss Statement so as to correspond to the expenses they are designated to indemnify. State subsidies related to the purchase of tangible fixed assets are included in Long-term Liabilities as deferred state subsidies and are transferred as gains to the Profit and Loss Statement by the straight line method over the expected useful life of the relative assets.

3.15 PROVISIONS

Provisions are recognized when the Group has a present commitment (legal or justified) for which a cash outflow may arise for its settlement. Moreover, the amount of this commitment must be able to be determined with a significant degree of reliability. Provisions are re-examined on each Statement of Financial Position date and if it is deemed that no cash outflow shall arise for the commitment's settlement, a reverse entry must be made for these provisions. Provisions are used solely for the purposes for which they were initially formed.

Provisions for future losses are not recognized. Possible liabilities are not recognized in the Financial Statements but are disclosed, unless the possibility of an outflow of resources generating significant economic benefit is limited. Possible receivables are not recognized in the financial statements but are disclosed when an inflow of economic benefits is possible.

Provisions for restructuring are recognized when the Group has approved a detailed and official restructuring plan, which has commenced or been announced publicly. Future operating costs are not included in the provision.

3.16 INCOME

Income includes the fair value of sales of goods and maintenances, net of Value Added Tax, discounts and returns. The Group's inter-Company income are fully removed. Income is recognized as follows:

3.16.1 SALE OF GOODS

The sale of goods is recognized when the significant risks and property benefits have been transferred to the buyer, the collection of the amount to be received is deemed reasonably ensured, the relevant expenses and possible returns of goods can be reliably evaluated and there is no continuing involvement in the management of goods.

3.16.2 SERVICES

Income from services is recognized in the period in which these maintenances are rendered, on the basis of the completion stage of the service provided with relation to services provided overall.

3.16.3 INCOME FROM DIVIDENDS

Dividends are accounted as income upon the approval of their distribution by the General Shareholders' Meeting.

3.17 FINANCIAL INCOME-EXPENSES (NET)

Net financial expenditures are comprised of debit interest on loans as well as foreign exchange profits/losses that arise from the companies' lending. In addition, they also include income from accrued credit interest from invested cash and interest on current accounts of customers.

3.18 LEASES

Criterion to designate if a lease is finance or operational is the substance of the transaction and not the type of the contract.

Specific cases where the contract consider as finance and recorded as acquisition of fixed asset and generated a liability is described as follows:

- Transfer of the property of the leased asset to the lessee at the end of the leased period
- Purchase option of the leased asset from the part of lessee at the end of the leased period in a favorable terms.
- Duration of the lease greater or equal than 75% of the accounting life of the leased asset.
- Present value of the minimum payments of the lease, greater or equal than 90% of the real value of the leased asset

In all the above cases the paid rents separate into finance expenses (interests) which are recorded directly in Profit & Loss account and into decrease of the obligation.

All the rest contracts are designated as operational. In this case the rents are recorded directly in the Profit & Loss account at the time they are realized.

3.19 DIVIDENDS

Dividends that are distributed to the Group's shareholders are recognized as a Liability in the Financial Statements when the distribution is approved by the General Shareholders' Meeting. According to the Greek Legislation, companies are required to distribute to their shareholders as a dividend a percentage of 35% of profits that arise from the published financial statements, after the deduction of the income tax and the regular reserve or they may not distribute any dividend with the consistent opinion of the total shareholders.

Dividend which is lower than the 35% of the earnings after taxes and the regular reserve can be announced and paid with the approval of the 70% of the shareholders. However, with an unanimous approval of all the shareholders, the Company may not announce a dividend. According to the Articles of the Association of the Company the Board of Directors is responsible to decide whether to propose or not the dividends distribution to the General Meeting of the Shareholders.

The Board of Directors at the Annual Ordinary General Meeting of Shareholders does not intend to propose the dividends distribution.

Shareholders collect dividends, distributed at any time, and they have a right for one vote, per share, at Company shareholders' meeting.

3.20 EARNINGS PER SHARE

The basic and diluted earnings per share are estimated by dividing the net earnings, which correspond to the common shareholders, with the weighted average number of common shares that stand over during the period.

3.21 NEW STANDARDS AND INTERPRETATIONS WHICH HAVE BEEN ADOPTED FROM 01 JANUARY 2016

The following amendments of IFRS have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2016.

• Amendments to IAS 19: "Defined Benefit Plans: Employee Contributions" (effective for annual periods starting on or after 01/02/2015)

In November 2013, the IASB published narrow scope amendments to IAS 19 "Employee Benefits" entitled Defined Benefit Plans: Employee Contributions. The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

- Annual Improvements to IFRSs – 2010-2012 Cycle (effective for annual periods starting on or after 01/02/2015)

In December 2013, the IASB issued Annual Improvements to IFRSs - 2010-2012 Cycle, a collection of amendments to IFRSs, in response to seven issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 2:** Definition of 'vesting condition', **IFRS 3:** Accounting for contingent consideration in a business combination, **IFRS 8:** Aggregation of operating segments, **IFRS 8:** Reconciliation of the total of the reportable segments' assets to the entity's assets, **IFRS 13:** Short-term receivables and payables, **IAS 16 /IAS 38:** Revaluation method—proportionate restatement of accumulated depreciation and **IAS 24:** Key management personnel services. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

- Amendments to IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations" (effective for annual periods starting on or after 01/01/2016)

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

- Amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective for annual periods starting on or after 01/01/2016)

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

- Amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants" (effective for annual periods starting on or after 01/01/2016)

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

- Amendments to IAS 27: "Equity Method in Separate Financial Statements" (effective for annual periods starting on or after 01/01/2016)

In August 2014, the IASB published narrow scope amendments to IAS 27. Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

• Annual Improvements to IFRSs – 2012-2014 Cycle (effective for annual periods starting on or after 01/01/2016)

In September 2014, the IASB issued Annual Improvements to IFRSs - 2012-2014 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments of IFRS 7 to condensed interim financial statements, **IAS 19**: Discount rate: regional market issue, and **IAS 34**: Disclosure of information in the interim financial report. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

• Amendments to IAS 1: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2016)

In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

• Amendments to IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidation Exception" (effective for annual periods starting on or after 01/01/2016)

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The Group has examined the impact of the above on its Financial Statements, and found there is no impact.

B. New Standards, Interpretations and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

• IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods starting on or after 01/01/2016)

In January 2014, the IASB issued a new Standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union, until the issuance of the final Standard.

• IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2018.

- IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2018.

- Amendments to IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (the IASB postponed the effective date of this amendment indefinitely)

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28. The objective of the aforementioned amendments is to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IAS 12: " Recognition of Deferred Tax Assets for Unrealized Losses" (effective for annual periods starting on or after 01/01/2017)

In January 2016, the IASB published narrow scope amendments to IAS 12. The objective of the amendments is to clarify the accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IAS 7: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2017)

In January 2016, the IASB published narrow scope amendments to IAS 7. The objective of the amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Clarification to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

• Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (effective for annual periods starting on or after 01/01/2018)

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

• Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods starting on or after 01/01/2018)

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

• Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2017 and 01/01/2018)

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle are the following: **IFRS 12:** Clarification of the scope of the Standard, **IFRS 1:** Deletion of short-term exemptions for first-time adopters, **IAS 28:** Measuring an associate or joint venture at fair value. The amendments are effective for annual periods beginning on or after 1 January 2017 for IFRS 12, and 1 January 2018 for IFRS 1 and IAS 28. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

• IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

• Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods starting on or after 01/01/2018)

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

3.22 CONSOLIDATION PRINCIPLE

The Financial Report includes the Parent Company and the subsidiaries that it controls. Control is considered to exist, when the Parent Company has the possibility to define the decisions that deal with the financial and operational administration of the subsidiaries, aiming to gain profits through them.

The financial statements of the subsidiaries are prepared at the same date and using the same accounting policies as the Parent Company, and wherever is required, the necessary readjustments are made to secure the consistency the adopted accounting policies. The subsidiaries are consolidated from the date that control is gained and cease to be consolidated from the date that control is transferred outside of the Group. The subsidiaries that consolidated with the full method are the follow:

Name of Subsidiary	Activity	Head Offices	Participation 31.12.2016	Unaudited Fiscal Years (*)
KLEFER S.A.(2)	Company that manufactures and trades automatic elevator doors	Industrial area of Kilkis, Greece	50%	2010
KLEEMANN ASANSOR San. Ve Tic. A.S.(2)	Company that trades complete elevator systems	Istanbul, Turkey	70%	-
KLEEMANN LIFTOVI D.O.O (1)	Company that manufactures and trades complete elevator systems	Belgrade, Serbia	100%	2007-2016
KLEEMANN LIFT RO S.R.L. (1)	Company that trades complete elevator systems	Bucharest, Romania	100%	-
HONG KONG ELEVATOR SYSTEMS LIMITED (1)	Holding Company	Hong-Kong	100%	-
KLEEMANN LIFTS U.K. LTD (2)	Company that trades complete elevator systems	Oxford, UK	100%	-
KLEEMANN SERVICES LTD (1)	Company that trades and installs complete elevator systems	Nicosia, Cyprus	100%	-
KLEEMANN LIFTS (CHINA) CO. LTD (3)	Company that manufactures and trades complete elevator systems	Kunshan, China	100%	-
KLEEMANN LIFTS TRADING CO., LTD (3)	Company that trades elevator components	Kunshan, China	100%	-
KLEEMANN LIFTS RUS (1)	Company that trades complete elevator systems	Moscow, Russia	99,5%	-
KLEEMANN DIZALA D.o.o. (1)	Company that trades complete elevator systems	Zagreb, Croatia	100%	-
KLEEMANN ELEVATORS AUSTRALIA PTY (1)	Company that trades and installs complete elevator systems	Sidney, Australia	80,09%	-
KLEEMANN AUFZUGE GmbH (1)	Company that trades complete elevator systems	Dusseldorf, Germany	100%	-
KLEEMANN LIFTS DMCC (4)	Company that trades complete elevator systems	Dubai, UAE	100%	-

(*) For the unaudited fiscal years, there is reference to 28.1 και 28.2 paragraphs below

(1) Subsidiary of KLEEMANN LIFTS UK LTD

(2) Subsidiary of KLEEMANN HELLAS S.A.

(3) Subsidiary of HONG KONG ELEVATOR SYSTEMS LIMITED

(4) Subsidiary of KLEEMANN SERVICES LTD

Inter-Group balances and transactions, as well as profits and losses which occurred from inter-Group transactions are written off during the preparation of the consolidated financial statements while non-realized profits from transactions between the Group and its affiliated companies, are written off by the percentage of the Group's holding in the affiliated companies.

Subsidiaries with a significant percentage of non-controlling interests

The following table * summarizes the financial information of the subsidiaries in which their non-controlling interests hold a significant percentage.

Summary of the Financial Poristion	KLEFER S.A.		KLEEMANN ASANSOR San. Ve Tic. A.S.		KLEEMANN ELEVATORS AUSTRALIA PTY	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
Amounts in €						
Non Current Assets	3.274.368,35	3.474.302,00	554.845,04	707.586,00	406.976,92	331.980,45
Elements of Current Assets	15.222.676,65	14.603.977,00	10.560.790,83	15.725.701,00	6.934.576,33	4.245.754,71
TOTAL OF CURRENT ASSETS	**18.497.045,00**	**18.078.279,00**	**11.115.635,87**	**16.433.287,00**	**7.341.553,25**	**4.577.735,16**
Long Term Liabilities	734.184,15	766.521,00	46.339,79	73.398,00	1.225.547,16	1.134.887,34
Short Term Liabilities	2.416.054,70	2.559.320,00	6.593.849,44	9.785.119,00	4.155.436,30	2.255.172,48
TOTAL LIABILITIES	**3.150.238,85**	**3.325.841,00**	**6.640.189,23**	**9.858.517,00**	**5.380.983,46**	**3.390.059,82**
Equity	**15.346.806,15**	**14.752.438,00**	**4.475.446,64**	**6.574.770,00**	**1.960.569,79**	**1.187.675,34**
Amountsrelevant to:						
Shareholders of the company	7.673.403,08	7.376.219,00	3.132.812,65	4.602.339,00	1.570.220,34	951.209,18
Non controlled shareholdings	7.673.403,08	7.376.219,00	1.342.633,99	1.972.431,00	390.349,45	236.466,16
Summary of the Comprehensive Income	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Turnover	16.321.769,25	16.706.937,00	12.518.200,00	17.492.490,00	11.024.753,45	4.324.509,63
Profits/Losses after Taxes	1.222.711,67	1.248.899,00	(1.175.557,81)	376.880,00	946.932,42	295.299,13
Other total profits after taxes	(28.343,20)	(13.034,00)	(894.822,00)	(779.003,00)	37.539,40	(22.499,82)
Aggregate Total Amounts	**1.194.368,47**	**1.235.865,00**	**(2.070.379,81)**	**(402.123,00)**	**984.471,82**	**272.799,31**
Relevant to:						
Shareholders of the company	597.184,24	617.932,29	(1.449.265,87)	(281.486,10)	788.463,48	218.484,97
Non controlled shareholdings	597.184,24	617.932,29	(621.113,94)	(120.636,90)	196.008,34	54.314,34
Summary of Cash Flow Statement	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Cash Flows of Operating Activities	1.020.591,23	(246.547,00)	(174.628,79)	(834.864,00)	481.734,98	145.001,09
Cash Flows of Investment Activities	(105.453,29)	(112.059,00)	(102.926,96)	(29.251,00)	(140.783,04)	926.837,87
Cash Flows of Financial Activities	(656.240,00)	(56.680,00)	(28.943,01)	(164.656,75)	(117.297,70)	56.990,14
Net Variation in Cash Flows	**258.897,94**	**(415.286,00)**	**(306.498,76)**	**(1.028.771,75)**	**223.654,24**	**1.128.829,10**
Opening Cash Flows	1.283.490,00	1.698.776,00	1.432.113,25	2.460.885,00	1.128.829,10	-
Expired Cash Flows	**1.542.387,94**	**1.283.490,00**	**1.125.614,49**	**1.432.113,25**	**1.352.483,34**	**1.128.829,10**

4. SEGMENT REPORTING

The following information refers to the activity sectors of the Group Companies, which have to be presented separately at the financial statements.

Management appraises the segmental influence, based on operating and net profits. Applying the quantitative criteria that the relevant accounting standard establishes, the activities in Greece, European Union, Turkey, and other countries were defined as geographical sectors. Geographic sectors of the Group are defined by the location of the assets and the activity of its operation, as well as by the commercial, technician and political-economic environment. The turnover of the geographic sector is presented in the geographic area that the client is located and includes the sale of both products and commodities.

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

OPERATING ACTIVITY SECTORS OF GROUP	1 January to 31 December 2016						1 January to 31 December 2016					
	Greece	E.U.	Other countries	Turkey	Other	Total	Greece	E.U.	Other countries	Turkey	Other	Total
Revenues from Group clients	21.826.399,42	48.212.225,74	67.548.199,17	20.403.763,49	-	**157.990.587,82**	20.727.326,13	40.838.739,43	52.803.449,56	32.529.305,82	-	**146.898.820,94**
Intra-Group sales	(10.869.320,08)	(9.246.157,15)	(14.360.788,07)	(7.655.723,15)	-	**(42.131.988,45)**	(10.002.702,80)	(6.127.036,99)	(9.330.338,57)	(14.391.295,80)	-	**(39.851.374,16)**
Total sales	**10.957.079,34**	**38.966.068,59**	**53.187.411,10**	**12.748.040,34**	**-**	**115.858.599,37**	**10.724.623,33**	**34.711.702,44**	**43.473.110,99**	**18.138.010,02**	**-**	**107.047.446,78**
Cost of sales	(16.395.911,88)	(36.304.097,40)	(51.088.317,39)	(16.045.433,97)	-	**(119.833.760,64)**	(15.903.206,38)	(31.259.101,65)	(40.130.582,89)	(26.073.369,16)	-	**(113.366.260,08)**
Intra-Group cost of sales	9.050.849,05	10.183.247,74	15.434.210,64	7.499.802,93	-	**42.168.110,36**	8.515.853,12	7.348.927,81	10.185.360,74	13.579.514,29	-	**39.629.655,96**
Gross Profit	**3.612.016,51**	**12.845.218,93**	**17.533.304,35**	**4.202.409,30**	**-**	**38.192.949,09**	**3.337.270,07**	**10.801.528,60**	**13.527.888,84**	**5.644.155,15**	**-**	**33.310.842,66**
Other income / (expenses)	60.130,00	7.187,69	1.395,78	(409.973,64)	2.013.818,86	**1.672.558,69**	25.360,82	-	75.225,36	4.619,90	3.393.993,19	**3.499.199,27**
Other intra-Group income / (expenses)	-	-	-	-	(1.282.045,23)	**(1.282.045,23)**	-	-	-	-	(1.555.632,74)	**(1.555.632,74)**
Selling Expenses	(2.249.712,31)	(5.734.539,42)	(7.056.624,48)	(3.570.429,78)	(13.050,48)	**(18.624.356,47)**	(2.377.978,88)	(5.600.551,43)	(7.136.018,26)	(3.514.218,44)	-	**(18.628.767,01)**
Administrative Expenses	-	(491.141,21)	-	-	(13.138.361,54)	**(13.629.502,75)**	-	-	-	-	(10.458.632,81)	**(10.458.632,81)**
Intra-Group Administrative Expenses	-	-	-	-	1.282.045,23	**1.282.045,23**	-	-	-	-	880.632,74	**880.632,74**
Research and Development Expenses	(277.620,61)	(545.092,13)	(566.887,42)	(121.530,23)	-	**(1.511.130,39)**	(267.556,56)	(440.425,06)	(505.433,16)	(209.827,70)	-	**(1.423.242,48)**
Operating Income	**1.144.813,59**	**6.081.633,86**	**9.911.188,23**	**100.475,65**	**(11.137.593,16)**	**6.100.518,17**	**717.095,45**	**4.760.552,11**	**5.961.662,78**	**1.924.728,91**	**(7.739.639,62)**	**5.624.399,63**
Financial income	-	-	-	-	570.701,59	**570.701,59**	-	-	-	-	550.238,17	**550.238,17**
Financial expense	-	-	-	-	(1.367.460,29)	**(1.367.460,29)**	-	-	-	-	(1.356.899,78)	**(1.356.899,78)**
Income from Dividends	-	-	-	-	-	**-**	-	-	-	-	-	**-**
Increase (decrease) in value of securities	-	-	-	-	18.333,43	**18.333,43**	-	-	-	-	(13.673,11)	**(13.673,11)**
Profit/(loss) before tax	**1.144.813,59**	**6.081.633,86**	**9.911.188,23**	**100.475,65**	**(11.916.018,43)**	**5.322.092,90**	**717.095,45**	**4.760.552,11**	**5.961.662,78**	**1.924.728,91**	**(8.559.974,34)**	**4.804.064,91**
Income Tax	-	-	-	-	(1.333.584,45)	**(1.333.584,45)**	-	-	-	-	(1.182.130,99)	**(1.182.130,99)**
Profit/(Loss) after tax	**1.144.813,59**	**6.081.633,86**	**9.911.188,23**	**100.475,65**	**(13.249.602,88)**	**3.988.508,45**	**717.095,45**	**4.760.552,11**	**5.961.662,78**	**1.924.728,91**	**(9.742.105,33)**	**3.621.933,92**
Non-controlling interest	-	-	-	-	(451.911,85)	**(451.911,85)**	-	-	-	-	(781.669,27)	**(781.669,27)**
Parent Company Shareholders' Profit/(Loss)	**1.144.813,59**	**6.081.633,86**	**9.911.188,23**	**100.475,65**	**(13.701.514,73)**	**3.536.596,60**	**717.095,45**	**4.760.552,11**	**5.961.662,78**	**1.924.728,91**	**(10.523.774,60)**	**2.840.264,65**

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

OPERATING ACTIVITY SECTORS OF GROUP	1 January to 31 December 2016						1 January to 31 December 2015					
	Greece	E.U.	Other countries	Turkey	Other	Total	Greece	E.U.	Other countries	Turkey	Other	Total
ASSETS												
Tangible Assets for own use	27.502.453,21	389.727,80	5.829.256,24	211.740,24	-	**33.933.177,49**	28.525.460,48	275.833,36	4.458.647,23	317.735,98	-	**33.577.677,05**
Intangible Assets	1.922.865,30	256,08	10.233,31	5.576,56	-	**1.938.931,25**	1.423.312,43	198,82	20.461,23	9.441,00	-	**1.453.413,48**
Investment Property	1.424.912,30	-	-	85.851,37	-	**1.510.763,67**	1.480.479,74	-	114.077,27	-	-	**1.594.557,01**
Inventory	-	-	-	-	28.137.564,77	**28.137.564,77**	-	-	-	-	26.319.537,38	**26.319.537,38**
Intra-Group Inventory	-	-	-	-	(556.372,20)	**(556.372,20)**	-	-	-	-	(592.494,11)	**(592.494,11)**
Receivables	14.843.901,00	14.007.161,33	8.894.881,43	9.151.503,50	-	**46.897.447,26**	13.630.416,24	11.052.454,46	9.376.796,44	15.922.111,34	-	**49.981.778,48**
Intra-Group Receivables	-	-	-	-	(17.156.371,78)	**(17.156.371,78)**	-	-	-	-	(18.944.732,03)	**(18.944.732,03)**
Investments	145.971,00	-	-	-	-	**145.971,00**	690.072,57	-	-	-	-	**690.072,57**
Other elements of Assets	-	-	-	-	52.194.838,32	**52.194.838,32**	-	-	-	-	43.895.490,64	**43.895.490,64**
Total Assets	**45.840.102,81**	**14.397.145,21**	**14.734.370,98**	**9.454.671,67**	**62.619.659,11**	**147.045.949,78**	**45.749.741,46**	**11.328.486,64**	**13.969.982,17**	**16.249.288,32**	**50.677.801,88**	**137.975.300,47**
EQUITY AND LIABILITIES												
Suppliers	18.943.962,08	3.333.538,69	3.913.226,98	3.252.497,34	-	**29.443.225,09**	16.825.153,05	5.093.614,13	3.314.845,07	6.240.931,52	81.355,68	**31.555.899,45**
Intra-Group Suppliers	(11.038.520,93)	(1.942.430,86)	(2.280.211,38)	(1.895.208,61)	-	**(17.156.371,78)**	(10.101.059,44)	(3.057.975,10)	(1.990.082,76)	(3.746.772,47)	(48.842,26)	**(18.944.732,03)**
Profit carried forward	-	-	-	-	5.425.012,46	**5.425.012,46**	-	-	-	-	4.631.523,44	**4.631.523,44**
Intra-Group Profit carried forward	-	-	-	-	(2.754.794,58)	**(2.754.794,58)**	-	-	-	-	(1.791.258,79)	**(1.791.258,79)**
Profit of previous periods	-	-	-	-	20.382.209,25	**20.382.209,25**	-	-	-	-	19.205.508,69	**19.205.508,69**
Intra-Group Profit of previous periods	-	-	-	-	(5.671.344,51)	**(5.671.344,51)**	-	-	-	-	(6.709.145,94)	**(6.709.145,94)**
Other elements of Equity and Liabilities					151.347.796,29	**151.347.796,29**					140.342.274,79	**140.342.274,79**
Other intra-Group elements of Equity and Liabilities					(33.969.782,44)	(33.969.782,44)					(30.314.769,11)	**(30.314.769,11)**
Total Equity and Liabilities	**7.905.441,15**	**1.391.107,83**	**1.633.015,60**	**1.357.288,73**	**134.759.096,47**	**147.045.949,78**	**6.724.093,61**	**2.035.639,03**	**1.324.762,31**	**2.494.159,05**	**125.396.646,50**	**137.975.300,50**

5. Tangible Assets for own use

Land and plots of the Group were valued at the date of transition to IFRS (01/01/2004) at fair value (fair value). The group periodically makes reassessments of the value of land and building plots. The latest revaluation is done on the 31st of December 2016.

The valuation at fair value resulted in upward revaluation of land and plots of 438.467,00 Euros. The income statement was affected negatively by 60.072,81 Euros and the rest amount of 498.539,81 Euros positively affected the equity. Other property, land and plots of the Group are measured at historical cost.

Tangible assets for own use are as follow:

GROUP	Land	Buildings	Mechanical equipment	Means of transportation	Furniture and Fixtures	Fixed Assets in course of construction	TOTAL
Acquisition cost 1 January 2015	**4.485.860,15**	**24.713.784,22**	**16.433.509,75**	**2.850.968,11**	**5.862.973,36**	**207.629,26**	**54.554.724,85**
Additions	-	18.660,20	433.647,91	295.128,71	278.226,12	2.778.444,67	**3.804.107,61**
Revaluation	466.421,53	-	-	50.332,19	-	(47.209,08)	**469.544,64**
Transfers	-	16.643,63	181.968,29	-	7.270,53	(608.101,19)	**(402.218,74)**
Sales	-	-	(384.507,94)	(6.168,39)	(1.317,73)	-	**(391.994,06)**
Disposals	-	-	(25.208,77)	-	(687,54)	-	**(25.896,31)**
Exchange Rate differences	(1.225,59)	(6.812,70)	43.351,95	5.846,19	(32.878,24)	(19.519,73)	**(11.238,12)**
Acquisition cost 31 December 2015	**4.951.056,09**	**24.742.275,35**	**16.682.761,19**	**3.196.106,81**	**6.113.586,50**	**2.311.243,93**	**57.997.029,87**
Accumulated Depreciation 1 January 2015	**-**	**5.051.244,60**	**11.544.486,65**	**1.674.422,00**	**4.399.287,53**	**-**	**22.669.440,78**
Depreciation of the year	-	566.885,81	797.237,29	196.718,94	417.624,34	-	**1.978.466,38**
Depreciation of Sales	-	-	(215.338,23)	(6.168,39)	(749,24)	-	**(222.255,86)**
Depreciation of Disposals	-	-	(19.755,50)	-	(649,59)	-	**(20.405,09)**
Exchange Rate differences	-	(701,54)	5.659,37	7.925,79	1.222,99	-	**14.106,61**
Accumulated Depreciation 31 December 2015	**-**	**5.617.428,87**	**12.112.289,58**	**1.872.898,34**	**4.816.736,03**	**-**	**24.419.352,82**
Net Book Value as of 31 December 2015	**4.951.056,09**	**19.124.846,48**	**4.570.471,61**	**1.323.208,47**	**1.296.850,47**	**2.311.243,93**	**33.577.677,05**
Acquisition cost 1 January 2016	**4.951.056,09**	**24.742.275,35**	**16.682.761,19**	**3.196.106,81**	**6.113.586,50**	**2.311.243,93**	**57.997.029,87**
Additions	-	23.763,62	200.165,72	236.554,75	291.477,56	2.200.929,45	**2.952.891,10**
Revaluation	94,50	-	-	-	-	-	**94,50**
Transfers	156.682,12	1.488.260,35	163.355,84	21.618,12	198.568,24	(2.586.449,76)	**(557.965,09)**
Sales	-	-	-	-	(1.662,01)	-	**(1.662,01)**
Disposals	-	-	(13.871,67)	(28.986,55)	(160.620,74)	-	**(203.478,96)**
Exchange Rate differences	(4.146,53)	(22.233,58)	(19.350,05)	2.940,69	(71.306,87)	(29.480,47)	**(143.576,81)**
Acquisition cost 31 December 2016	**5.103.686,18**	**26.232.065,74**	**17.013.061,03**	**3.428.233,82**	**6.370.042,68**	**1.896.243,15**	**60.043.332,60**
Accumulated Depreciation 1 January 2016	**-**	**5.617.428,87**	**12.112.289,58**	**1.872.898,34**	**4.816.735,99**	**-**	**24.419.352,78**
Depreciation of the period	-	574.394,47	733.029,41	230.141,53	376.909,88	-	**1.914.475,29**
Depreciation of Sales	-	-	-	-	(1.661,01)	-	**(1.661,01)**
Depreciation of Disposals	-	-	(12.563,36)	(8.858,92)	(160.369,94)	-	**(181.792,22)**
Exchange Rate differences	-	(1.854,70)	(8.742,42)	(1.049,87)	(28.572,74)	-	**(40.219,73)**
Accumulated Depreciation 31 December 2016	**-**	**6.189.968,64**	**12.824.013,21**	**2.093.131,08**	**5.003.042,18**	**-**	**26.110.155,11**
Net Book Value as of 31 December 2016	**5.103.686,18**	**20.042.097,10**	**4.189.047,82**	**1.335.102,74**	**1.367.000,50**	**1.896.243,15**	**33.933.177,49**

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

COMPANY	Land	Buildings	Mechanical equipment	Means of transportation	Furniture and Fixtures	Fixed Assets in course of construction	TOTAL
Acquisition cost 1 January 2015	3.734.495,73	20.819.629,34	11.009.049,21	2.324.867,45	4.271.313,57	43.739,43	42.203.094,73
Additions	-	17.807,76	299.158,37	84.472,30	185.854,33	386.322,75	**973.615,51**
Readjustments / Revaluation	438.467,00	-	-	-	-	-	**438.467,00**
Assets from absorption of MODA LIFT		164.022,98	1.173.578,72	32.218,60	105.224,55	-	**1.475.044,85**
Transfers	-	11.338,28	7.995,41	-	4.483,87	(419.086,65)	**(395.269,09)**
Sales	-	-	(2.297,79)	-	-	-	**(2.297,79)**
Sales of absorbed assets of MODA LIFT		-	(382.210,15)	-	-	-	**(382.210,15)**
Disposals	-	-	(19.964,66)	-	-	-	**(19.964,66)**
Acquisition cost 31 December 2015	-	**21.012.798,36**	**12.085.309,11**	**2.441.558,35**	**4.566.876,32**	**10.975,53**	**44.290.480,40**
Accumulated Depreciation 1 January 2015	-	4.284.718,25	8.261.977,00	1.376.570,09	3.452.866,15	-	17.376.131,49
Depreciation of the year	**4.172.962,73**	481.490,38	659.685,46	114.056,96	241.105,07	-	**1.496.337,87**
Depreciation of the year of absorbed assets of MODA LIFT		57.593,16	430.235,29	16.809,92	78.353,41	-	**582.991,78**
Depreciation of Sales	-	-	(143,64)	-	-	-	**(143,64)**
Depreciation of sales of absorption of MODA LIFT		-	(215.194,59)	-	-	-	**(215.194,59)**
Depreciation of Disposals	-	-	(17.686,04)	-	-	-	**(17.686,04)**
Accumulated Depreciation 31 December 2015	-	**4.823.801,79**	**9.118.873,48**	**1.507.436,97**	**3.772.324,63**	**-**	**19.222.436,87**
Net Book Value as of 31 December 2015	**4.172.962,73**	**16.188.996,57**	**2.966.435,63**	**934.121,38**	**794.551,69**	**10.975,53**	**25.068.043,53**
Acquisition cost 1 January 2016	**4.172.962,73**	**21.012.798,36**	**12.085.309,11**	**2.441.558,35**	**4.566.876,32**	**10.975,53**	**44.290.480,40**
Additions	-	23.763,62	126.503,72	21.664,00	190.180,79	667.943,96	**1.030.056,09**
Readjustments / Revaluation	-	-	-	-	-	-	**-**
Transfers	-	-	22.799,95	-	3.441,00	(584.206,04)	**(557.965,09)**
Sales	-	-	-	-	(1.662,01)	-	**(1.662,01)**
Disposals	-	-	-	-	(146.320,12)	-	**(146.320,12)**
Exchange Rate Differences	-	-	-	-	-	-	**-**
Acquisition cost 31 December 2016	**4.172.962,73**	**21.036.561,98**	**12.234.612,78**	**2.463.222,35**	**4.612.515,98**	**94.713,45**	**44.614.589,27**
Accumulated Depreciation 1 January 2016	**-**	**4.823.801,79**	**9.118.873,48**	**1.507.436,97**	**3.772.324,63**	**-**	**19.222.436,87**
Depreciation of the year	-	489.217,06	443.535,43	133.835,99	226.799,24	-	**1.293.387,72**
Depreciation of Sales	-	-	-	-	(1.661,01)	-	**(1.661,01)**
Depreciation of Disposals	-	-	-	-	(146.317,05)	-	**(146.317,05)**
Accumulated Depreciation 31 December 2016	**-**	**5.313.018,85**	**9.562.408,91**	**1.641.272,96**	**3.851.145,81**	**-**	**20.367.846,53**
Net Book Value as of 31 December 2016	**4.172.962,73**	**15.723.543,13**	**2.672.203,87**	**821.949,39**	**761.370,17**	**94.713,45**	**24.246.742,74**

Land and buildings are not subject to mortgages and encumbrances on 31.12.2016 for both the Group and the Company.

6. INVESTMENT PROPERTY

The Group's investment property is analysed as follows:

	GROUP	COMPANY
Acquisition cost 1 January 2015	**1.684.613,63**	**1.606.931,61**
Additions / Sales	20.618,00	20.618,00
Readjustments	(6.823,06)	(6.823,06)
Transfers	41.135,47	-
Exchange Rate differences	(931,81)	-
Acquisition cost 31 December 2015	**1.738.612,23**	**1.620.726,55**
Accumulated Depreciation 1 January 2015	**89.959,22**	**87.887,70**
Depreciation of the year	54.119,20	52.359,11
Exchange Rate differences	(23,20)	-
Accumulated Depreciation 31 December 2015	**144.055,22**	**140.246,81**
Net Book Value as of 31 December 2015	**1.594.557,01**	**1.480.479,74**
Acquisition cost 1 January 2016	**1.738.612,23**	**1.620.726,55**
Additions / Sales	87.603,44	-
Readjustments	-	-
Transfers	-	-
Sales	(116.300,57)	-
Exchange Rate differences	(1.585,11)	-
Acquisition cost 31 December 2016	**1.708.329,99**	**1.620.726,55**
Accumulated Depreciation 1 January 2016	**144.055,22**	**140.246,81**
Depreciation of the year	58.945,34	55.567,44
Depreciation of Sales	(5.380,47)	-
Exchange Rate differences	(53,77)	-
Accumulated Depreciation 31 December 2016	**197.566,32**	**195.814,25**
Net Book Value as of 31 December 2016	**1.510.763,67**	**1.424.912,30**

The Group applies the cost model for the measurement of the investment property. It concerns property that it owns and doesn't use them in their traditional line of business, but leases them to third parties. Rental income derived from investment properties for the year is 34.722 Euros (2015: 30.984 euros).

The above properties are not pledged. Also, during the year there were expenses for investment properties and there are no other liabilities arising from rental contracts.

The fair value of investment property of the parent company on 31/12/2016 is not significantly refrained from their fair value. The determination of the value held by an independent external auditor, a member of the body of chartered appraisers and certified TEGoVA (The European Group of Valuers' Associations). Other investment properties of subsidiaries relating to property acquired the current fiscal year and the fair value is almost equal to the value shown in the financial statements of the group.

Depreciation on investment property is calculated using the straight line method during the estimated useful lives of these assets, which is estimated to last between 20 to 50 years.

7. INTANGIBLE ASSETS

They concern licenses of software programs and costs and expenses concerning the in-house creation and development of software.

	GROUP	COMPANY
Acquisition cost 1 January 2015	**2.557.670,96**	**2.019.122,59**
Additions	130.492,97	120.203,42
Assets of absorption of MODA LIFT	-	16.704,44
Transfers	395.269,09	395.269,09

Exchange Rate differences	76.377,39	-
Acquisition cost 31 December 2015	**3.159.810,41**	**2.551.299,54**
Accumulated Depreciation 1 January 2015	**1.535.900,02**	**1.056.978,67**
Depreciation of the year	98.231,57	67.549,24
Depreciation of the year Absorption MODA LIFT	-	13.998,94
Depreciation of Sales	-	-
Exchange Rate differences	72.265,34	-
Accumulated Depreciation 31 December 2015	**1.706.396,93**	**1.138.526,85**
Net Book Value as of 31 December 2015	**1.453.413,48**	**1.412.772,69**
Acquisition cost 1 January 2016	**3.159.810,41**	**2.551.299,54**
Additions	176.486,96	159.706,04
Transfers	557.965,09	557.965,09
Exchange Rate differences	(23.241,29)	-
		3.268.970,67
Acquisition cost 31 December 2016	**3.871.021,17**	
Accumulated Depreciation 1 January 2016	**1.706.396,93**	**1.138.527,14**
Depreciation of the year	246.940,26	219.891,11
Depreciation of Destroyed	(2,88)	-
Exchange Rate differences	(21.244,39)	-
Accumulated Depreciation 31 December 2016	**1.932.089,92**	**1.358.418,25**
Net Book Value as of 31 December 2016	**1.938.931,25**	**1.910.552,42**

Internally generated assets that are included in the table above only exist in the parent, and for the development of the software DIAS. The data for the fixed asset that is listed below:

	GROUP	**COMPANY**
Balance at 1 January 2015	**410.788,59**	**410.788,59**
Additions	**-**	**-**
Balance at December 31, 2015	**410.788,59**	**410.788,59**
Accumulated depreciation January 1, 2015	**139.533,75**	**139.533,75**
Depreciation	**27.086,14**	**27.086,14**
Balance at December 31, 2015	**166.619,89**	**166.619,89**
Net book value 31 December 2015	**244.168,70**	**244.168,70**
Balance at 1 January 2016	**410.788,59**	**410.788,59**
Additions	**-**	**-**
Balance at December 31, 2016	**410.788,59**	**410.788,59**
Accumulated depreciation January 1, 2016	**166.619,89**	**166.619,89**
Depreciation	**27.086,76**	**27.086,76**
Balance at December 31, 2016	**193.706,65**	**193.706,65**
Net book value 31 December 2016	**217.081,94**	**217.081,94**

8. PARTICIPATIONS

The Company registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced by potential impairment of their value. Participations are analysed as following:

Corporate Name	**Country**	**Value at 01.01.15**	**Additions**	**Value at 31.12.15**	**Direct Holding %**
KLEFER A.E	GREECE	1.173.881,21	-	1.173.881,21	50%
KLEEMANN ASANSOR San. Ve Tic As	TURKEY	232.206,36	-	232.206,36	70%
KLEEMANN LIFTOVI D.o.o.	SERBIA	2.776.161,93	(2.776.161,93)	-	-

KLEEMANN LIFT RO S.R.L.	ROMANIA	300.141,00	(300.141,00)	-	-
MODA LIFT A.B.E.E.	GREECE	2.773.002,00	(2.773.002,00)	-	-
HONG KONG ELEVATOR SYSTEMS LIMITED	HONG-KONG	3.595.376,50	(3.595.376,50)	-	-
KLEEMANN SERVICES LTD	CYPRUS	520.000,00	(520.000,00)	-	-
KLEEMANN LIFTS U.K. LTD	UK	-	10.891.538,43	10.891.538,43	100%
		11.370.769,00	**926.857,00**	**12.297.626,00**	

Corporate Name	Country	Value at 01.01.16	Additions	Value at 31.12.16	Direct Holding %
KLEFER A.E	GREECE	1.173.881,21	-	1.173.881,21	50%
KLEEMANN ASANSOR San. Ve Tic As	TURKEY	232.206,36	-	232.206,36	70%
KLEEMANN LIFTS U.K. LTD	UK	10.891.538,43	7.000.000,00	17.891.538,43	100%
		12.297.626,00	**7.000.000,00**	**19.297.626,00**	

KLEEMANN SERVICES LTD registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced by potential impairment of their value. Participations are analysed as following:

Corporate Name	Country	Value at 01.01.15	Additions	Value at 31.12.15	Direct Holding %
KLEEMANN LIFTS U.K. LTD	UK	200.002,23	(200.002,23)	-	-
KLEEMANN LIFTS RUS	Russia	242.780,00	(242.780,00)	-	-
KLEEMANN LIFTS DMCC	Dubai	-	52.507,00	52.507,00	100%
		442.782,23	**(390.275,23)**	**52.507,00**	

Corporate Name	Country	Value at 01.01.16	Additions	Value at 31.12.16	Direct Holding %
KLEEMANN LIFTS DMCC	Dubai	52.507,00	-	52.507,00	100%
		52.507.00	**-**	**52.507,00**	

HONG KONG ELEVATOR SYSTEMS LIMITED registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced by potential impairment of their value. Participations are analysed as following:

Corporate Name	Country	Value at 01.01.15	Additions	Value at 31.12.15	Direct Holding %
KLEEMANN LIFTS (CHINA) CO. LTD	China	3.331.522,62	2.468.516,16	5.800.038,78	100%
KLEEMANN LIFTS TRADING CO., LTD	China	-	90.670,00	90.670,00	100%
		3.331.522,62	**2.559.186,16**	**5.890.708,78**	

Corporate Name	Country	Value at 01.01.16	Additions	Value at 31.12.16	Direct Holding %
KLEEMANN LIFTS (CHINA) CO. LTD	China	5.800.038,78	-	5.800.038,78	100%
KLEEMANN LIFTS TRADING CO., LTD	China	90.670,00	-	90.670,00	100%
		5.890.708,78	**-**	**5.890.708,78**	

KLEEMANN LIFTS UK LTD registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced by potential impairment of their value. Participations are analysed as following:

Corporate Name	Country	Value at 01.01.2015	Additions	Value at 31.12.2015	Direct Holding %
KLEEMANN LIFTS RUS	Russia	-	242.780,00	242.780,00	99,5%
KLEEMANN ELEVATORS AUSTRALIA PTY	Australia	-	2.520.598,07	2.520.598,07	80,1%
KLEEMANN AUFZUGE	Germany	-	500.000,00	500.000,00	100,0%
KLEEMANN LIFTOVI D.O.O	Serbia	-	3.776.162,00	3.776.162,00	100,0%
KLEEMANN LIFT RO S.R.L.	Romania	-	300.000,00	300.000,00	100,0%
HONG KONG ELEVATOR SYSTEMS LIMITED	Hong-Kong	-	6.095.376,50	6.095.376,50	
KLEEMANN SERVICES LTD	Cyprus	-	77.218,00	77.218,00	100,0%
KLEEMANN DIZALA	Croatia	-	200.000,00	200.000,00	100,0%
		-	**13.712.134,57**	**13.712.134,57**	

Επωνυμία	Χώρα Εγκατάστασης	Αξία κτήσης 01.01.2016	Μεταβολές	Αξία κτήσης 31.12.2016	% Συμμετοχής
KLEEMANN LIFTS RUS	Ρωσία	242.780,00	-	242.780,00	99,5%
KLEEMANN ELEVATORS AUSTRALIA PTY	Αυστραλία	2.520.598,07	-	2.520.598,07	80,1%
KLEEMANN AUFZUGE	Γερμανία	500.000,00	-	500.000,00	100,0%
KLEEMANN LIFTOVI D.O.O	Σερβία	3.776.162,00	-	3.776.162,00	100,0%
KLEEMANN LIFT RO S.R.L.	Ρουμανία	300.000,00	3,87	300.003,87	100,0%
HONG KONG ELEVATOR SYSTEMS LIMITED	Χονγκ-Κονγκ	6.095.376,50	1.500.000,00	7.595.376,50	
KLEEMANN SERVICES LTD	Κύπρος	77.218,00	-	77.218,00	100,0%
KLEEMANN DIZALA	Κροατία	200.000,00	-	200.000,00	100,0%
		13.712.134,57	**1.500.003,87**	**15.212.138,44**	

The Management of the Company considers that there are no impairment reasons of the investments' values.

There are no significant restrictions on the ability of these companies to transfer capital to the Company in the form of cash dividends or repayments of loans or in advance payments.

There are no subsidiaries with a significant holding of non-controlling interests. In addition, the Group has no participation in non-consolidated entities.

Changes in the composition of the Group

On March 3, 2016, the parent company decided to complete the share capital increase of Kleemann Lifts UK, amounted to 7 mln euros. This amount had already been sent to the subsidiary in the UK within the year 2015, after a relevant BoD resolution for future share capital increase, for the purpose of funding the following investments a) acquisition of a company in Australia amounting to 2.5 mln €, which was done in July 2015 b) establishment of a new company in Germany with a share capital of 500 thous €, which was done in August 2015 c) future investments in China amounting to 4 mln €.

On March 28, 2016, Kleemann Lifts UK decided to proceed to a capital increase, amounting to 1.5 mln euros, in the subsidiary company of Hong Kong, HONG KONG ELEVATOR SYSTEMS LIMITED, to be used in the future for a share capital increase in order to fund new investments in China.

Goodwill

The change in the item of goodwill is presented in the table below:

	2016	2015
Book Value 1/1	1.787.873,86	-
Additions		1.787.873,86
Impairments	-	-
Book Value 31/12	**1.787.873,86**	**1.787.873,86**

As mentioned above, in June 2015 the Group acquired 80.09% of the company KLEEMANN ELEVATORS AUSTRALIA PTY, for the amount of Euros 2,520,598.07 fee. The acquisition cost of this company was higher than the acquired share of the group in the equity and therefore the group recognized a goodwill, indicated in the following table:

Total price of acquisition of shares		**2.520.598,07**
Less:		
Fair value of assets and liabilities of the company	914.876,03	
X Participation Share	80,09%	732.724,21
	Goodwill	**1.787.873,86**

The group assets and liabilities, which were taken up from the acquisition of the company, were the following:

Total Assets and Liabilities	**Book Value**	**Fair Value**
Tangible Assets	231.011,45	231.011,45
Customers and other Trade Receivables	1.689.525,69	1.689.525,69
Other Receivables	62.604,45	62.604,45
Cash and cash equivalents	2.030.480,96	2.030.480,96
Other Long-term Liabilities	-1.053.433,79	-1.053.433,79
Suppliers and Other Liabilities	-1.638.188,13	-1.638.188,13
Current Tax Liablities	-261.082,85	-261.082,85
Other Short-term Liabilities	-146.041,74	-146.041,74
Total Equity	914.876,03	914.876,03
Investment Rate acquired by the company		80,09%
Fair Value of Assets and Liabilites		**732.724,21**

The fair value of assets, liabilities and contingent liabilities and the resulting goodwill will be finalized within the first semester of 2016 (provided by the relevant provisions of IFRS 3). The fair value of the assets and liabilities, which were taken up from the acquisition, were determined on temporary values and were the same with the carrying values as pending the final valuation of intangible assets.

Goodwill impairment testing in the consolidated financial statements

On December 31, 2016 impairment testing of goodwill was performed, in accordance with the requirements of IAS 36. After this test, no impairment issue was raised on December 31, 2016.

The recoverable amount was approached by means of use value (value in use). The use-value is measured as the present value of expected future cash flows of the companies discounted at a rate reflecting the time value of money and the risk related to the companies. These calculations use cash flow projections approved by management covering a four-year period with reduction in perpetuity. The calculation of the value of use based on the following key assumptions.

For the calculation of discounted cash flows, the Management uses assumptions that is deemed reasonable and based on the best information available and valid on the reference date of the financial statements.

Impairment testing in the company financial statements

Impairment testing was also performed in the company financial statements for the acquisition value of subsidiaries. Again no impairment arose.

Assumptions used to determine value in use

The recoverable value of each CGU is determined based on the calculation of value in use. The determination arises through the current value of estimated future cash flows, as these are expected to be generated from each CGU (method of discounted cash flows). This procedure for calculating value in use is affected by (is sensitive to) the following main assumptions, as adopted by the Management for determining future cash flows:

- Formulation of 5-year business plans per CGU::
  - ✓ Maximum period of 5 years. Cash flows beyond 5 years are extracted on conclusions, using estimates of the growth rates mentioned below,
  - ✓ Based on recently prepared budgets and estimates.
  - ✓ Budgetary operating profit & EBITDA margins and future estimates using reasonable assumptions.

The calculations for determining the recoverable value of CGUs were based on 5-year business plans approved by the Management. Said plans included the necessary revisions for depicting the current economic environment and reflect previous experience, provisions, sector studies and other available information from external sources.

- Growth rate in perpetuity:

Cash flows beyond years have been extracted based on conclusions, using the estimates of growth rates in perpetuity, which were taken from external sources (up to 2%, depend on the country in which the CGU operates).

Weighted Average Capital Cost (WACC):

The WACC method reflects the discounted interest rate of future cash flows for each the CGU, according to which the cost of equity, and the cost of long-term borrowing and any grants, are weighted so as to calculate the cost of the company's total capital. For the fiscal years 2020 and beyond, the WACC has been recalculated (WACC in perpetuity) due to the anticipated improvement of financials. The main parameters for determining the WACC include:

- Risk-free return:

Given that all business plan cash flows were determined based on the euro, the return of the 10-year Euro Swap Rate (EUS) was used as a risk-free return. On the measurement date, the 10-year German Bond. The 10-year Greek Sovereign Bond was not used as a risk-free return, since the markets recognized a significant spread in this title.

- Country risk premium:

Estimates from independent sources were taken into account for calculating the country risk premium. The risk associated with operations in each market (China, Australia, etc.), as arising from the aforementioned country risk premium, was included in the Cost of Equity for each company.

- Equity risk premium:

Estimates from independent sources were taken into account for calculating the equity risk premium. The beta sensitivity indexes are evaluated annually based on published market data. Apart from the aforementioned estimates regarding the determination of the value in use of CGUs, the Management is not aware of any changes in the conditions which may possibly affect its other assumptions.

The discounted interest rates used in perpetuity were measured as follows:
The discount rates used in perpetuity were measured from 5% to 15% depending on the country and geographical area (Europe, Asia, Australia) activity of each CGU.

Sensitivity analysis of recoverable amounts:

Currently, the Management is not aware of any other event or condition that would reasonably cause any changes to any of the main assumptions used to determine the recoverable amount of CGUs. Nevertheless, on 31/12/2016 the Group analyzed the sensitivity of the recoverable amounts per CGU in relation to a change in some of the main assumptions presented above. One such change is mentioned as an indication:

(i) one percentage unit in the EBITDA until 2020 and half a percentage unit in the EBITDA in Perpetuity
(ii) one percentage unit in the discounted interest rate until 2020 and half a percentage unit in the discounted interest rate in perpetuity, or
(iii) half a percentage unit in the growth rate in perpetuity.

The relevant analysis demonstrates that even jointly, there is no need to impair goodwill or intangible assets.

9. OTHER LONG-TERM RECEIVABLES

Other long-term receivables of the Group and the Company are analyzed below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Notes Receivables of long-term expiry	4.686.783,72	5.836.060,71	4.686.783,72	5.836.060,71
Checks receivables of long-term expiry	187.856,10	214.952,15	187.856,10	214.952,15
Other long-term receivables	674.374,76	666.518,35	215.035,57	316.795,84
	5.549.014,58	**6.717.531,21**	**5.089.675,39**	**6.367.808,70**

The Company has entered into an agreement with some of its customers in the Greek market, based on which the rest of their mature debts get paid on a monthly basis. In the Financial Statements these long-term receivables are amounted as amortized cost. The discount rate that has been used is the average interest rate of the Company's loans. This rate rises to approximately 4.5% for 2016 and 2015 respectively.

10. DEFERRED TAX RECEIVABLES AND LIABILITIES

The deferred taxes are calculated on the temporary differences, according the method of liability, with the use of the tax rates which are in force in the countries that the companies of the Group are active in.

The deferred taxation Receivables and Liabilities are set off when there exists an applicable legal right to set off the current taxation demands with the current taxation liabilities when the deferred income taxes concern the same tax authority.

The calculation of deferred tax of the Group is re-examined in every fiscal year, in order for the balance which is presented in the Statement of Financial Position to represent the current tax rates.

The rate at which the deferred tax is calculated, is equal to the one that is estimated to be in force at the time of reversal of temporary tax differences. The Company's deferred tax is calculated by taking into account the tax rate that will be in force on the date of retrieval of the relative values.

According to the new Tax Law 4334/2015, adopted on July 16, 2015, tax rate for calculating taxes on profits for companies operating in Greece, increased from 26% to 29% for the period starting from January 01, 2015.

The deferred tax receivables and liabilities for the Group, of the year 2016 and 2015 are mentioned below:

GROUP	**Balance 1 Jan. 2015**	**Charge in Results**	**Change in Tax Rate**	**Charge in Equity**	**Balance 31 Dec. 2015**
Tangible Fixed Assets	(1.731.543,74)	(180.379,87)	(164.934,07)	(57.300,62)	(2.134.158,30)
Intangible Fixed Assets	(6.470,59)	(12.224,27)	(6.181,82)	(6.766,33)	(31.643,01)
Provisions for devaluated inventories	343.396,86	21.880,57	34.620,53	(3.462,18)	396.435,78
Receivables from clients	1.768.376,36	322.199,34	179.326,98	(42.120,15)	2.227.782,53
Provisions for employees' termination benefits	487.515,01	70.532,63	49.688,19	(13.756,15)	593.979,68
Subsidies for Fixed Assets	39.973,49	(40.013,24)	39,75	-	(0,00)
Other provisions	427.396,61	97.611,48	55.484,22	119.637,50	700.129,81
Other	455,19	79.673,19	-	(38.908,79)	41.219,59
Total deferred tax	**1.329.099,19**	**359.279,83**	**148.043,78**	**(42.676,72)**	**1.793.746,08**

Statement of Financial Position		
Deferred tax receivables	1.429.272,91	1.948.803,31
Deferred tax payables	100.173,72	155.057,23
Total	**1.329.099,19**	**1.793.746,08**

	Balance 1 Jan. 2016	Charge in Results	Change in Tax Rate	Charge in Equity	Balance 31 Dec. 2016
Tangible Fixed Assets	(2.134.158,30)	(25.801,31)	-	6.799,15	(2.153.160,46)
Intangible Fixed Assets	(31.643,01)	174,39	-	(4.643,26)	(36.111,88)
Provisions for devaluated inventories	396.435,78	(68.982,49)	-	(2,22)	327.451,07
Receivables from clients	2.227.782,53	803.429,76	-	(21.063,54)	3.010.148,75
Provisions for employees' termination benefits	593.979,68	62.184,83	-	71.069,66	727.234,17
Subsidies for Fixed Assets	-	-	-	-	-
Other provisions	700.129,81	(287.822,15)	-	(47.653,93)	364.653,73
Other	41.219,59	127.828,95	-	(16.826,41)	152.222,13
Total deferred tax	**1.793.746,08**	**611.011,98**	**-**	**(12.320,55)**	**2.392.437,51**

Statement of Financial Position		
Deferred tax receivables	1.948.803,31	2.500.889,91
Deferred tax payables	155.057,23	108.452,04
Total	**1.793.746,08**	**2.392.437,51**

The respective amounts for the Company are presented at the following table.

COMPANY	Balance 1 Jan. 2015	Charge in Results	Change in Tax Rate	Charge in Equity	Balance 31 Dec. 2015
Tangible Fixed Assets	(1.429.428,57)	(139.977,45)	(164.934,07)	(144.576,55)	(1.878.916,64)
Intangible Fixed Assets	(53.575,81)	(2.155,22)	(6.181,82)	-	(61.912,85)
Provisions for devaluated inventories	300.044,58	17.800,60	34.620,53	-	352.465,71
Receivable from clients	1.554.167,12	347.484,73	179.326,98	-	2.080.978,83
Provisions for employees' termination benefits	430.630,98	47.806,21	49.688,19	(7.518,25)	520.607,13
Subsidies for Fixed Assets	344,52	(384,27)	39,75	-	-
Other Provisions	480.863,24	24.800,60	55.484,22	120.396,62	681.544,68
Others	-	50.709,69	-	(50.709,69)	-
Total deferred tax	**1.283.046,06**	**346.084,89**	**148.043,78**	**(82.407,87)**	**1.694.766,86**

COMPANY	Balance 1 Jan. 2016	Charge in Results	Change in Tax Rate	Charge in Equity	Balance 31 Dec. 2016
Tangible Fixed Assets	(1.878.916,64)	7.574,46	-	-	(1.871.342,18)
Intangible Fixed Assets	(61.912,85)	8.469,92	-	-	(53.442,93)
Provisions for devaluated inventories	352.465,71	(58.000,00)	-	-	294.465,71
Receivable from clients	2.080.978,83	765.896,92	-	-	2.846.875,75
Provisions for employees' termination benefits	520.607,13	46.136,10	-	73.185,56	639.928,79
Subsidies for Fixed Assets	-	-	-	-	-
Other Provisions	681.544,68	(361.313,61)	-	(62.723,17)	257.507,90
Others	-	73.500,90	-	-	73.500,90
Total deferred tax	**1.694.766,86**	**482.264,69**	**-**	**10.462,39**	**2.187.493,94**

11. INVENTORY

The inventories are analysed below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Finished and semi-finished products	5.122.196,81	4.825.868,85	3.241.489,35	3.169.051,41
Raw material and other production materials	21.497.756,93	20.195.636,67	16.931.978,79	16.368.643,24

Commodities	2.647.000,47	2.665.593,28	-	55.667,26
Minus: Intercompany Inventories	(556.372,20)	(592.494,11)	-	-
Minus: Provision for devaluation of Inventories	(1.129.389,44)	(1.367.561,42)	(1.015.398,99)	(1.215.398,99)
Total	**27.581.192,57**	**25.727.043,27**	**19.158.069,15**	**18.377.962,92**

There are no encumbrances on the Group's total Inventories.

12. RECEIVABLES FROM CLIENTS

Receivables from Clients include the following :

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Clients	52.167.513,70	47.004.421,63	30.861.125,76	32.402.766,36
Post-dated Checks Receivables	4.643.518,68	9.402.613,15	4.016.015,65	4.264.976,73
Notes Receivables	14.785.571,14	16.630.239,93	9.484.506,75	9.424.981,90
Minus: provision for doubtful debts	(24.699.156,26)	(23.055.496,23	(20.771.278,19)	(19.871.278,19)
Inter-Company Receivables	(17.156.371,78)	(18.944.732,03)	-	-
TOTAL	**29.741.075,48**	**31.037.046,45**	**23.590.369,97**	**26.221.446,80**

The Group's Management periodically reassess the adequacy of the provision of doubtful debts in accordance with the credit policy and by taking into consideration elements of its Legal Department, which arise from the process of historical data as well as the recent developments of cases that it handles.

The provision of doubtful debts has been formed the open balance of specific customers, who have exceeded the Group's credit policy, for most of which the Group has taken the case to court.

On the Company's receivables there are no encumbrances.

13. OTHER RECEIVABLES

Other Receivables are analysed below:	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12. 2016**	**31.12. 2015**
Various Debtors	5.052.807,08	4.448.101,24	5.071.718,70	11.220.160,42
Prepayments of suppliers	797.327,44	751.294,55	643.748,14	639.449,81
Accounts for management of prepayments & credits	226.412,88	53.449,92	44.558,93	34.595,24
Expenses of next years	1.486.848,11	450.526,56	1.120.952,93	186.573,93
Purchases under delivery	275.854,06	510.513,99	-	465.943,34
Short-term receivables	7.067.314,44	4.670.641,03	956.923,30	-
Others	1.729.281,21	1.892.843,06	-	-
Total	**16.635.845,22**	**12.277.370,35**	**7.837.902,00**	**12.546.722,74**

The item 'Other Debtors' of the parent company includes primarily VAT receivables (Euros 2.0 mil.) and income tax prepayments (Euros 2,09 mil).

14. INVESTMENTS

Other investments were attributed as below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Financial Assets in fair values through profit and losses	**145.971,00**	**690.072,57**	**145.971,00**	**690.072,57**

Short-term investments and securities of the Company are classified in the item "Financial assets at fair value through profit or loss".

Changes from the measurement at fair value of financial assets are included in the item "Increase / (decrease) in value of investments in participations and securities" in the Statement of Comprehensive Income.

The movement of short-term investments for the Group and the Company is:

Securities time table

	Total Shares of Listed Companies	Total Shares of Non Listed Companies	Total
2016			
Balance at the start of the year	684.066,57	6.006,00	**690.072,57**
Purchases	-	-	**-**
Sales	(468.000,00)	-	**(468.000,00)**
Profit/ (Loss) from sale or valuation	(76.101,57)	-	**(76.101,57)**
Closing BaLance	**139.965,00**	**6.006,00**	**145.971,00**

	Total Shares of Listed Companies	Total Shares of Non Listed Companies	Total
2015			
Balance at the start of the year	12.739,68	6.006,00	**18.745,68**
Purchases	935.000,00	-	**935.000,00**
Sales	(250.000,00)	-	**(250.000,00)**
Profit/(or loss) from sale or valuation	(13.673,11)	-	**(13.673,11)**
Closing Balance	**684.066,57**	**6.006,00**	**690.072,57**

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are mentioned below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Cash Balance	91.653,43	287.582,88	72.285,53	197.801,50
Bank Deposits	25.629.561,32	20.376.329,03	12.105.001,71	5.033.565,25
Total	**25.721.214,75**	**20.663.911,91**	**12.177.287,24**	**5.231.366,75**

Cash represents cash held by the Group and the Company and bank deposits available on demand. On the above dates there were no bank overdrafts.

16. SHARE CAPITAL

The share Capital of the Company amounts to Euros 8.277.045 and consists of 23.648.700 common registered shares with a nominal value of Euros 0,35 each. The shares of KLEEMANN HELLAS S.A. are listed on the Athens Stock Exchange and are being traded at its main market. There are no shares of the parent company owned either by itself or through subsidiaries and affiliated companies, in the current fiscal year.

Reserves were formed as below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Share premium	**15.176.472,62**	**15.176.472,62**	**15.176.472,62**	**15.176.472,62**
Other Reserves				
Regular Reserve	2.791.393,71	2.777.200,10	2.058.857,03	2.058.857,03
Specially taxed Reserves	12.286.844,98	12.286.844,98	11.896.844,98	11.896.844,98
IAS 19 Reserve	242.874,20	425.571,98	246.393,54	425.571,98
Contingency Reserve	65.856,02	65.856,02	65.856,02	65.856,02
Differences from readjustment in the value of other assets	1.621.263,98	1.606.697,11	1.288.596,28	1.288.596,28
Tax-free Reserves of developmental Laws	28.045.257,98	26.776.106,52	26.613.946,02	25.377.240,23
Hedging valuation of derivatives SME € / TRL	(203.326,31)	(356.889,92)	(204.450,37)	(358.013,98)
Reserves from specially taxed revenues	170.259,10	68.250,20	68.250,20	68.250,20
Total	**45.020.423,66**	**43.649.636,99**	**42.034.293,70**	**40.823.202,74**

Share premium

The share premium accrued from the issue of shares to cash, of value bigger than their nominal value, at the fiscal years 1999 and 2000.

Regular Reserve

According to the regulations of Greek Business Legislation, at least 5% of net profits is withheld, annually, for the creation of legal reserve, which is exclusively used for equalization of possible debit balance of profit and loss account, before dividend distribution and it is only distributed at the dissolution of the Company. This withholding ceases to be compulsory, when the Legal Reserve balance reaches 1/3 of share capital.

Specially taxed Reserves

Specially taxed Reserves refer to undistributed earnings of which an amount of 2.410.000 euros concerns cover of owned participation in a subsidized investment plan as per 3299/04 Law, an amount of 440.000 euros concerns cover of owned participation in a subsidized investing plan of Metro 6.5, an amount of 173.859 euros concerns the proportion of undistributed earnings coming from dividend's withholding taxes of the subsidiary KLEFER SA, 822.986 euros concerns taxed reserve for distribution under the Law 4172/2013 and an amount of 8.050.000 euros which is formed in the fiscal years 2007, 2008 and 2009 concern an optional special Reserve for investment purposes.

IAS 19 Reserve

It concerns a Reserve of actuarial differences, which has arisen after the amendment of IAS 19.

Contingency Reserve

Contingency Reserve concerns undistributed, untaxed earnings and it was formed according to the provisions of the Law 1892/90, for the purpose of covering owned participation in subsidized investing plans, which are included in the provisions of this Law. In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Differences from readjustment in the value of other assets

It concerns a Reserve which has arisen from the re-estimation in the value of Real Estate (Land) at fair value, according to IAS 16 and the revaluation difference from the absorption of the subsidiary Moda Lift ABEE.

Tax-free Reserves of developmental Laws

Tax-free Reserves concern undistributed earnings, which, according to developmental laws, are free of taxation, for investments which have taken place, based on the provisions of the Laws 1828/89, 1892/90, 2601/98 and 3299/04 (on the condition that there are adequate earnings, for the creation of these Reserves, remaining from the earnings balance, after the dividend distribution and their proportionate taxes). In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Reserves free of income taxation

Reserves that are free of income taxation concern revenues from bank interests. In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Reserves from specially taxed Revenues

Reserves from specially taxed Revenues concern revenues from interests and tax withholding has been applied in source. Beyond the prepaid taxes, these Reserves are liable to taxation, according to current tax rate, in case of their distribution.

For the above untaxed Reserves, there are not any deferred taxes to be recorded, in case they are distributed.

Other reserves

Other reserves include the results of the valuation of futures, which were acquired by the group in order to offset the risk of fluctuations in exchange rates.

For the above tax-free reserves have not accounted deferred taxes for distribution purposes.

17. LOANS

The loan liabilities of the Group are based on pre-agreed and pre-set margins of interest rates, which according to the market conditions can be converted to fixed rates. As a result, the consequences of the fluctuations of the interest rates at the Income Statement and the Cash flows from operating activities of the Group are immaterial. The flexible exchange rates are calculated based on Euribor plus spread.

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Long-term				
Bond loans	7.099.451,68	7.945.328,55	6.850.000,00	7.700.000,00
Short-term				
Short-term bank loans	16.604.586,20	11.647.208,98	13.700.000,00	8.750.000,00
Total	**23.704.037,88**	**19.592.537,53**	**20.550.000,00**	**16.450.000,00**

The total loans, short-term and long-term, are in euro terms and the duration of bond loans is presented in the Note 34.5.

The real interest rates are as follows:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Long-term loans	4,29%	3,97%	4,40%	4,03%
Short-term loans	4,78%	4,58%	4,94%	4,76%

The Group has approved credit limits up to 32,0 million euros as at December 31, 2015. The parent company on 31/12/16 has bond loans amounting to 6,85 million euros and short-term loans amounting to 13,7 million euros. The company's subsidiaries have loans of 3.15 million euros.

The exposure of debt liabilities of Group to interest rate fluctuations and the conventional date of re-measurement restricts to a maximum period of 180 days for the bond loans and to 30-90 days for the short-term bank loans.

The fair value of these loans approaches their accounting value at the date of Statement of Financial Position, as the impact of discount is not material. The fair value has been estimated using cash flows, which have been discounted using an interest rate relevant to current flexible interest rates.

The interest of loans that credited to Income Statement is as follows:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Long-term loans	(465.903,84)	(556.674,39)	(501.253,49)	(547.420,05)
Short-term loans	(476.124,77)	(311.180,67)	(324.936,96)	(149.776,45)
	(942.028,61)	**(867.855,06)**	**(826.190,45)**	**(697.196,50)**

18. LIABILITIES FROM EMPLOYEES' TERMINATION BENEFITS

According to the labor law, employees are entitled to compensation for dismissal or retirement, the amount of which varies according to salary, years of service and the manner of termination (dismissal or retirement). Employees who resign are not entitled to compensation. In Greece, employees who retire are entitled to 40% of such compensation in accordance with L.2112/1920. These programs are not funded and are classified as defined benefit plans according to IAS 19. Estimates of the Group's defined benefit obligations according to IAS 19 were calculated by independent actuaries companies.

Liabilities that arise from employees' termination benefits are the following:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Present value of non-financed liabilities	2.499.143,76	2.047.655,79	2.206.651,00	1.795.197,00
Non-registered actuarial losses	46.339,79	73.398,00	-	-
Liability in Statement of Financial Position	**2.545.483,55**	**2.121.053,79**	**2.206.651,00**	**1.795.197,00**
Alterations in net liability recognized in Statement of Financial Position				
Net liability in the beginning of the year	2.122.030,91	1.926.191,78	1.795.197,00	1.656.273,00
Benefits paid	(342.622,13)	(24.324,83)	(46.600,00)	(10.160,00)
Total expense recognized in Results	463.549,48	262.685,27	205.690,00	175.009,00
Total actuarial (gain)/loss in other comprehensive income	302.525,29	(43.498,43)	252.364,00	(25.925,00)
Present value of liability in the end of the period	**2.545.483,55**	**2.121.053,79**	**2.206.651,00**	**1.795.197,00**
Cost of current employment	379.430,24	209.375,33	128.290,00	128.659,00
Interest in liability	54.338,87	41.591,94	46.507,00	34.658,00
Expenses & depreciation of actuarial loss	(4.472,63)	(5.596,00)	-	-
Loss of settlement/curtailment/cease	34.253,00	17.314,00	30.893,00	11.692,00
Total expense recognized in Results	**463.549,48**	**262.685,27**	**205.690,00**	**175.009,00**

The assumptions based on which the actuarial plan was based, for the calculation of provision, are mentioned below:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Discounting Rate	2,00%	2,60%	2,00%	2,60%
Future increases of salaries	2,00%	2,00%	2,00%	2,00%
Average future duration of working life	18,52	18,35	18,52	18,35

19. OTHER LONG-TERM LIABILITIES

Other long-term liabilities are formed as below:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Long-term Notes Payables	1.052.000,55	1.030.744,45	-	-
Subsidies for investments in Fixed Assets	268.910,36	285.411,33	-	-
Subsidies for financed programmes in Fixed Assets	1.088.119,22	1.138.328,28	1.088.119,22	1.138.328,28
Others	2.216.424,19	934.803,43	-	-
Total	**4.625.454,32**	**3.389.287,49**	**1.088.119,22**	**1.138.328,28**

20. SUPPLIERS

Dues to Suppliers are the following:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Suppliers	25.541.642,94	22.891.489,31	11.904.744,99	7.436.375,22
Checks payables	3.813.903,51	8.564.091,14	3.216.327,20	7.965.397,18
Notes payables	87.678,64	100.319,00	-	-
Inter-Company liabilities	(17.156.371,78)	(18.944.732,06)	-	-
Total	**12.286.853,31**	**12.611.167,39**	**15.121.072,19**	**15.401.772,40**

The Trade payables have no interest and are normally settled.

21. OTHER SHORT-TERM LIABILITIES

Other short-term liabilities are analyzed below:

	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Various Creditors	172.916,71	7.275.942,82	141.927,75	260.824,20
Prepayments of customers	8.211.031,77	4.905.054,47	2.661.886,94	2.982.703,16
Dividends	1.789,95	5.929,97	1.789,95	5.929,97
Insurance Organizations	1.129.435,97	1.879.754,09	942.726,46	868.731,75
Others	1.712.964,24	1.431.270,11	-	-
Intercompany short-term liabilities	(3.174.465,57)	(8.057.577,47)	-	-
Accrued expenses	947.151,54	365.917,58	654.019,28	281.174,64
Total	**9.000.824,61**	**7.806.291,57**	**4.402.350,38**	**4.399.363,72**

22. PROVISIONS

The long-term and Short-term provisions are as follow:

	Short term Provisions		Long Term Provisions	
	GROUP	**COMPANY**	**GROUP**	**COMPANY**
01/01/2015	**1.965.863,22**	**1.806.863,22**	**326.397,00**	**-**
Additional Provisions of the Year	543.511,99	402.800,83	-	-
Transfer of Provisions from Long-terms to Short-terms	97.919,00	-	(97.919,00)	-
Non Used Provisions Reversed	(439.009,44)	(439.009,44)	(228.478,00)	-
Used Provisions of the year	(518.490,56)	(518.490,56)	-	-
31/12/2015	**1.649.794,21**	**1.252.164,05**	**-**	**-**
Additional Provisions of the Year	1.138.616,00	1.000.000,00	8.720,00	-
Non Used Provisions Reversed	(223.786,78)	(216.286,78)	-	-
Used Provisions of the year	(817.565,79)	(747.919,00)	-	-
31/12/2016	**1.747.057,64**	**1.287.958,27**	**8.720,00**	**-**

Long-term provisions are not recorded in rediscounted amounts, as there is no accurate estimate of the time of payment.

23. SALES

Sales, excluding intercompany amounts, consist of the following figures:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Finished and semi-finished products	73.409.851,81	65.098.218,95	71.407.479,96	67.590.262,81
Commodities	30.913.211,51	36.393.748,46	6.515.229,89	6.781.603,74
Raw materials	2.522.701,41	3.287.668,67	3.003.489,08	9.042.013,06
Services	9.012.834,64	2.267.810,70	186.390,23	266.313,04
Total	**115.858.599,37**	**107.047.446,78**	**81.112.589,16**	**83.680.192,65**

24. EXPENSES

The expenses that are included in the Financial Statements are as follows:

GROUP 2015	**Cost of Sales**	**Selling Expenses**	**Administration Expenses**	**Research & Development Expenses**	**Total**
Employees' Benefits	11.620.496,74	8.047.304,80	4.470.957,65	1.036.732,85	**25.175.492,04**
Cost of consumption of inventories	96.739.389,64	-	-	-	**96.739.389,64**
Depreciation	993.690,20	549.718,11	461.169,51	136.711,85	**2.141.289,67**
Other Expenses	4.012.683,50	10.031.744,10	5.526.505,65	249.797,78	**19.820.731,03**
Intercompany profit of goods remaining in stock write off	221.718,20	-	-	-	**221.718,20**
Other consolidation registrations	(39.851.374,16)	-	(880.632,74)	-	**(40.732.006,90)**
Total	**73.736.604,12**	**18.628.767,01**	**9.578.000,07**	**1.423.242,48**	**103.366.613,68**
GROUP 2016					
Employees' Benefits	15.229.787,06	7.374.187,11	5.630.507,60	953.825,49	**29.188.307,26**
Cost of consumption of inventories	97.701.783,63	209.317,18	-	-	**97.911.100,81**
Depreciation	1.057.133,77	479.437,18	563.088,21	121.744,42	**2.221.403,58**
Other Expenses	5.845.056,18	10.561.415,00	7.435.906,94	435.560,48	**24.277.938,60**
Intercompany profit of goods	(36.121,91)	-	-	-	**(36.121,91)**

remaining in stock write off					
Other consolidation registrations	(42.131.988,45)	-	(1.282.045,23)	-	**(43.414.033,68)**
Total	**77.665.650,28**	**18.624.356,47**	**12.347.457,52**	**1.511.130,39**	**110.148.594,66**

COMPANY 2015					
Employees' Benefits	7.704.134,70	5.866.709,79	2.682.470,59	878.300,49	**17.131.615,57**
Cost of consumption of inventories	51.392.656,44	-	-	-	**51.392.656,44**
Depreciation	554.158,04	428.773,35	357.629,39	136.023,85	**1.476.584,63**
Other Expenses	2.024.442,81	7.292.501,71	3.621.753,39	234.138,93	**13.172.836,84**
Total	**61.675.391,99**	**13.587.984,85**	**6.661.853,37**	**1.248.463,27**	**83.173.693,48**

COMPANY 2016					
Employees' Benefits	10.053.782,39	4.699.336,14	3.020.519,52	778.866,12	**18.552.504,17**
Cost of consumption of inventories	47.861.022,05	-	-	-	**47.861.022,05**
Depreciation	631.023,87	360.277,22	457.639,67	120.948,18	**1.569.888,94**
Other Expenses	1.476.038,23	7.148.252,71	4.329.207,46	425.886,41	**13.379.384,81**
Total	**60.021.866,54**	**12.207.866,07**	**7.807.366,65**	**1.325.700,71**	**81.362.799,97**

25. PERSONNEL EXPENSES

Payroll Costs included in Financial Statements is analyzed below:

	GROUP		**COMPANY**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Wages and salaries	23.452.894,32	19.943.037,22	14.153.677,95	13.130.854,42
Employers' contributions	4.790.103,34	4.389.415,57	3.669.692,28	3.370.526,85
Other benefits granted to employees	894.365,66	816.720,32	682.534,25	612.532,26
Compensations due to dismissal	50.943,94	26.318,94	46.599,69	17.702,04
Total payment cost	**29.188.307,26**	**25.175.492,04**	**18.552.504,17**	**17.131.615,57**
Provision for employees' termination benefits	467.648,67	167.829,04	411.454,00	138.924,00
Total Payment Expenses	**29.655.955,93**	**25.343.321,09**	**18.963.958,17**	**17.270.539,57**

26. OTHER INCOME / (EXPENSES)

Other income / (expenses) are analyzed below :

	GROUP		**COMPANY**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Subsidies & Revenues from various sales	558.872,52	523.717,11	211.362,35	122.109,03
Revenues from subsequent activities	2.585.750,77	2.380.949,58	2.186.432,78	2.137.039,69
Revenues from provisions of previous years	1.407.886,65	1.782.369,79	742.792,09	1.455.198,02
Exchange Rate differences	51.565,55	2.113.946,27	-	-
Insurance compensations	65.980,86	18.773,78	-	-
Other Revenues	1.186.268,67	391.016,71	756.705,86	121.491,06
Revenues & Expenses of previous years	(437.574,12)	1.259.586,68	(437.574,12)	1.241.190,12
Total Income	**5.418.750,90**	**8.470.359,92**	**3.459.718,96**	**5.077.027,92**
Other Expenses	(1.873.372,45)	(1.183.523,56)	(1.432.612,86)	(1.021.451,95)
Exchange Rate differences	(1.872.819,76)	(3.787.637,08)	(362.316,00)	(2.000.000,00)
Intra-Group eliminations	(1.282.045,23)	(1.555.632,75)	-	-
Total Expenses	**(5.028.237,44)**	**(6.526.793,39)**	**(1.794.928,86)**	**(3.021.451,95)**
Total Other income	**390.513,46**	**1.943.566,53**	**1.664.790,10**	**2.055.575,97**

27. FINANCIAL INCOME / (EXPENSES) (NET)

Financial income / (expenses) were formed as below:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Income from interests	321.741,91	372.314,81	176.997,26	312.958,14
Income from Dividends (*)	-	-	1.426.503,52	112.871,32
Increase (decrease) in value of investments and securities	18.333,43	(13.673,11)	18.333,43	(13.673,11)
Other financial income	248.959,68	178.550,43	-	-
Other financial expenses	(425.431,68)	(489.671,79)	(233.838,50)	(214.044,44)
Interest expenses	(942.028,61)	(867.855,06)	(826.190,45)	(697.196,50)
Total	**(778.425,27)**	**(820.334,72)**	**561.805,26**	**(499.084,59)**

(*) Income from dividends of the parent company in 2016 are from subsidiaries Klefer S.A., Kleemann Asansor San. Ve Tic AS, and Kleemann Lifts UK LTD.

28. INCOME TAX

28.1 GREEK COMPANIES

According to the tax Law 4334/2015, voted on 16/07/2015, the tax rate for legal entities operating in Greece amounts to 29% for the tax years starting from the 1st of January 2015 and ahead. According to the provisions of the new law 4334/2015 which was voted on July 16, 2015, the tax rate for companies operating in Greece is increased from 26% to 29% for tax years beginning on January 1, 2015 and ahead. For distributed profits in the year 2016 the tax rate is 15%.

According to the Law 3842/2010, Article 17, paragraph 3 and the Law 1159/2011, which apply to Balance Sheets that are closed from 30 June 2011 onwards, the tax audit of enterprises that are audited by Chartered Accountants or Audit Firms registered in the Public Register of Law 3693/2008 (Government Gazette 174 A) will be carried out by them. Statutory Auditors will issue a "Tax Audit Compliance Report".

According to the ministerial circular 1006/2016 of Ministry of Finance, which accepts the Statement with Number 256/2015 of the Legal State Council, the companies for which a tax certificate is issued without indications of breaches of tax legislation are not excluded from the Tax Audit for the imposition of additional taxes and penalties (five years from the end of the fiscal year that the tax return has been submitted).

For the fiscal years beginning from 01.01.2014 onwards according to the Law 4174/2013, the 5 years period from the end of the year in which the deadline for submitting a declaration expires ,is defined as the general limitation period.

For the years 2011, 2012 and 2013, the parent company and its subsidiary KLEFER SA have been tax audited by Chartered Accountants or Audit Firm in accordance with L.1159/26/7/2011 and received the Tax Compliance Report Certificate with the Consent Opinion without any substantial differences to arise. The audit finalization from the Ministry of Finance is pending.

For the years 2014 and 2015 the parent company and its subsidiary KLEFER SA have been tax audited according to the Law 4174/2011 Article 65A, paragraph 1. The audit finalization from the Ministry of Finance is pending.

From the fiscal year 2016 according to a recent relevant legislation, this specific Audit has become optional. The parent Company and its subsidiary KLEFER S.A. have chosen to continue to take the Annual Certificate.

For the fiscal year 2016 tax Audit for the issue of the "Tax Compliance Report" for the parent company and its subsidiary KLEFER SA is already in progress. The Group's Management does not expect to incur significant tax liabilities, other than those recorded and reflected in the financial statements.

The Group's management believes that apart from the provisions, additional taxes which may arise will not have a material effect on the equity, results and cash flows of the Group and the Company.

28.2 Foreign companies

The corporate taxes at profits and the taxes at distributed of the subsidiary companies abroad are analyzed as follows:

	Corporate Tax	Tax at distributed
KLEEMANN ASANSOR SAN. VE TIC. A.S.	20%	15%
KLEEMANN LIFTOVI D.o.o.	15%	5%
KLEEMANN LIFT RO S.R.L.	16%	0%
HONG KONG ELEVATOR SYSTEMS	0%	0%
KLEEMANN LIFTS U.K. LTD	20%	0%
KLEEMANN SERVICES LTD	12,5%	0%
KLEEMANN LIFTS (CHINA) Co. Ltd	25%	5%
KUNSHAN KLEEMANN LIFTS TRADING CO. LTD	25%	5%
KLEEMANN LIFTS RUS	20%	15%
KLEEMANN ELEVATOR AUSTRALIA PTY LTD	30%	0%
KLEEMANN AUFZUGE GmbH	31,3%	0%
KLEEMANN DIZALA D.o.o.	20%	0%
KLEEMANN LIFTS DMCC	0%	0%

It must be noted, that Turkey and Romania respectively do not carry out regular audits by tax authorities, which have the right to audit the Company's books for a specified period, only where appropriate or at random. On this basis, KLEEMANN ASANSOR SAN. VE TIC. A.S. based in Turkey, has been audited for year 2005 randomly, but for the years 2012 up to 2015 has been included in the Law 6736 of tax closure of the Turkish Government by paying approximately 122 thousands €. Regarding the Romanian company KLEEMANN LIFT RO S.R.L., as noted above there is no regular audit. Therefore, the term "unaudited by tax authorities fiscal year" does not exist. For the Serbian subsidiary KLEEMANN LIFTOVI Doo, the unaudited by tax authorities fiscal years are from 2007 to 2015.

28.3 Provision of Income Tax

The income tax burdened the financial results is as follows:

	GROUP		**COMPANY**	
	1 January to		**1 January to**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Current income Tax	1.524.844,81	1.689.747,33	3.447,64	597.488,10
Tax on previous years	400.000,00	(292,73)	400.000,00	-
Tax Provisions from tax controls	19.751,62	-	19.751,62	-
Differences from tax control	-	-	-	-
Deferred Tax	(611.011,98)	(507.323,61)	(482.264,69)	(494.128,67)
Total	**1.333.584,45**	**1.182.130,99**	**(59.065,43)**	**103.359,43**

The tax basis has been increased by the non-deducted expenses and the presumable accounting differences of tax audit. The tax of profits of the Group and the Company, differs from the notional amount that would have accrued using the weighted average tax rate, on profits. Additionally, the real tax rate for the Group, is formed based on the different tax factors applied at the countries that the Group is activated.

	GROUP		**COMPANY**	
Agreement of Real Tax Rate	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**

Earnings before taxes	5.322.092,90	4.804.064,91	1.976.384,55	2.062.990,55
Tax rate	29,00%	29,00%	29,00%	29,00%
Theoretical Tax based on tax rate in force	**1.543.406,94**	**1.393.178,82**	**573.151,52**	**598.267,26**
Plus/(Minus):				
Impact of foreign tax Rates	651.002,35	262.077,72	-	-
Tax on tax permanent differences	(715.598,67)	(199.927,86)	(790.182,18)	(289.355,89)
Tax on Loss	(13.963,72)	(396.218,53)	-	(409.835,77)
Tax on Tax-free Revenues	575.146,75	217.163,52	581.164,49	235.982,01
Impact of change of future tax rate and tax readjustment of fixed assets	(67.461,86)	19.208,41	-	-
Extraordinary tax contribution on profits	13.132,00	-	-	-
Differences of tax audit	-	-	-	-
Provisions of unaudited fiscal years	(423.199,26)	-	(423.199,26)	-
Tax on properties	(214.897,04)	(94.757,02)	-	-
Tax corresponding to other adjustments	(13.983,04)	(18.594,07)	-	(31.698,18)
Real tax encumbrance	**1.333.584,45**	**1.182.130,99**	**(59.065,43)**	**103.359,43**
Real tax encumbrance Rate	25,1%	24,6%	-3,0%	5,0%

28.4 CURRENT TAX LIABILITIES

Current tax liabilities are analysed as following:

	GROUP		COMPANY	
	1 January to		1 January to	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Income tax	1.426.018,40	1.867.791,64	53.923,74	608.559,77
Prepayment of Income tax	-	(386.540,65)	-	-
V.A.T.	730.379,04	426.328,80	-	-
Tax on personnel wages	380.295,37	278.241,03	228.358,50	134.155,41
Other taxes	(372.994,08)	(345.734,63)	5.228,17	96.422,85
Total	**2.163.698,73**	**1.840.086,19**	**287.510,41**	**839.138,03**

29. CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations, which is included in cash flows statement, is analyzed in the table below:

	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Profit/ (loss) of the year	**5.322.092,90**	**4.804.064,91**	**1.976.384,55**	**2.062.990,55**
Adjustments for:				
Depreciation	2.217.263,65	2.127.298,66	1.569.888,94	1.463.679,99
Impairment of tangible and intangible non-current assets	-	66.895,87	-	66.895,87
Provisions	1.636.747,07	2.665.599,27	315.241,56	1.577.081,12
Increase / (decrease) in the liability for employees' termination benefits	773.312,94	198.485,94	411.454,00	122.007,00
Exchange rate differences	(1.459.076,22)	(859.808,67)	-	-
Tax audit differences	-	-	-	-
Losses from sale of Fixed Assets	14.034,15	(2.046,82)	3,99	(2.046,82)
(Profits) / losses from sale of Participation & Securities	-	-	-	-
Interest Expenses	1.075.823,75	1.127.936,75	808.751,55	911.240,94
Income from Dividends and interest	699.325,24	(342.986,90)	(1.603.500,78)	(425.829,46)
Subsidies for Fixed Assets of the period	(16.500,97)	(31.592,86)	-	(1.523,82)
	10.263.022,51	**9.753.846,15**	**3.478.223,81**	**5.774.495,37**

Changes in operating items				
(Increase) / Decrease of Inventories	(1.494.903,67)	(3.728.467,42)	(580.106,23)	(1.872.287,55)
(Increase) / Decrease of Receivables	(2.601.114,08)	(3.195.976,85)	8.124.794,32	(6.083.590,12)
Increase / (decrease) of Liabilities	(109.980,87)	(1.002.586,71)	682.842,98	(3.014.590,90)
	(4.205.998,62)	**(7.927.030,98)**	**8.227.531,07**	**(10.970.468,57)**
Cash flows from operating activities	**6.057.023,89**	**1.826.815,17**	**11.705.754,88**	**(5.195.973,20)**

30. DIVIDENDS

Pursuant to Greek Legislation, companies are obligated to distribute to their shareholders a dividend equal to 35% of the profits that arise from the published financial statements after the relative income tax and statutory reserve is deducted. In spite of the above, companies may not distribute dividends following the agreement of their shareholders.

A dividend, which is lower than 35% of profit after taxes can be announced and be paid, with the approval of 70% of shareholders. According to the Company's Articles of Association, the Board of Directors is the competent body that decides whether or not to propose the distribution of dividends to the General Meeting of Shareholders.

The Board of Directors at the Annual Ordinary General Meeting of Shareholders does not intend to propose the distribution of dividends

31. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing net profit, attributable to shareholders of the Parent Company, with the weighted average number of common shares, in circulation, during the year, excluding the owned common shares that were purchased by the Company.

Earnings per share are analysed in euros as follows:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Earnings attributed to shareholders of Parent Company	**3.536.596,60**	**2.840.264,65**	**2.035.449,98**	**1.959.631,12**
Weighted average number of shares (in thousands)	23.648.700	23.648.700	23.648.700	23.648.700
Basic Earnings per share	**0,1495**	**0,1201**	**0,0861**	**0,0829**

32. COMMITMENTS, CONTINGENT LIABILITIES AND RECEIVABLES

32.1 COMMITMENTS

Operating leases concern building and automobile leases. According to the specific contracts, the Group is obliged to fulfil the duration of the lease, as this is determined by every contract. On a different occasion, it will be encumbered with the relevant clauses for premature cease.

Operating leasing is analysed as follows:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Between 1 to 5 years	367.490,43	789.811,49	335.338,76	377.498,86
5 years +	-	-	-	-
	367.490,43	**789.811,49**	**335.338,76**	**377.498,86**

32.2 Contingent Liabilities / Receivables

The Group has potential liabilities in relation with banks, other guarantees and other issues that arise in the framework of its ordinary activity. The Group does not expect to be encumbered significantly by the potential liabilities, nor additional payments, after the date of drawing the specific Financial Statements.

There are no licensed securities against the bank loans that have been granted to the Company by credit institutions. The company provides financial guarantees to its subsidiaries for bank loans and sometimes for purchases of fixed assets, which on December 31, 2016 amounted to 3 million euros guarantee for KLEEMANN ASANSOR S.A. and 0,4 million € to its subsidiary KLEEMANN LIFTOVI for loan.

On December 31, 2016 the granted letters of guarantee from the Group amounted to 253,0 thous. euros to suppliers, and 72,5 thous. euros to the Greek State, whereas on December 31, 2015 was 121,6 thous. euros to supplier and 469,9 thous. euros to the Greek State.

There are no unsettled judicial and arbitral cases or contingent liabilities, which may cause significant consequences on the financial status of both the Group and Company.

Also, there are no mortgages or encumbrances on the fixed assets over borrowing.

33. Transactions with Affiliated Entities

The Company, its subsidiaries, its associate companies, Management with the highest Officials and their direct relatives are considered to be the affiliated parties of the Group. Affiliated parties concern companies with common ownership status and/or Management, with the Company and Companies that are related with it.

The Company purchases goods (mainly elevator doors) and services from affiliated parties, while it offers and sells services and goods (mainly traded commodities and products) to them. All the above transactions are being done on cost basis, plus profit.

The transactions with affiliated entities are presented in the following table:

	Purchases - Expenses		**Sales - Revenues**	
COMPANY	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
Group Companies	11.413.420,45	10.106.442,35	25.195.859,33	24.831.488,83
B.o.D Members.	293.420,77	320.160,00	1.754,80	786,87
Highest Officials	461.534,08	455.914,15	(6.427,75)	13.458,58
Affiliated Companies	636.852,41	657.265,45	554.243,96	476.376,31
Total	**12.805.227,71**	**11.539.781,95**	**25.745.430,34**	**25.322.110,59**
GROUP				
B.o.D Members.	446.237,16	407.592,50	1.754,80	786,87
Highest Officials	1.076.063,82	952.119,87	(6.427,75)	13.458,58
Affiliated Companies	3.922.164,98	3.687.537,78	868.382,11	750.805,96
Total	**5.444.465,96**	**5.047.250,15**	**863.709,16**	**765.051,41**

	Liabilities		**Receivables**	
COMPANY	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
KLEFER S.A.	6.182.660,63	5.600.647,69	12.774,03	15.112,05
KLEEMANN ASANSOR SA	-	97.220,52	2.515.289,92	4.099.097,30
KLEEMANN LIFTOVI D.o.o.	370.097,49	24.484,94	453.899,28	1.733.030,78
KLEEMANN LIFT RO SRL	139.090,00	75.078,30	741.857,66	872.568,07
MODA LIFT S.A.	-	-	-	-

KLEEMANN LIFTS (CHINA) CO. LTD	249.035,94	(32.281,42)	238.939,82	540.640,96
KLEEMANN LIFTS U.K. LTD	1.671,63	150.142,95	3.248.559,20	8.769.459,22
KLEEMANN SERVICES LTD	650,00	-	16.641,68	81.355,68
KLEEMANN LIFTS RUS	-	-	369.022,90	356.022,83
HONG KONG ELEVATOR SYSTEMS	-	-	-	-
KLEEMANN DIZALA	-	-	285.707,01	158.989,06
KLEEMANN ELEVATORS AUSTRALIA PTY	-	-	1.185.046,32	713.591,29
KLEEMANN AUFZUGE	11.934,53	-	23.611,79	-
KLEEMANN LIFTS DUBAI DMCC	-	-	-	-
KLEEMANN LIFTS TRADING CO., LTD	10.816,72			
B.o.D Members		-	3.306,28	664,27
Highest Officials	-	-	2.060,00	9.865,04
Affiliated Companies:	-	-		
AMETAL ASANSÖR SAN.VE TİC.A.Ş.				
AMETALLIFT DIŞ TİCARET A.Ş.(ex YAPILIFT)	(116.717,29)	(159.727,63)	-	11.912,07
TECHNOLAMA	-	-	-	-
CITY LIFT	-	-	213,38	12,07
SKY LIFT	2.600,00	-	252.838,89	297.508,46
Total	**6.851.839,65**	**5.755.565,35**	**9.349.768,16**	**17.659.829,15**
GROUP				
B.o.D Members	-	-	3.306,28	664,27
Highest Officials	-	-	2.060,00	9.865,04
Affiliated Companies:				
AMETAL ASANSÖR SAN.VE TİC.A.Ş.	-	-	41.405,99	68.614,52
AMETALLIFT DIŞ TİCARET A.Ş.(ex YAPILIFT)	(116.717,29)	(159.727,63)	62.941,79	101.331,34
TECHNOLAMA	224.346,07	780.994,62	170,33	170,33
CITY LIFT	-	-	213,38	12,07
SKY LIFT	2.600,00	-	297.473,67	310.583,57
Total	**110.228,78**	**621.266,99**	**407.571,44**	**491.241,14**

The Board of Directors of the Company is consisted of the following:

1. Nikolaos K. Koukountzos, Chairman & Executive Member
2. Menelaos K. Koukountzos, Vice President & Executive Member
3. Konstantinos N. Koukountzos, Managing Director & Executive Member
4. Nikolaos N. Koukountzos, Deputy Managing Director, General Manager & Executive Member
5. Stergios N. Georgalis, independent, non executive member
6. Maria D. Karadedolgou, non executive member
7. Ziogas T. Vasilios, independent, non executive member

According to the Board of Directors' decision on 11.06.2014, which was validated at the Annual General Meeting, the members of the Board have been re-elected and their term will expire on June 30, 2019.

The total rewards that have been paid to executive and non-executive members of the Board of Directors, during 2016 come up to 538.000,00 euros and 25.000,00 euros, respectively.

34. FINANCIAL RISK MANAGEMENT

34.1 GENERAL

The Group's activities expose it to a variety of financial risks:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Internal Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit, Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

34.2 CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. The Group has no significant credit risk concentrations, while the sales mainly occur by clients with low receiving risk, it has been contracted a security of credits for sales abroad and there is a huge dispersion of balances, since there is no customer with a percentage higher than 5% of the total revenues of the Group. In addition, geographically there is no concentration of credit risk, except from Greece, where in the current unfavourable economic reality liquidity problems are created, affecting our customers fulfilment of receivables.

The Group has an established Finance and Sales Department in order to exercise a credit policy under which each customer, both current customers and new, is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes the level of receivables and sales, as well as the investigation of bank references, when available.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, geographic location, aging profile, maturity and existence of previous financial difficulties.

The majority of traded goods (90%) are sold subject to retention of title clauses so that in the event of non-payment, the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. In any case, there is a continuous control of the creditworthiness of the big customers and by this way, the exposure to risk is limited, taking care of existing enough insurance limits at the big customers.

At December 31st 2016 it is estimated that there is not an essential credit risk, which is not already covered using insurance terms as a credit guarantee or by a provision of doubtful receivable.

For risk minimization in cash and cash equivalents, the Group transacts only with established financial institutes, of high credit level, of high credit graduation.

Cash

Potential credit risk exposure arising from cash and cash equivalents. In such cases, the risk may arise from the counterparty's inability to meet its obligations to the Group. To minimize this credit risk, the Group sets limits on the amount of credit exposure to any one financial institution. Also, regarding deposit products, the Group only transacts with financial institutions of high credit standing.

Exposure to credit risk

The book value of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Financial assets at fair value through profit or loss	145.971,00	690.072,57	145.971,00	690.072,57
Receivables	29.741.075,48	31.037.046,45	23.590.369,97	26.221.446,80
Other receivables	16.635.845,22	12.777.370,35	7.837.902,00	12.546.722,74
Cash and cash equivalents	25.721.214,75	20.663.911,91	12.177.287,24	5.231.366,75
	72.244.106,45	**65.168.401,28**	**43.751.530,21**	**44.689.608,86**

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Domestic	7.865.820,03	7.700.011,21	8.233.214,71	7.936.136,71
European Union	9.813.628,71	8.110.357,60	6.189.967,93	6.417.741,66
Other countries	12.061.626,74	15.226.677,64	9.167.187,33	11.867.568,43
	29.741.075,48	**31.037.046,45**	**23.590.369,97**	**26.221.446,80**

Aging of trade receivables

The aging of trade receivables is calculated by the number of days since the invoice date at the date of the statement of Financial Position

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
0 days	1.635.932,82	1.558.381,65	-	-
1-45 days	14.046.673,73	19.281.169,18	8.667.080,36	10.812.054,58
45-90 days	7.242.962,67	6.277.763,66	6.786.124,33	5.087.840,48
91-150 days	2.754.179,66	3.214.095,25	3.765.543,24	3.070.007,78
150+ days	4.061.326,60	705.636,71	4.371.622,04	7.251.543,96
	29.741.075,48	**31.037.046,45**	**23.590.369,97**	**26.221.446,80**

The movement of the provision for doubtful debtors during the year was as follows.

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Balance at 1 January	23.055.496,23	20.938.207,83	19.871.278,19	17.583.219,49

Minus: Delete of receivables	1.281.459,77	(727.942,47)	-	-
Add: Provision of the period	362.200,26	2.845.230,87	900.000,00	2.288.058,70
Balance at 31 December	**24.699.156,26**	**23.055.496,23**	**20.771.278,19**	**19.871.278,19**

34.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. The Group's approach to managing liquidity is to ensure, in any case, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity management is achieved by the appropriate combination of liquid assets and approved bank credit limits. The unused but approved bank credit limits of the Group, are adequate to confront any potential shortage in cash equivalents.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days at least, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

On 31.12.2016, it is estimated that there is not any essential liquidity risk, which is not covered by the Group's cash or approved bank credit limits. The long-term loan of the Group and the Company is presented at its fair value, because the interest rates do not differ significantly. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

GROUP	**31 December 2015**					
	Contractual cash flows	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Unsecured bank loans	17.644.122,75	2.101.274,73	2.532.255,94	9.284.529,02	3.726.063,07	-
Finance lease liabilities	-	-	-	-	-	-
Trade and other payables	22.590.183,71	22.590.183,71	-	-	-	-
Bank overdraft	11.640.446,93	11.640.446,93	-	-	-	-
Total	**51.874.753,39**	**36.331.905,37**	**2.532.255,94**	**9.284.529,02**	**3.726.063,07**	**-**

GROUP	**31 December 2016**					
	Contractual cash flows	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Unsecured bank loans	7.099.451,68	15.536.950,42	2.101.274,73	2.532.255,94	6.924.867,42	3.978.552,33
Finance lease liabilities	0,00	0,00	0,00	0,00	0,00	0,00
Trade and other payables	29.443.225,09	24.987.127,29	24.987.127,29	0,00	0,00	0,00
Bank overdraft	16.604.586,20	16.592.982,26	16.604.586,20	0,00	0,00	0,00
Total	**53.147.262,97**	**57.117.059,97**	**43.692.988,22**	**2.532.255,94**	**6.924.867,42**	**3.978.552,33**

COMPANY	**31 December 2015**					
	Contractual cash flows	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Unsecured bank loans	17.631.416,27	2.101.274,73	2.532.255,94	9.273.477,25	3.724.408,36	-
Finance lease liabilities	-	-	-	-	-	-
Trade and other payables	15.401.772,40	15.401.772,40	-	-	-	-
Bank overdraft	8.750.000,00	8.750.000,00	-	-	-	-

Total	**41.783.188,67**	**26.253.047,13**	**2.532.255,94**	**9.273.477,25**	**3.724.408,36**	**-**

COMPANY	**31 December 2016**					
	Contractual cash flows	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Unsecured bank loans	6.850.000,00	15.524.243,94	2.101.274,73	2.532.255,94	6.913.815,65	3.976.897,62
Finance lease liabilities						
Trade and other payables	15.121.072,19	15.401.772,40	15.401.772,40			
Bank overdraft	13.700.000,00	13.700.000,00	13.700.000,00			
Total	**35.671.072,19**	**44.626.016,34**	**31.203.047,13**	**2.532.255,94**	**6.913.815,65**	**3.976.897,62**

The Management's judgment is that there is no liquidity risk, taking into account the existing good financial liquidity.

34.4 MARKET RISK

Market risk is defined as the risk associated with changes in the rate of growth of construction activities as well as with changes in market prices of materials, in foreign exchange rates, interest rates and equity prices, to affect the Group's financial results or the value of its financial assets. It also includes the price of steel which is the main raw material (commodity). Its price is affected by the supply, the demand and the level of reserves in a global perspective. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return. The exposure of economic results of the Group to the above risks is low.

Currency risk

The exposure of the Group in foreign exchange risks mainly derives from existing or expected cash flows in foreign currency (imports/exports), as well as investments abroad. This risk is confronted in the framework of approved policies. The Group operates mainly in Europe and, therefore, the majority of its transactions is based on Euros, while the operation that takes place apart from Europe is based on Euro clause, and therefore the exchange rate risk is minimized. Most of the exchange rate differences of the Group accrue from Turkey due to the strong activity of the Group and the high volatility of the exchange rate of Euro - Turkish lira. In order to have a further decrease of the currency risk, the Group has started hedging with forward contracts, ensuring a stable exchange rate between Euros and Turkish Lira, Euros and US Dollar.

The Group is exposed to currency risk from its activities in Turkey, Serbia, Romania, the United Kingdom, Russia and China and changes in these currencies against the Euro, but the other activities are carried out with a Euro clause.

The Group operates mainly in Europe and, therefore, the majority of its transactions is based on Euros. In addition, the operation that takes place apart from Europe is based on Euro clause, and therefore the exchange rate risk is minimized.

The following table shows the exchange rates between the euro and the currencies of countries operating subsidiaries.

Exchange rate Euro/	Country	Exchange rate 31.12.2016	Average exchange rate 2016
Serbian Dinar	Serbia	123,472	123,055
Turkish Lira	Turkey	3,7029	3.3372
Romanian Lei	Romania	4,5390	4,4933
UK Sterling	England	0,6041	0,8343
Chinese RMB	China	7,3202	7,3465
HK Dollar	Hong Kong	8,1751	8,5626

Ruble	Russia	64,300	73,3091
Croatian Cuna	Croatia	7,5597	7,5363
Australian Dollar	Australia	1,4596	1,4852
Dirham	United Arabic Emirates	4,1001	3,9619

All the Group's loans have been made in euros and therefore are not exposed to exchange rate risk.

Interest rate risk

The loan liabilities of the Group are based on pre-agreed and pre-set margins of interest, which according to the market conditions, may be changed into fixed, having as a result to minimize the impacts of fluctuations. Group's policy is to observe the trends of the interests and the duration of the financial needs and according to the existing conditions, the Group determines the relation between long-term and short-term bank loans.

The Group's policy is to continuously observe the tendency of the interest rates, as well as the duration of the financial needs. According to the current conditions, the Group determines the relation between long-term and short-term bank loans. The loan liabilities of Group are on a flexible rate basis, which can be maintain flexible or convert to fixed rate, according to market conditions. The flexible exchange rates are calculated based on Euribor plus spread.

The Group does not maintain commodity contracts, except from those required for the cover of needs using and selling. These contracts are not settled out by netting. Moreover, the Group has no exposure to bonds and treasury bills.

The Parent Company operates in a corporate environment characterized by volatility concerning the interest rates, prices of raw materials and energy, the sensitivity analysis of which shows the following:

Amounts in thous. €	Earnings Before Tax	Change in Profit in thous. €	Change in Eqyity in thous. €
Reported Earnings 2016	1.976	0	0
+5 % in interest rates	250	(1.727)	(1.727)
+0,5% in interest rates	1.695	(281)	(281)
5% increase in cost of raw material	(399)	(2.375)	(2.375)
5% decrease in cost of raw material	4.352	2.375	2.375
10% increase in energy prices	1.844	(132)	(132)
10% decrease in energy prices	2.108	132	132

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amount shown in the Statement of Financial Position, are as follows:

	31.12.2016		**31.12.2015**	
GROUP	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Receivables	29.741.075,48	29.741.075,48	31.037.046,45	31.037.046,45
Other long term receivables	5.549.014,58	5.549.014,58	6.717.531,21	6.717.531,21
Cash and cash equivalents	25.721.214,75	25.721.214,75	20.663.911,91	20.663.911,91
Financial liabilities				

Long term loans	7.099.451,68	7.099.451,68	7.945.328,55	7.945.328,55
Short term loans	16.604.586,20	16.604.586,20	11.647.208,98	11.647.208,98
Other long term liabilities	4.625.454,32	4.625.454,32	3.389.287,49	3.389.287,49
Suppliers and other liabilities	12.286.853,31	12.286.853,31	12.611.167,39	12.611.167,39
COMPANY				
Financial assets				
Investments	19.297.626,00	19.297.626,00	12.297.626,00	12.297.626,00
Receivables	23.590.369,97	23.590.369,97	26.221.446,80	26.221.446,80
Other long term receivables	5.089.675,39	5.089.675,39	6.367.808,70	6.367.808,70
Cash and cash equivalents	12.177.287,24	12.177.287,24	5.231.366,75	5.231.366,75
Financial liabilities				
Long term loans	6.850.000,00	6.850.000,00	7.700.000,00	7.700.000,00
Short term loans	13.700.000,00	13.700.000,00	8.750.000,00	8.750.000,00
Other long term liabilities	1.088.119,22	1.088.119,22	1.138.328,28	1.138.328,28
Suppliers and other liabilities	15.121.072,19	15.121.072,19	15.401.772,40	15.401.772,40

The Group adopted the amended IFRS 7 "Financial Instruments: Disclosures". The revised text requires additional disclosures about fair value of financial instruments recorded at fair value in three level hierarchy.

Fair value hierarchy

In particular, the Group classifies its financial instruments in the following three levels, depending on the quality of the data used to estimate fair value:

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: these are data that are directly or indirectly identifiable and concern elements to be evaluated (this category excludes items of level 1)
- Level 3: data that is derived from estimates of the business itself as there are no identifiable data in the market

During the year there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 for the measurement of fair value.

The amounts disclosed in the financial statements for cash, trade and other receivables, as well as trade and other payables and short term borrowings, approximate their respective fair values due to their short maturity. The fair value of long-term loans is almost the same as the accounting value, as the loans are in local currency and interest at a floating rate.

The financial instruments of the Group and of the Company that are measured at fair value are classified as follows:

Hierarchy of Fair Value				
	Level 1	**Level 2**	**Level 3**	**TOTAL**
2016				
Shares	139.965,00	-	6.006,00	145.971,00
Financial Assetsat fair value through profit and loss	**139.965,00**	**-**	**6.006,00**	**145.971,00**
	Level 1	**Level 2**	**Level 3**	**TOTAL**
2015				
Shares	684.066,57	-	6.006,00	690.072,57
Financial Assetsat fair value through profit and loss	**684.066,57**	**-**	**6.006,00**	**690.072,57**

The figures on the table above are the same for both the parent company and the group.

34.5 CAPITAL MANAGEMENT

Regarding the Company's capital management strategy, the Management seeks to ensure its ability to continue its activities (going - concern). This is achieved by maintaining healthy capital ratios in order to support the Group's activities and maximize shareholder value.

For the purpose of capital management, the Group monitors the ratio "Net Debt to Total Equity". As net debt, the Group defines total interest bearing borrowings minus cash and cash equivalents .

For the years 2016 and 2015, this ratio is analysed as follows:

	Group		**Company**	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
Long-term debt	7.099.451,68	7.945.328,55	6.850.000,00	7.700.000,00
Short-term debt	16.604.586,20	11.647.208,98	13.700.000,00	8.750.000,00
Minus: Cash and cash equivalents	25.721.214,75	20.663.911,91	12.177.287,24	5.231.366,75
Net Debt	**(2.017.176,87)**	**(1.071.374,38)**	**8.372.712,76**	**11.218.633,25**
Equity	**90.855.367,34**	**88.810.025,09**	**72.122.940,68**	**70.113.105,53**
Net Debt / Equity	**(0,02)**	**(0,01)**	**0,12**	**0,16**

35. BORROWING COST

The Group and the Company have adopted and applied the Amendment of IAS 23 according to which, it is mandatory to capitalize the borrowing cost that concerns directly the acquisition, construction or manufacture of a fixed asset.

36. EXISTENT REAL ENCUMBRANCES

There are not real or other encumbrances on the Group's Fixed Assets.

37. EVENTS AFTER THE BALANCE SHEET DATE

There are no other important events, which affect the financial status and results of the Group and the Company, occurring after 31 December 2016.

Kilkis 28th of March 2016

President of the Board of Directors	Vice Precident of the Board of Directors	Managing Director	Deputy Managing Director & General Manager	Group Chief Financial Officer	Parent Company Chief Financial Officer
Nikolaos K. Koukountzos	Menelaos K. Koukountzos	Konstantinos N. Koukountzos	Nikolaos N. Koukountzos	Aristides N. Zervas	Christos N. Petrides

Annual Financial Report for the year 01/01/2016 - 31/12/2016

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

FINANCIAL FIGURES AND INFORMATION FROM 1st JANUARY TO 31st DECEMBER 2016

KLEEMANN HELLAS S.A.

Registration Number: 10920/06/B/86/40
Head Offices: Industrial Area Stavrochori, Kilkis
(published according to L. 2190/20, article 135 for companies that prepare annual financial statements, consolidated and non-consolidated, according to IFRS)

The financial data and information contained below is only for general information purposes regarding the financial position and results of KLEEMANN HELLAS S.A. Therefore, we recommend the users, before making any investment decision or proceeding to any transaction with the Company, to obtain the necessary information from the Company's website, where the financial statements are available in accordance with International Financial Reporting Standards, together with the auditors' report, are presented.

Observing Authority	**Ministry of Finance, Competiveness and Shipping. G.G.E.,S.A., Conviction Department**
Company Web Site:	www.kleemann.gr
Board of Directors Composition	**President:** Nikolaos K. Koukountzos, **Vice-President:** Menelaos K. Koukountzos, **Managing Director:** Konstantinos N. Koukountzos, Deputy Managing Director, **General Manager:** Nikolaos N. Koukountzos, **Non – executive member:** Maria D Karadedoglou, **Independent non – executive members:** Stergios N. Georgalis, Vasilios T. Ziogas
Date of approval of annual Financial Statements	**26th of April 2017**
Certified Auditor Accountant:	**Vargemezis Christos (AM SOEL 30891)**
Certified Auditors' Company	**Grant Thornton (AM SOEL 127)**
Type of Auditing Report:	**Unqualified opinion**

1.1 STATEMENT OF FINANCIAL POSITION (consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12. 2016**	**31.12.2015**
ASSETS				
Tangible Assets for own use	33.933	33.578	24.247	25.068
Investment Property	1.511	1.595	1.425	1.480
Intangible Assets	1.939	1.453	1.911	1.413
Other Non -Current Assets	8.050	8.666	26.575	20.360
Inventories	27.581	25.727	19.158	18.378
Trade Receivables	29.741	31.037	23.590	26.221
Other Current Assets	42.503	34.131	20.161	18.469
Goodwill	1.788	1.788	-	-
TOTAL ASSETS	**147.046**	**137.975**	**117.067**	**111.389**
EQUITY AND LIABILITIES				
Share Capital	8.277	8.277	8.277	8.277
Other Equity	73.260	71.037	63.846	61.836
Equity attributable to the equity holders of the Parent (a)	81.537	79.314	72.123	70.113
Non-controlling Interest (b)	9.318	9.496	-	-
Total Equity (c) = (a) + (b)	90.855	88.810	72.123	70.113
Long-term borrowings	7.099	7.945	6.850	7.700
Provisions / Other Long – Term Liabilities	7.288	5.665	3.295	2.934
Short term liabilities	16.605	11.647	13.700	8.750
Other short - term Liabilities	25.199	23.908	21.099	21.892
Total Liabilities (d)	56.191	49.165	44.944	41.276
TOTAL EQUITY & LIABILITIES (c) + (d)	**147.046**	**137.975**	**117.067**	**111.389**

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

1.2 STATEMENT OF TOTAL COMPREHENSIVE INCOME (consolidated and non-consolidated)

Amounts expressed in thousands Euros.

	GROUP Continuing operation		COMPANY Continuing operation	
	01.01-31.12.2016	**01.01-31.12.2015**	**01.01-31.12. 2016**	**01.01-31.12.2015**
Revenues	**115.859**	**107.047**	**81.113**	**83.680**
Gross Profit	**38.193**	**33.311**	**21.091**	**22.005**
Profit before tax, financial and investing results	**6.101**	**5.624**	**1.415**	**2.562**
Profit (losses) before tax	**5.322**	**4.804**	**1.976**	**2.063**
Profit (losses) after tax (A)	**3.989**	**3.622**	**2.035**	**1.960**
Equity holders of the Parent Company	3.537	2.840	-	-
Non-controlling Interest	452	782	-	-
Other comprehensive income after tax (B)	**(1.503)**	**(993)**	**(25)**	**14**
Total comprehensive income after tax (A+B)	**2.486**	**2.629**	**2.010**	**1.974**
Equity holders of the Parent	2.308	2.094	-	-
Non-controlling Interest	178	535	-	-
Earnings (losses) per share after tax –Basic (in Euros)	0,1495	0,1201	0,0861	0,0829
Proposed dividend per share (in €)	-	-	-	-
Profit before interest, tax, depreciation and amortization (EBITDA)	8.318	7.752	2.984	4.026

1.3 STATEMENT OF CHANGES IN EQUITY FIGURES OF THE YEAR (consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12. 2016**	**31.12.2015**
Equity Capital in the beginning of the period (01.01.2016 and 01.01.2015, correspondingly)	88.810	90.030	70.113	75.535
Total comprehensive income, after tax (continuing and discontinued operations)	2.486	2.629	2.010	1.974
Increase of Share Capital	-	(4.020)	-	(4.020)
Distributed Dividend	(355)	(48)	-	-
Purchases / (sales) of own shares	-	-	-	-
Other movements	(86)	219	-	(3.376)
Equity Capital in the end of the period (31.12. 2016 and 31.12.2015 correspondingly)	**90.855**	**88.810**	**72.123**	**70.113**

1.4 CASH FLOW STATEMENT FIGURES OF THE YEAR (consolidated and non-consolidated) Amounts expressed in thousands Euros

	GROUP		COMPANY	
	01.01-31.12.2016	**01.01-31.12.2015**	**01.01-31.12.2016**	**01.01-31.12.2015**
Operating Activities				
Profit (loss) before Tax (continuing operations)	5.322	4.804	1.976	2.063
Plus / minus adjustments for:				
Depreciation	2.217	2.127	1.570	1.464
Impairment of tangible and intangible non-current assets	-	67	-	67
Provisions	2.410	2.864	727	1.699
Exchange Rate differences	(1.459)	(860)	-	-
Results (revenues, expenses, profits and losses) from Investing Activities	697	(377)	(1.603)	(429)
Interest charged and relevant expenses	1.076	1.128	809	911
Plus / minus adjustments for alterations in working capital accounts or related with operating activities:				
Decrease / (increase) of Inventories	(1.495)	(3.728)	(580)	(1.872)
Decrease / (increase) of Receivables	(2.601)	(3.196)	8.125	(6.084)
(Decrease) / increase of Liabilities (except for bank Liabilities)	(110)	(1.003)	683	(3.016)
Minus:				
Interest payable and relevant expenses paid	(1.043)	(1.096)	(809)	(895)
Taxes paid	(2.619)	(929)	(1.290)	(96)
Total inflows / (outflows) from operating activities (a)	***2.395***	***(199)***	9.608	***(6.188)***
Investing activities				
Acquisition of subsidiaries, affiliated companies, joint – ventures and other investments	468	(2.194)	(6.532)	(4.635)
Purchase of tangible and intangible fixed assets	(3.180)	(3.782)	(1.189)	(1.114)
Receipts from sales of tangible and intangible fixed assets	117	186	-	173
Interests received	178	322	177	313
Dividends received	-	-	1.080	113
Cash of the absorbed subsidiary Moda Lift & the company acquired in Australia	-	977	-	1.165
Total inflows / (outflows) from investing activities (b)	***(2.417)***	***(4.491)***	***(6.464)***	***(3.985)***
Financing Activities				
Share capital increase	-	-	-	-
Share capital decrease	-	(4.020)	-	(4.020)
Receipts from loans issued / undertaken	21.370	12.800	19.670	12.800
Payment of loans	(15.660)	(10.491)	(15.570)	(10.400)
Settlement (payment) of financial leasing liabilities	78	57	-	-
Governments grants	-	-	-	-
Dividends paid	(709)	(423)	(298)	(318)
Total Inflows / (outflows) from Financing Activities (c)	***5.079***	***(2.077)***	***3.802***	***(1.938)***
Net increase in cash and cash equivalents of the period (a) + (b) + (c)	**5.057**	**(6.767)**	**6.946**	**(12.111)**
Cash and cash equivalents at the beginning of the period	**20.664**	**27.431**	**5.231**	**17.342**
Cash and cash equivalents at the end of the period	**25.721**	**20.664**	**12.177**	**5.231**

Additional Information (Listed distinctively in consolidated and unconsolidated basis)

1. Note 3.22 of the Group Financial Statements contains the names of all subsidiary companies and their related information (locations, participation percentage and consolidation method).

2. The Annual Financial Statements December 31, 2016, have been prepared under the accounting policies followed in preparing the Annual Financial Statements for the year ended December 31, 2016.

3. The fiscal years that are unaudited by the tax authorities for the Parent Company and the Group's subsidiaries are presented in detail in note 28 in the Financial Statements.

4. In note 8, the following changes are mentioned which concert the company's participations. On March 3, 2016, the parent company decided to complete the share capital increase of Kleemann Lifts UK, amounted to 7 mln euros. This amount had already been sent to the subsidiary in the UK within the year 2015, after a relevant BoD resolution for future share capital increase, for the purpose of funding the following investments a) acquisition of a company in Australia amounting to 2.5 mln €, which was done in July 2015 b) establishment of a new company in Germany with a share capital of 500 thous €, which was done in August 2015 c) future investments in China amounting to 4 mln €. On March 28, 2016, Kleemann Lifts UK decided to proceed to a capital increase, amounting to 1.5 mln euros, in the subsidiary company of Hong Kong, HONG KONG ELEVATOR SYSTEMS LIMITED, to be used in the future for a share capital increase in order to fund new investments in China.

5. There are no encumbrances on the tangible assets of both Parent Company and subsidiaries, included in the above consolidation.

6. There are neither any judicial or arbitral differences of both the Company and the Group, nor any decisions of judicial or arbitral authorities to cause any significant consequence on the financial position of the Company and of the Group.

7. The amount of cumulative provisions which have been realized until 31.12.2016 are:

(amounts in thous. euros)	Group	Company
a) for fiscal years unaudited by tax authorities	931	400
b) for other provisions (depreciation of assets, provision for retirement benefits etc.)	29.832	25.076

8. Number of personnel at the end of the reporting fiscal year: Parent Company 806 (31.12.2015: 786), Group 1.249 (31.12.2015: 1.169).

9. The amounts of revenues and expenses accumulatively from the beginning of the fiscal year and the outstanding balances of receivables and payables of the Company to and from its related parties at the end of the current period (according to the provisions of IAS 24) were as follows:

(amounts in thous. euros)	Group	Company
a) Sales of goods and services	864	25.745
b) Purchases of goods and services	5.444	12.805
c) Receivables	408	9.350
d) Liabilities	110	6.852
e) Transactions and rewards of Highest Officials and members of the Management	1.518	750
f) Receivables from Highest Officials and members of the Management	5	5
g) Liabilities to Highest Officials and members of the Management	0	0

10. Profit per share, are calculated, by dividing net profit, attributable to Parent Company shareholders, with the number of outstanding shares.

11. No shares are owned either by the statutory Parent Company or any subsidiary of the Group at 31.12.2016.

12. There has been no discontinuance of operations or the Company.

13. There are no changes concerning the consolidation method of the companies being consolidated at the consolidated Annual Financial Statements and also, there are no companies or/and partnerships that the Company participates in and they are not included at the consolidated Annual Financial Statements of the Group. There are no companies or/and partnerships that:

a) Have been included in the consolidated Annual Financial Statements of the Group at the current fiscal year, while not being included at the previous one,
b) Have not been included in the consolidated Annual Financial Statements of the Group at the current fiscal year, while being included at the previous one.

14. Other comprehensive income (after tax), which is recognized directly in Group's Equity is analyzed below (amounts in thous. Euros):

	GROUP		**COMPANY**	
	01.01-31.12.16	**01.01-31.12.15**	**01.01-31.12.16**	**01.01-31.12.15**
Exchange rate differences from the conversion of foreign subsidiaries	(1.454)	(1.030)	-	-
Actuarial gains / (losses)	(202)	13	(179)	18
Revaluation of assets	153	24	153	(4)
Other comprehensive income	**(1.503)**	**(993)**	**(26)**	**14**

15. Investments for the fiscal year 2016 for the Group amounted to Euros 3.217 thous (Euros 3.955 thous in 2015) and Euros 1.190 thous in 2016 (Euros 2.606 thous in 2015), for the Company, respectively.

16. Income Tax, included in the income statement, is analyzed, as follows (amounts in thous euros):

	GROUP		**COMPANY**	
	01.01-31.12.16	**01.01-31.12.15**	**01.01-31.12.16**	**01.01-31.12.15**
Current Income Tax	1.525	1.690	3	597
Tax of previous fiscal years	400	-	400	-
Tax provisions of tax audit	20	-	20	-
Deferred Tax	(611)	(508)	(482)	(494)
Total	**1.334**	**1.182**	**(59)**	**103**

17. Any differences in the adding up of figures is due to rounding.

Industrial Area of Stavrochori, Kilkis 26 April 2017

CHAIRMAN OF THE B.O.D.	VICE PRESIDENT OF THE B.O.D.	MANAGING DIRECTOR	DEPUTY MANAGING DIRECTOR & GENERAL MANAGER	GROUP CHIEF FINANCIAL OFFICER	PARENT COMPANY CHIEF FINANCIAL OFFICER
Nikolaos K. Koukountzos	Menelaos K. Koukountzos	Konstantinos N. Koukountzos	Nikolaos N. Koukountzos	Aristides N. Zervas	Christros N. Petridis
I.D. Number: AB 454713	I.D. Number: AB 454710	I.D. Number: AE 171629	I.D. Number: T 230395	N. Of 1st Class License: 37232	N. Of 1st Class License: 20384

WEBSITE WHERE THE FINANCIAL STATEMENTS ARE DISCLOSED

For the continuous and timely information of its investors and shareholders, the Company has a website in the internet, at the address www.kleemann.gr.

At the website of the Company, and more specifically under the section "Investor Relations", all Annual Financial Statements, the Independent Auditor's Report and the Report of the Board of Directors of the companies that are incorporated in the Consolidated Financial Statements of the Company are fully disclosed.