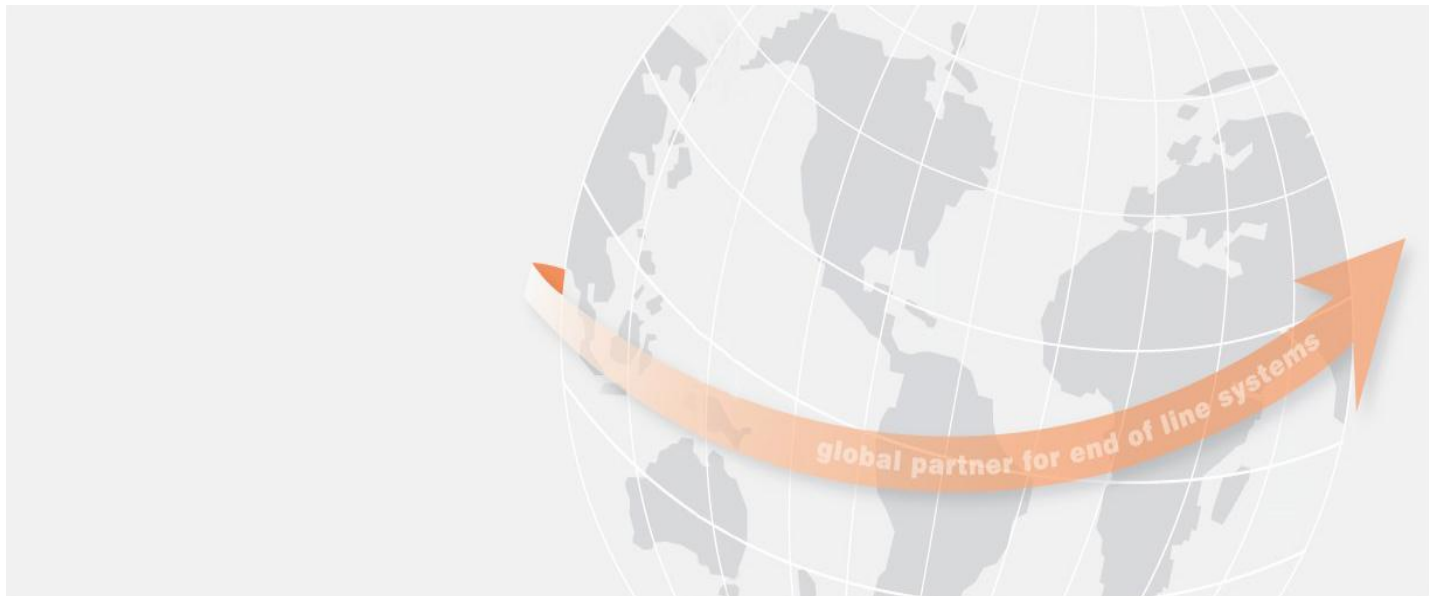


**M.J.MAILLIS GROUP  
INTERIM FINANCIAL REPORT  
31 MARCH 2013**



**M.J.MAILLIS S.A.  
INDUSTRIAL PACKAGING  
SYSTEMS & TECHNOLOGIES  
P.C.S.A.2716/06/B/86/43  
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*These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.*

<b><u>CONTENTS</u></b>	<b>Page</b>
Statement of Financial Position.....	3
Income Statement.....	4
Statement of Comprehensive income.....	5
Statement of Changes in Equity.....	6
Cash Flow Statement.....	7
<b>Notes on the Financial Statements</b>	
1 General.....	8
2 Basis of preparation of the Interim Financial Statements.....	8
3 Segment information.....	13
4 Investments in subsidiaries and joint ventures.....	15
5 Borrowings.....	16
6 Contingencies.....	17
7 Encumbrances.....	17
8 Related party transactions.....	19
9 Finance income/expense.....	19
10 Earnings per Share.....	20
11 Personnel.....	20
12 Unaudited tax years.....	20
13 Post Balance Sheet events.....	21
14 Seasonality.....	22
Auditors review report .....	23

## BALANCE SHEET

<i>Amounts in Euro '000</i>					
		GROUP		COMPANY	
ASSETS	Note	31/03/2013	31/12/2012	31/03/2013	31/12/2012
<b>Non Current Assets</b>					
Tangible assets		84,221	85,882	46,019	46,973
Intangible assets		50,789	51,021	109	119
Investments in subsidiaries and joint ventures	4			122,917	122,917
Deferred tax assets		6,609	6,474	2,719	2,271
Other receivables		4,864	4,660	208	208
		<b>146,483</b>	<b>148,038</b>	<b>171,972</b>	<b>172,488</b>
<b>Current Assets</b>					
Inventories		52,838	52,208	12,383	14,200
Trade and other receivables		59,054	55,204	92,848	90,890
Deferred tax assets		538	595		
Cash and cash equivalents		14,168	14,475	1,005	1,431
		<b>126,597</b>	<b>122,482</b>	<b>106,235</b>	<b>106,521</b>
<b>Total Assets</b>		<b>273,081</b>	<b>270,520</b>	<b>278,207</b>	<b>279,009</b>
<b>EQUITY</b>					
<b>Equity Attributable to Company's Shareholders</b>					
Share capital		96,878	96,878	96,878	96,878
Share premium		95,883	95,883	95,883	95,883
Reserves		53,772	53,480	52,219	52,219
Retained losses / earnings		-299,636	-291,279	-225,103	-218,046
Translation differences reserve		-3,538	-3,847		
		<b>-56,642</b>	<b>-48,885</b>	<b>19,876</b>	<b>26,933</b>
Non Controlling Interest		55	73		
<b>Total Equity</b>		<b>-56,587</b>	<b>-48,812</b>	<b>19,876</b>	<b>26,933</b>
<b>LIABILITIES</b>					
<b>Non Current Liabilities</b>					
Loans	5	1,098	1,055		
Deferred tax liabilities		7,916	6,456	6,100	4,793
Retirement and termination benefit obligations		15,484	16,272	2,617	3,070
Government grants		3,088	3,234	1,860	1,951
Other non current liabilities		1,877	1,800		
		<b>29,463</b>	<b>28,817</b>	<b>10,577</b>	<b>9,815</b>
<b>Current Liabilities</b>					
Trade and other payables		48,070	44,219	11,891	12,449
Deferred tax liabilities		3,625	3,832		
Current tax liabilities		3,617	3,184	247	330
Loans	5	240,813	235,011	234,828	229,195
Provisions		4,079	4,270	787	287
		<b>300,204</b>	<b>290,516</b>	<b>247,753</b>	<b>242,261</b>
<b>Total Liabilities</b>		<b>329,667</b>	<b>319,333</b>	<b>258,330</b>	<b>252,076</b>
<b>Total Equity and Liabilities</b>		<b>273,081</b>	<b>270,520</b>	<b>278,207</b>	<b>279,009</b>

The notes on pages 8 to 22 are an integral part of the interim financial statements

## INCOME STATEMENT

	Note	GROUP		COMPANY	
		01/01/2013- 31/03/2013	01/01/2012- 31/03/2012	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012
<i>Amounts in Euro '000</i>					
Sales	3	66,960	67,918	18,867	21,895
Cost of sales		-54,179	-55,254	-16,857	-19,264
Gross profit		12,781	12,664	2,010	2,631
Other operating income		2,733	2,867	747	211
Administrative expenses		-3,643	-4,197	-1,983	-1,628
Distribution costs		-7,175	-6,993	-1,491	-1,413
Other operating expenses		-4,427	-4,325	-840	-955
Earnings/(loss) before tax and financial and investment results		269	16	-1,558	-1,154
Financial income	9	754	2,507	1,450	2,910
Financial expenses	9	-7,152	-5,838	-6,090	-4,473
Earnings before tax		-6,129	-3,315	-6,198	-2,717
Current tax and other tax		-748	-696	0	
Earnings/(loss) after current tax for the period		<b>-6,877</b>	<b>-4,012</b>	<b>-6,198</b>	<b>-2,717</b>
Deferred tax		-1,181	357	-859	248
Earnings/(loss) after current tax and deferred tax for the period		<b>-8,057</b>	<b>-3,654</b>	<b>-7,057</b>	<b>-2,469</b>
<b>Allocated to:</b>					
Company shareholders		-8,037	-3,631	-7,057	-2,469
Non Controlling Interest		-20	-23	0	
Basic Earnings/(loss) after tax per share (expressed in €)	10	-0.0249	-0.0190	-0.0219	-0.0129
Diluted Earnings/(loss) after tax per share (expressed in €)	10	-0.0066	-0.0052	-0.0055	-0.0015
<b>Other information</b>					
Depreciation		2,014	2,191	1,033	1,211
Earnings/(loss) before tax, financial expenses, amortisation and depreciation (EBITDA)		<b>2,284</b>	<b>2,206</b>	<b>-525</b>	<b>57</b>

The notes on pages 8 to 22 are an integral part of the interim financial statements

**STATEMENT OF OTHER COMPREHENSIVE INCOME**

	Note	GROUP		COMPANY	
		01/01/2013- 31/03/2013	01/01/2012- 31/03/2012	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012
<i>Amounts in Euro '000</i>					
Earnings/(loss) after current tax and deferred tax for the period		-8,057	-3,654	-7,057	-2,469
<u>Amounts to be recycled to profit&amp;loss:</u>					
Exchange differences		282	1,186	0	
<u>Amounts not to be recycled to profit&amp;loss:</u>					
Unrecognized Gain/(Losses) net of deferred taxes		0	44	0	-96
Cash flow hedges		0		0	
Other comprehensive income/(loss) after tax		282	1,229	0	-96
Total comprehensive income/(loss) after tax		<b>-7,775</b>	<b>-2,425</b>	<b>-7,057</b>	<b>-2,565</b>
<b><u>Allocated to:</u></b>					
Company shareholders		-7,757	-2,407	-7,057	-2,565
Non Controlling Interest		-17	-17	0	

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**STATEMENT OF CHANGES IN EQUITY**

<i>Amounts in Euro '000</i>	GROUP							COMPANY				
	Attributable to the Parent Company's Shareholders					Non - Controlling Interest	Total Equity	Attributable to the Parent Company's Shareholders				Total Equity
	Share Capital	Share Premium	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Other Reserves	Retained Losses	
<b>Balance at 01/01/2012</b>	96,878	95,883	53,349	-5,430	-242,864	199	-1,987	96,878	95,883	52,219	-130,408	114,571
Earnings / (Losses) per income statement					-3,631	-23	-3,654				-2,469	-2,469
Exchange difference adjustments				1,188	-9	6	1,186					0
Unrecognized Gain/(Losses) net of deferred taxes					44		44				-96	-96
Cash flow hedges							0					0
<b>Total comprehensive income</b>				1,188	-3,596	-17	-2,425				-2,565	-2,565
<b>Balance at 31/03/2012</b>	96,878	95,883	53,349	-4,242	-246,460	182	-4,411	96,878	95,883	52,219	-132,973	112,007
Earnings / (Losses) per income statement					-44,718	-78	-44,796				-84,786	-84,786
Cash flow hedges							0					
Unrecognized Gain/(Losses) net of deferred taxes					131		131				-288	-288
Exchange difference adjustments				395	-101	-30	264					
<b>Total comprehensive income</b>				395	-44,687	-109	-44,401				-85,074	-85,074
Reserves movement			131		-131		0					
<b>Balance at 31/12/2012</b>	96,878	95,883	53,480	-3,847	-291,279	73	-48,812	96,878	95,883	52,219	-218,046	26,933

<i>Amounts in Euro '000</i>	GROUP							COMPANY				
	Attributable to the Parent Company's Shareholders					Non - Controlling Interest	Total Equity	Attributable to the Parent Company's Shareholders				Total Equity
	Share Capital	Share Premium	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Other Reserves	Retained Losses	
<b>Balance at 01/01/2013</b>	96,878	95,883	53,480	-3,847	-291,279	73	-48,812	96,878	95,883	52,219	-218,046	26,933
Earnings / (Losses) per income statement	0	0	0	0	-8,037	-20	-8,057	0	0	0	-7,057	-7,057
Exchange difference adjustments	0	0	0	308	-29	3	282	0	0	0	0	0
Cash flow hedges	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total comprehensive income</b>	0	0	0	308	-8,066	-17	-7,775	0	0	0	-7,057	-7,057
Reserves movement	0	0	292	0	-292	0	0	0	0	0	0	0
<b>Balance at 31/03/2013</b>	96,878	95,883	53,772	-3,538	-299,636	55	-56,587	96,878	95,883	52,219	-225,103	19,876

The notes on pages 8 to 22 are an integral part of the interim financial statements

## CASH FLOW STATEMENT

<i>Amounts in Euro '000</i>	Note	GROUP		COMPANY	
		31/03/2013	31/3/2012	31/03/2013	31/3/2012
<b><u>Cash Flows from Operating Activities</u></b>					
Earnings before tax		-6,129	-3,315	-6,198	-2,717
Adjustments for:					
Depreciation and amortisation		2,160	2,336	1,124	1,302
Impairment of tangible and intangible fixed assets		0	86	0	
Provisions		-364	-650	161	-321
Exchange differences		9	905	-189	339
Other Losses/Gains		-147	-207	-91	-91
Net financial expenses/(income)		6,398	3,331	4,640	1,563
Working capital changes		0		0	
Decrease / (Increase) in inventories		-902	2,764	1,883	4,163
Decrease / (Increase) in receivables		-4,147	-4,460	-2,042	-1,837
Increase / (Decrease) in payables (excluding banks)		3,888	2,616	-558	-905
Less:		0		0	
Interest paid and other related expenses		-841	-1,079	-456	-655
Tax paid		-320	-192	-22	164
<b>Total Cash Inflows / (Outflows) from Operating Activities (a)</b>		<b>-395</b>	<b>2,135</b>	<b>-1,748</b>	<b>1,007</b>
<b><u>Cash Flows from Investing Activities</u></b>					
Purchase of intangible assets, property, plant and equipment		-653	-759	-185	-327
Proceeds of sale of tangible and intangible assets		68	85	25	
Interest received		101	117	1,482	810
<b>Total Cash Inflows / (Outflows) from Investing Activities (b)</b>		<b>-484</b>	<b>-557</b>	<b>1,322</b>	<b>483</b>
<b><u>Cash Flows from Financing Activities</u></b>					
Proceeds of issuance of share capital		0		0	
Proceeds of loans issued/(Payments)		220	225	0	0
Repayments of borrowings		0		0	
Payments of finance lease liabilities		-31	-349	0	
Dividends paid		0		0	
<b>Total Cash Inflows / (Outflows) from Financing Activities (c)</b>		<b>189</b>	<b>-124</b>	<b>0</b>	<b>0</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)</b>		<b>-691</b>	<b>1,454</b>	<b>-426</b>	<b>1,490</b>
<b>Cash and Cash Equivalents in Beginning of Period</b>		<b>14,475</b>	<b>13,314</b>	<b>1,431</b>	<b>1,785</b>
Exchange differences adjustment		384	94	0	
<b>Cash and Cash Equivalents at End of Period</b>		<b>14,168</b>	<b>14,862</b>	<b>1,005</b>	<b>3,274</b>

The notes on pages 8 to 22 are an integral part of the interim financial statements

## NOTES ON THE FINANCIAL STATEMENTS

### 1. General information

M.J.Maillis SA (the “Company”) and its subsidiaries (together the “Group”) manufactures and distributes end of line industrial solutions. The Group operates in Greece and another 18 countries in Europe, North America and Asia.

The Company is located in Greece, Taki Kavalieratou 7, 14 564 Kifissia. The website of the Company is [www.maillis.gr](http://www.maillis.gr).

The shares of the Company are publicly traded on the Athens Stock Exchange.

### 2. Basis of preparation of the Interim Financial Statements

The Interim Financial Statements of the Company and the Group for the 3 month period of 2013 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and specifically in accordance with IAS 34 “Interim Financial Statements”.

This information has to be acknowledged in comparison to the annual financial statements as at 31/12/2012 that were published in the internet site of the company.

The accounting principles that have been used in the preparation of the interim Financial Statements are in accordance with those used for the preparation of the Company and Group Financial Information as at 31/12/2012 with the exception of the adoption of the revised IAS 19 which had the following impact:

	<u>GROUP</u>	<u>COMPANY</u>
<b><u>1.1.2012</u></b>		
Retained losses / earnings	-233,745	-129,044
Effect from Revised IAS19	-9,120	-1,364
<b>Retained losses / earnings</b>	<b>-242,864</b>	<b>-130,408</b>
<b><u>31.3.2012</u></b>		
Total comprehensive income/(loss)	-2,468	-2,469
Effect from Revised IAS19	44	-96
<b>Total comprehensive income/(loss)</b>	<b>-2,425</b>	<b>-2,565</b>
<b><u>1.4.2012 -31.12.2012</u></b>		
Total comprehensive income/(loss)	-45,329	-85,540
Effect from Revised IAS19	131	-288
<b>Total comprehensive income/(loss)</b>	<b>-45,198</b>	<b>-85,828</b>
<b><u>31.12.2012</u></b>		
Retained losses / earnings	-283,131	-217,053
Effect from Revised IAS19	-8,148	-993
<b>Retained losses / earnings</b>	<b>-291,279</b>	<b>-218,046</b>
<b><u>31.12.2012</u></b>		
Retirement and termination benefit obligations	7,633	1,829
Effect from Revised IAS19	8,639	1,241
<b>Retirement and termination benefit obligations</b>	<b>16,272</b>	<b>3,070</b>

**31.12.2012**

Deferred tax assets	5,983	2,023
Effect from Revised IAS19	491	248
<b>Deferred tax assets</b>	<b>6,474</b>	<b>2,271</b>

The preparation of financial statements in terms of IFRS requires the use of calculations and assumptions which affect the balances of the assets and liabilities, the acknowledgment of contingencies and the amounts of the income and expenses relating to the period. These calculations are based to the best knowledge of the Company and the Group in relation to the current situation.

Certain reclassifications have been made in the prior period figures in order to make them comparable to the current period's figures. Any differences between amounts in the financial statements and similar amounts detailed in the accounts are due to rounding of figures.

**Going concern**

These financial statements have been prepared on the assumption that the Company and the Group will continue to operate as a going concern and that both the Company and the Group will have sufficient financial resources to meet the Company's and Group's financial and operating requirements for the foreseeable future.

At 31 March 2013, the Company was obliged, under the loan agreements, to pay the first and the second installment of the Super Senior Bond loan of € 16m, amounting to EUR 8m. The Group made a partial repayment on 11<sup>th</sup> October 2012 amounting to € 2m and has already submitted a request to suspend payment of the remaining amount to the bondholders.

In addition, the Group, on 31.3.2013 was not in compliance with the required covenants of interest cover, debt cover and cash flow cover while on 31.12.2012 was not in compliance with the required covenant of minimum consolidated results before interest, tax and depreciation / amortization not including restructuring costs (EBITDA) and has already submitted the related request for waiver to the bondholders, as provided by the respective loan agreements, without having obtained, until today, the requested waivers.

In addition, the Company, on 31.03.2013, has not obtained a written acceptance of an extension in the performance of the bond loans' terms. As a result, the loans of the Company are classified as current liabilities in terms of IAS 1. The affected loans are the Super Senior Bond loan, Senior Bond loan and the Convertible Bond loan.

Management is in negotiations with the bondholders for the modification of the main terms of the respective bond loans agreements. In this context, the Company is requesting waivers in relation to the pending events of default resulting from those agreements. The bondholders have not positively responded to this request, which, however, will not affect the operations of the Company, provided that there will be a positive outcome to the major and substantial restructuring request of the repayment schedule of the debt. Management expects the outcome of these negotiations to be beneficial for the Company, the Group, its shareholders and its lenders, and therefore believes that the termination of the loan agreements is not probable. This will create the conditions for a smooth continuity and development of the business, preventing the loans to become due.

The Group and the Company fulfill their needs for working capital through their own financial resources. However, the current economic conditions continue to create uncertainty regarding future availability of bank financing.

In light of the above information, management has concluded that the going concern remains appropriate. Therefore, the Group and the Company continue to adopt the going concern principle in the preparation of the Annual Financial Statements for the period of January 1 to March 31<sup>st</sup>, 2013.

**New standards, amendments to standards and interpretations:** Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

**Standards and Interpretations effective for the current financial year**

**IAS 1 (Amendment) "Presentation of Financial Statements"**

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

**IAS 19 (Amendment) "Employee Benefits"**

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits.

**IAS 12 (Amendment) "Income Taxes"**

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property".

**IFRS 13 "Fair Value Measurement"**

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

**IFRS 7 (Amendment) "Financial Instruments: Disclosures"**

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

**IFRIC 20 "Stripping costs in the production phase of a surface mine"**

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

**Amendments to standards that form part of the IASB's 2011 annual improvements project**

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project.

**IAS 1 "Presentation of financial statements"**

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

**IAS 16 "Property, plant and equipment"**

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

### **IAS 32 “Financial Instruments: Presentation”**

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

### **IAS 34, ‘Interim financial reporting’**

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 “Operating segments”.

### **Standards and Interpretations effective for periods beginning on or after 1 January 2014**

#### **IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2015)**

IFRS 9 is the first Phase of the Board’s project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

#### **IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 January 2014)**

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

#### **Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)**

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows.

#### **IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

#### **IFRS 11 “Joint Arrangements”**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

#### **IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

**IAS 27 (Amendment) “Separate Financial Statements”**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “*Consolidated and Separate Financial Statements*”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 “*Investments in Associates*” and IAS 31 “*Interests in Joint Ventures*” regarding separate financial statements.

**IAS 28 (Amendment) “Investments in Associates and Joint Ventures”**

IAS 28 “*Investments in Associates and Joint Ventures*” replaces IAS 28 “*Investments in Associates*”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

**IFRS 10, IFRS 11 and IFRS 12 (Amendment) “Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance” (effective for annual periods beginning on or after 1 January 2014)**

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

**IFRS 10, IFRS 12 and IAS 27 (Amendment) “Investment entities” (effective for annual periods beginning on or after 1 January 2014)**

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

### 3. Segment Information

#### Primary Segment Information – Business Segment

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions. The executive directors consider the business principally from a geographical perspective based on the geographical region in which the subsidiaries operate.

The Group is divided in the following geographical regions for the purposes of the executive directors' evaluation:

- West Europe: Germany, Belgium, France, UK, Austria, Spain
- Central Europe: Poland, Hungary, Czech, Slovakia
- Greece & East Europe: Greece, Romania, Bulgaria
- North America
- Italy (includes also Combi Packaging Systems)
- Other (includes Europack SA)

The executive directors assess the performance of the operating segments based on a measure of EBITDA.

EBITDA is calculated as follows:

- Profit/Loss before Tax
- Add back: Financial and Investment results
- Add back: Depreciation and Amortisation

Other information provided to the strategic management is measured in a manner consistent with that in the financial statements.

Total assets are allocated to the operating segments based on the operations of the segment and the physical location of the asset.

A) The segment results for the 3 months ended at 31<sup>st</sup> March 2012 and 31<sup>st</sup> March 2010 are as follows:

	West Europe		Central Europe		Greece & East Europe		North America		Italy		Other		Total	
	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12	1/1/13-31/03/13	1/1/12-31/3/12
<i>Amounts in Euro '000</i>														
Total Sales	17,383	18,397	13,321	12,862	11,488	12,506	10,612	10,149	14,157	14,004			66,960	67,918
Operating Income/(Loss)	-855	-554	634	427	-2,243	-2,101	1,662	1,542	1,088	703	-16	-2	269	16
Financial Cost - Net	778	591	164	-75	4,771	1,725	1,071	327	369	361	-756	402	6,398	3,331
<b>Earnings before Tax</b>	<b>-1,633</b>	<b>-1,145</b>	<b>470</b>	<b>503</b>	<b>-7,015</b>	<b>-3,826</b>	<b>591</b>	<b>1,215</b>	<b>718</b>	<b>341</b>	<b>740</b>	<b>-404</b>	<b>-6,129</b>	<b>-3,315</b>
Income tax and Deferred tax		7	84	58	933	-281	418	526	430	25	63	4	1,928	339
<b>Net Profit</b>	<b>-1,633</b>	<b>-1,152</b>	<b>386</b>	<b>445</b>	<b>-7,947</b>	<b>-3,545</b>	<b>173</b>	<b>689</b>	<b>288</b>	<b>317</b>	<b>676</b>	<b>-408</b>	<b>-8,057</b>	<b>-3,654</b>
Depreciation and amortisation	115	121	299	294	1,073	1,237	226	205	278	311	23	23	2,014	2,191
<b>EBITDA</b>	<b>-739</b>	<b>-433</b>	<b>934</b>	<b>721</b>	<b>-1,171</b>	<b>-864</b>	<b>1,888</b>	<b>1,747</b>	<b>1,365</b>	<b>1,014</b>	<b>7</b>	<b>22</b>	<b>2,284</b>	<b>2,206</b>
Provisions for bad debt and obsolete stock	47	-38	7	-29	132	-18	50	38	365	41			601	-6

B) The segment assets and liabilities at 31<sup>st</sup> March 2013 and at 31<sup>st</sup> December 2012 are as follows:

	West Europe		Central Europe		Greece & East Europe		North America		Italy		Other		Total	
	31/03/13	31/12/12	31/03/13	31/12/12	31/03/13	31/12/12	31/03/13	31/12/12	31/03/13	31/12/12	31/03/13	31/12/12	31/03/13	31/12/12
<i>Amounts in Euro '000</i>														
<b>Assets</b>	31,407	29,814	38,039	37,711	87,334	90,347	40,043	39,361	75,752	72,909	506	378	273,081	270,520
<b>Capital expenditure</b>	80	120	144	711	188	810	8	261	233	553			653	2,455
<b>Liabilities</b>	17,367	16,347	11,647	10,259	261,530	256,311	7,573	7,256	31,489	29,070	63	90	329,667	319,333

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash.

Segment liabilities comprise operating liabilities.

## 4. Investments in subsidiaries and joint ventures

Below are listed the Group subsidiary companies with their respective addresses and the percentage of ownership:

	% of Investment		
	Direct	Indirect	
<b>Full Consolidation method</b>			
M.J.MAILLIS SA, Kifissia, Athens, Greece		Parent	
STRAPTECH SA, Kifissia, Athens, Greece	100.00%		
M.J.MAILLIS BULGARIA EOOD, Sofia, Bulgaria	100.00%		
M.J.MAILLIS ROMANIA S.A., Bucurest, Romania	86.84%		
M.J.MAILLIS FRANCE SAS, Saint Ouen L'Amone, France	99.99%	0.01%	(through STRAPTECH A.E)
MARFLEX M.J.MAILLIS POLAND SP ZOO, Karzcew, Poland	100.00%		
M.J.MAILLIS ESPANA SA, Barcelona, Spain	100.00%		
M.J.MAILLIS CZECH SRO, Prague, Czech	100.00%		
EUROPACK SA, Luxembourg	100.00%		
M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD, Budapest, Hungary	100.00%		
M.J.MAILLIS OSTERREICH GMBH, Vienna, Austria	100.00%		
MAILLIS HOLDING GMBH, Wuppertal, Germany	100.00%		
COLUMBIA SRL, Milan, Italy	100.00%		
M.J.MAILLIS UK LTD, Nottingham, UK		100.00%	(through EUROPACK SA)
WULFTEC INTERNATIONAL INC, Ayer's Cliff, Canada		100.00%	(through EUROPACK SA)
MAILLIS STRAPPING SYSTEMS USA Inc. Fountain Inn, USA		100.00%	(through EUROPACK SA)
MJ MAILLIS SYSTEMS SRL, Varese, Italy		100.00%	(through EUROPACK SA)
3L Srl, Modena, Italy		100.00%	(through EUROPACK SA)
			(through EUROPACK SA & COLUMBIA SRL)
SIAT SPA, Como, Italy		100.00%	(through SIAT SPA)
SICME SRL, Varese, Italy		100.00%	(through SIAT SPA)
SIAT BENELUX, Wvvaalwijk, Holland		51.00%	(through SIAT SPA)
TAM SRL, Milan, Italy		71.00%	(through SIAT SPA)
SIAT USA, Delaware, USA		100.00%	(through SIAT SPA)
IMMOBILIARE LEO SRL, Milan, Italy		100.00%	(through COLUMBIA SRL)
Maillis Sander Verwaltungsgesellschaft mbH, Wuppertal, Germany		100.00%	through MAILLIS HOLDING GMBH
			(through MAILLIS HOLDING GMBH&MAILLIS SANDER GMBH)
SANDER GMBH & CO KG, Wuppertal, Germany		100.00%	(through MAILLIS SANDER GMBH)
M.J. MAILLIS BENELUX NV, Dendermonde, Belgium		100.00%	(through MAILLIS SANDER GMBH)
<b>Proportionate consolidation method</b>			
COMBI PACKAGING SYSTEMS, Canton, USA		50.00%	(through SIAT SPA)

The values of the above listed companies in the Balance Sheet of the parent company are as follows:

		31/3/2013	31/12/2012	
		Book value	Book value	Investment %
<i>Amounts in Euro '000</i>				
Straptech SA	Greece	5,300	5,300	100%
Europack SA	Luxembourg	78,810	78,810	100%
M.J Maillis Osterreich Gmbh	Austria	448	448	100%
Marflex MJ Maillis Poland SP ZOO	Poland	38,359	38,359	100%
		<b>122,917</b>	<b>122,917</b>	

## 5. Borrowings

	GROUP		COMPANY	
	31/03/2013	31/12/2012	31/03/2013	31/12/2012
<i>Amounts in Euro '000</i>				
<b>Non Current</b>				
Bond Loan	125,832	124,234	125,832	124,234
Convertible Bond Loan	83,386	82,258	83,386	82,258
Hedges of Currency and Interest rate swaps relating to bank borrowings denominated in US\$	3,492	4,578	3,492	4,578
Total bank borrowings	212,709	211,070	212,709	211,070
Less: Bank borrowings reflected as short term (refer Covenants note below)	-212,709	-211,070	-212,709	-211,070
Accrued interest	0	0	0	0
Finance Lease Liabilities	1,098	1,055	0	0
Other	0	0	0	0
<b>Total</b>	<b>1,098</b>	<b>1,055</b>	<b>0</b>	<b>0</b>
<b>Current</b>				
Bank borrowings reflected as short term (refer Covenants note below)	212,709	211,070	212,709	211,070
Current Portion of Bond Loans	0	0	0	0
Bank Overdrafts	2,226	1,926	0	0
Short Term Bank Borrowings and bank overdrafts	17,630	17,703	14,000	14,000
Accrued interest	8,159	4,148	8,119	4,125
Finance Lease Liabilities	89	163	0	0
Other	0	0	0	0
<b>Total</b>	<b>240,813</b>	<b>235,011</b>	<b>234,828</b>	<b>229,195</b>
<b>Total Borrowings</b>	<b>241,911</b>	<b>236,066</b>	<b>234,828</b>	<b>229,195</b>

The carrying amounts of borrowings approximate their fair values.

### Covenants:

The Group, in terms of the debt restructuring agreement, is obligated to maintain the following covenants:

- Interest Cover relating to the consolidated results before interest, tax and depreciation / amortization, not including restructuring costs (EBITDA) to net financial expenses of the restructured loans in respect of any relevant period from the first quarter of 2013 on a rolling annual basis.
- Debt Cover ratio which is consolidated by net financial liabilities on the last day of the reference period to the consolidated results before interest, tax and depreciation / amortization not including restructuring costs (EBITDA) from the first quarter of 2013 on a rolling annual basis.
- Cash Flow Cover ratio relating to operating cash flows to servicing of the Group's total debt burden for any relevant period from the first quarter of 2013 on a rolling annual basis.
- The Group must have a minimum liquidity level at any point in time.
- Minimum consolidated results before interest, tax and depreciation / amortisation not including restructuring costs (EBITDA) must be achieved, starting from 31/03/2012.
- Maximum capital expenditure must be achieved from 31/12/2011.

At 31 March 2013, the Group was obliged, under the loan agreements, to pay the first and the second installment of the Super Senior Bond loan of € 16m, amounting to EUR 8m. The Group made a partial repayment on 11<sup>th</sup> October 2012 amounting to € 2m and has already submitted a request to suspend payment of the remaining amount to the bondholders.

In addition, the Group, on 31.3.2013 was not in compliance with the required covenants of interest cover, debt cover and cash flow cover while on 31.12.2012 was not in compliance with the required covenant of minimum consolidated results before interest, tax and depreciation / amortization not including restructuring costs (EBITDA) and has already submitted the related request for waiver to the bondholders, as provided by the respective loan agreements, without having obtained, until today, the requested waivers.

The impact of this breach is that all affected borrowings are classified as current liabilities in terms of IAS 1. The classification has been undertaken on the basis that at 31 March 2013 the Group and the Company do not have an unconditional right to defer the settlement of these borrowings for a period greater than twelve months.

## **6. Contingencies**

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. The Group and the Company have given guarantees in the ordinary course of business amounting to € 1.0 million and € 3.2 million respectively (of which € 2.5 million refer to guarantees given by the parent company relating to loans undertaken by the Group's subsidiaries). Also included in cash and cash equivalents of the Company are balances amounting to € 119 th. that are restricted as they act as security for letters of credit provided to the Company.

## **7. Encumbrances**

As at 31st March 2013 the following encumbrances exist on Company's and Group's assets:

- Included in cash and cash equivalents of the Company are balances amounting to € 119 th. that are restricted as they act as security of good performance.

The Group, in terms of the final debt restructuring agreements and in order to secure the new bond loans, has provided securities and encumbrances as they are described below:

- The following group companies, STRAPTECH AE, MJ MAILLIS U.K. Ltd, MARFLEX M.J. MAILLIS POLAND SP Z.O.O., M.J. MAILLIS ROMANIA SA, WULFTEC INTERNATIONAL INC., MAILLIS STRAPPING SYSTEMS USA INC., EUROPACK SA, MAILLIS HOLDING GMBH, MAILLIS SANDER

VERWALTUNGSGESELLSCHAFT MBH and SANDER GMBH & CO KG provided to lenders corporate guarantees equaling the total amount of the new bond loans, plus interest and costs, with the exception of SIAT SPA and COLUMBIA SRL, which provided corporate guarantees up to an amount of € 17.000 thousand and € 4.500 thousand, respectively.

- The Company provided securities in rem of an amount of to € 340.000 thousand
- STRAPTECH S.A. provided securities in rem of an amount of € 340.000 thousand
- MARFLEX M.J. MAILLIS POLAND SP. Z.O.O. provided security in rem of an amount of € 364.000 thousand
- MAILLIS STRAPPING SYSTEMS USA INC. provides securities in rem of an amount of \$ 340,000 thousand.
- M.J. MAILLIS ROMANIA provides securities in rem of an amount of € 12.000 thousand
- WULFTEC INTERNATIONAL INC. provides security in rem of an amount of CDN \$ 550 thousand.
- The Company and the Group companies STRAPTECH AE, EUROPACK SA, COLUMBIA SRL, MAILLIS SANDER VERWALTUNGSGESELLSCHAFT MBH and MAILLIS HOLDING GmbH provided to the Lenders encumbrances and pledges on the shares they hold over the Group companies.
- The Company and EUROPACK S.A. provided to the Lenders collateral and encumbrances on their claims against subsidiaries of the Group for intercompany loans.
- The Company and the Group companies STRAPTECH SA, MJ MAILLIS UK LIMITED, MAILLIS STRAPPING SYSTEMS USA INC., MARFLEX MJ MAILLIS POLAND SP.ZOO., WULFTEC INTERNATIONAL INC. and SANDER GMBH and Co. KG provided to the Lenders pledges and encumbrances on their bank accounts.
- The Company and the Group companies STRAPTECH SA, MJ MAILLIS UK LIMITED, MAILLIS STRAPPING SYSTEMS USA INC., MARFLEX MJ MAILLIS POLAND SP.ZOO., WULFTEC INTERNATIONAL INC. and SANDER GMBH and Co. KG provided to the Lenders pledges and encumbrances on their machines.
- The Company and the Group companies STRAPTECH AE, MAILLIS STRAPPING SYSTEMS USA INC., MARFLEX MJ MAILLIS POLAND SP.ZOO., WULFTEC INTERNATIONAL INC. and SANDER GMBH and Co. KG provided to the Lenders pledges and encumbrances on their stocks.
- The Company and its Group companies STRAPTECH SA, MARFLEX MJ MAILLIS POLAND SP.ZOO., MJ MAILLIS UK LIMITED, MAILLIS STRAPPING SYSTEMS USA, INC., MJ MAILLIS ROMANIA and WULFTEC INTERNATIONAL INC. provided to the Lenders collateral and encumbrances on their claims from insurance contracts.
- The Company and its Group companies STRAPTECH SA, MJ MAILLIS UK LIMITED, MAILLIS STRAPPING SYSTEMS USA INC., MJ MARFLECH MAILLIS POLAND SP.ZOO., WULFTEC INTERNATIONAL INC. and SANDER GMBH and Co. KG provided to Lenders encumbrances and pledges over their receivables.
- The Company and its Group companies STRAPTECH SA, MARFLEX MJ MAILLIS POLAND SP.ZOO., WULFTEC INTERNATIONAL INC., Providing collateral to lenders and encumbrances on their claims from factoring.
- M.J. MAILLIS ESPANA S.A.U. after conversion into a limited company enters as a guarantor of the obligations of the parent company resulting from the above bonds and provides lenders with collateral assignments and encumbrances on factoring, receivables and bank accounts.
- Also within one year from the signing of the restructuring agreement, the group company SIAT SpA would have to provide collateral to lenders and encumbrances on the shares of its subsidiaries. This obligation has not been fulfilled due to the fact that other third parties have not given their consent.

## 8. Related Parties Transactions

The related party transactions are as follows:

	GROUP		COMPANY	
	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012
<i>Amounts in Euro '000</i>				
<b>Sales of goods</b>				
- Subsidiaries			9,500	14,142
- Associate	1,184	560		
<b>Sales of services</b>				
- Subsidiaries			2,615	2,593
- Associate				
<b>Purchase of goods</b>				
- Subsidiaries			605	524
- Associate	27	21		
<b>Purchase of services</b>				
- Subsidiaries				
- Associate				
<b>Key Management compensation</b>				
Salaries and other short term benefits to key management and member of the board	987	931	510	586

	GROUP		COMPANY	
	31/03/2013	31/12/2012	31/03/2013	31/12/2012
<b>Year End Balances arising from purchases - sales of goods and services</b>				
Trade receivables from Subsidiaries			60,879	59,358
Trade receivables from Associate	1,185	560		
Loans receivable from Subsidiaries			60,775	71,034
Loans receivable from Associates				
Other receivables from Subsidiaries			100	100
Other receivables from Associates				
Payables to Subsidiaries			2,377	2,056
Payables to Associate	19	12	0	

## 9. Finance income/expenses

	GROUP		COMPANY	
	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012	01/01/2013- 31/03/2013	01/01/2012- 31/03/2012
<i>Amounts in Euro '000</i>				
<b>Financial expenses</b>				
Interest expense	5,049	4,846	4,646	4,461
Foreign currency differences	2,103	993	1,444	12
	<b>7,152</b>	<b>5,838</b>	<b>6,090</b>	<b>4,473</b>
<b>Financial income</b>				
Interest income	101	117	1,439	1,417
Foreign currency differences	653	2,390	11	1,493
	<b>754</b>	<b>2,507</b>	<b>1,450</b>	<b>2,910</b>

## 10. Earnings per Share

### BASIC

<i>Amounts in Euro '000</i>	GROUP		COMPANY	
	1/1 - 31/03/13	1/1 - 31/03/12	1/1 - 31/03/13	1/1 - 31/03/12
Earnings/(Losses) attributable to the Company's shareholders	-8,037	-3,631	-7,057	-2,469
Weighted Average number of shares	322,925,288	190,866,470	322,925,288	190,866,470
Basic Earnings/(Losses) per share (expressed in Euro)	<b>-0.0249</b>	<b>-0.0190</b>	<b>-0.0219</b>	<b>-0.0129</b>

### DILUTED

<i>Amounts in Euro '000</i>	GROUP		COMPANY	
	1/1 - 31/03/13	1/1 - 31/03/12	1/1 - 31/03/13	1/1 - 31/03/12
Earnings/(Losses) attributable to the Company's shareholders	-8,037	-3,631	-7,057	-2,469
Interest Expense of Convertible Bond	2,059	2,021	2,059	2,021
<b>Total</b>	<b>-5,977</b>	<b>-1,610</b>	<b>-4,997</b>	<b>-448</b>
Weighted Average number of shares	322,925,288	190,866,470	322,925,288	190,866,470
Weighted Average number of shares after conversion of convertible bond	586,784,594	115,881,736	586,784,594	115,881,736
<b>Total Weighted Average number of shares</b>	<b>909,709,882</b>	<b>306,748,206</b>	<b>909,709,882</b>	<b>306,748,206</b>
Diluted Earnings/(Losses) per share (expressed in Euro)	<b>-0.0066</b>	<b>-0.0052</b>	<b>-0.0055</b>	<b>-0.0015</b>

## 11. Personnel

The number of employees as at 31<sup>st</sup> March 2013 was 1,377 (31/03/2012: 1,404) for the Group and 264 (31/03/2012: 284) for the Company.

## 12. Unaudited tax years

M.J. MAILLIS SA has been audited by tax authorities until FY 2007.

For the parent company and its subsidiary STRAPTECH S.A, the "Tax Compliance Report" for the financial year 2011 has been issued with no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements for 2011. According to the relevant legislation, the parent company's financial year ending 31 December 2011 will be considered final for tax audit purposes after eighteen months from the submission of the "Tax Compliance Report" to the Ministry of Finance.

For the 2012 financial year, the tax audit for M.J. MAILLIS SA and Straptech SA is being performed by PricewaterhouseCoopers S.A. The Company's management does not expect that additional tax liabilities will arise, in excess of those disclosed in the financial statements, upon the completion of the 2012 tax audit.

Maillis SA according to decision 75/0/1118 is under tax audit for the financial years 2008 to 2011.

The long term deferred tax asset of the Group amounted to € 6,609 th. (31/12/2012: € 6,474 th.). The deferred tax asset of the Company amounted to € 2,719 th. (31/12/2012: € 2,271 th.).

The unaudited tax years of the remaining companies of the Group are analyzed as follows:

- MAILLIS HOLDING GMBH has been tax audited until FY 1997
- MARFLEX M.J.MAILLIS Sp Zoo has not been tax audited
- M.J.MAILLIS UK has not been tax audited
- SIAT USA have not been tax audited
- M.J.MAILLIS OSTERREICH GMBH has been audited until FY 2001
- WULFTEC INTERNATIONAL INC has been audited until FY 2002
- COLUMBIA has been audited until FY 2002
- EUROPACK SA has been tax audited until FY 2003
- SICME SRL has been tax audited until FY 2003
- TAM SRL has been tax audited until FY 2003
- 3L has been audited until FY 2003
- M.J.MAILLIS FRANCE SAS has been audited until FY 2004
- MAILLIS STRAPPING SYSTEMS USA INC has not been tax audited.
- M.J.MAILLIS ESPANA SA has been audited until FY 2004
- M.J.MAILLIS CZECH SRO has been audited until FY 2004
- COMBI has been tax audited until FY 2004
- SIAT BENELUX BV has been tax audited until FY 2005
- MJ MAILLIS SYSTEMS SRL has been tax audited until FY 2006
- M.J.MAILLIS ROMANIA SA has been audited until FY 2007
- SANDER GMBH & COKG has been audited until FY 2007
- MAILLIS SANDER VERWALTUNGSGESELLSCHAFT MBH has been tax audited until FY 2007
- M.J.MAILLIS BULGARIA EOOD has been audited until FY 2008
- M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD has been audited until FY 2008
- M.J.MAILLIS BENELUX NV has been audited until FY 2008
- STRAPTECH S.A. under the L. 3888/2010 has been tax audited until FY 2009
- SIAT SPA has been audited until FY 2009

### **13. Post Balance Sheet events**

On April 17, 2013 the Boards of Directors of M.J. MAILLIS S.A. and STRAPTECH S.A. approved the Draft Merger Agreement, regarding the commencement of the merger process through absorption of the second by the first.

On April 22, 2013 Mr. Dimitris Kouvatzos assumed duties of interim Chief Financial Officer of the Group.

On 24.5.2013 M.J. MAILLIS S.A. announced that intends to initiate voluntary redundancy for the employees in the factory of Alexandroupolis as a consequence of recent changes in the payment terms of supplier of plastic following the release of 2012 annual financial results. No other significant events have taken place after the balance sheet date.

## 14. Seasonality

The Groups operations are not affected by seasonality. Revenues are generated throughout the year based on customer demand.

The 3 month Interim Financial Statements have been approved by the Board of Directors of M.J.MAILLIS SA on 30 May 2013 and are available on the company's website [www.maillis.com](http://www.maillis.com)

**CHAIRMAN OF THE  
BOARD OF  
DIRECTORS**

**MICHAEL J. MAILLIS**  
Id. No. Φ 020206

**VICE-CHAIRMAN OF THE  
BOARD OF DIRECTORS  
AND C.E.O.**

**MARKUS  
KÖLLMANN**  
PASS. No.NR5R5RB18

**FINANCIAL  
MANAGER OF  
GREECE**

**SPYRIDON D.  
PARGAS**  
Reg. No. 5293-  
A'Class

**[Translation from the original text in Greek]**

## **Report on Review of Interim Financial Information**

**To the Shareholders of M.J. Maillis S.A.**

### **Introduction**

We have reviewed the accompanying condensed company and consolidated balance sheet of M.J. Maillis S.A. (the “Company”) and its subsidiaries (the “Group”) as of 31 March 2013 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the three-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS” 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

## **Emphasis of Matter**

Without qualifying our review conclusion, we draw attention to Notes 2 and 5 in the interim condensed financial information that mention that the Group was in breach of certain financial terms and has not received a waiver by the bondholders until 31 March 2013. As a result, current liabilities exceed current assets by approximately € 173,6 million as at 31 March 2013. These conditions along with the issues mentioned in Note 2 and 5 create material uncertainty which may cast significant doubt about the Company's and the Group's ability to continue as a going concern.



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Athens, 31 May 2013  
THE CERTIFIED AUDITOR

Dimitris Sourbis  
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