

ΜΕΤΚΑ

METAL CONSTRUCTIONS OF GREECE S.A.

Annual Financial Statements

For the year ended 31 December 2014

In accordance with article 4 of Law 3556/2007

(amounts in thousands € unless stated otherwise)

COMPANY'S GENERAL COMMERCIAL REG. No 6126401000 &

COMPANY'S No 10357/06/B/86/113 IN THE

REGISTER OF SOCIETES ANONYMES

ARTEMIDOS 8 MAROUSSI (ATHENS)

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A. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

(according to article 4 § 2 of law 3556/2007)

The members of the Board of Directors of METAL CONSTRUCTIONS OF GREECE S.A.:

1. Ioannis G. Mytilineos, Chairman and Managing Director of the Board of Directors
2. Panagiotis A. Gardelinos, Board Member, having been specifically assigned by the Board of Directors,
3. Paul M. Smith , member of the Board of Directors, appointed for this by the BoD,

As far as we know the enclosed consolidated and separate financial statements of METAL CONSTRUCTIONS OF GREECE S.A. for the period of 1 January 2014 to 31 December 2014, which were prepared in accordance with the current International Financial Reporting Standards (IFRS), give a true picture of the assets and liabilities, the shareholders' equity and the profit and loss account of the Group and of the Company, as well as of the companies included in the consolidation as a whole.

The annual report prepared by the Board of Directors includes a true presentation of the improvement, the financial performance and the equity of the parent company and its subsidiaries, which are included in the Consolidated Financial Statements. All the important risks and financial uncertainties are taken into consideration for these estimations.

Maroussi, the 16th of March 2015

Confirmed by

Ioannis G. Mytilineos

Panagiotis A. Gardelinos

Paul M. Smith

Chairman & Managing
Director of the Board of
Directors

Deputy Managing Director

Member of the Board of
Directors

B. Independent Auditor's Report

Towards the shareholders of **METAL CONSTRUCTIONS OF GREECE S.A.**

Report on Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the METAL CONSTRUCTIONS OF GREECE S.A. and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31, 2014, the separate 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 other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union as well as for internal control procedures the Management defines as necessary to ensure the preparation of separate 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 separate and consolidated financial statements based on our audit. We conducted our audit in compliance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate 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 separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control procedures relevant to the entity's preparation and fair presentation of the separate 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 entity's internal control procedures. 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 separate 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the company METAL CONSTRUCTIONS OF GREECE S.A. and its subsidiaries as at December 31, 2014, as well as their financial performance and the 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

- a) The Board of Directors' Management Report includes the corporate governance statements, which provides all the information required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We have verified that the contents of the Board of Directors' Management Report is consistent with the accompanying parent and consolidated Financial Statements, in the contexts of those stipulated by articles 43a, 108 and 37 of C.L. 2190/20.

Athens, 16th of March 2015
The Chartered Accountants

Manolis Michalios
SOEL Reg. No 25131

Dimitra Pagoni
SOEL Reg. No 30821



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

C. ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY METKA S.A. ON THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2014

Shareholders Ladies and Gentlemen,

Pursuant to the provision of L.2190/1920 article 43a paragraph 3, article 108 paragraph 3 and article 136 paragraph 2 and the provision of L.3556/2007 article 4 paragraphs 2c, 6, 7 and 8, as well as, the resolution of the Board of the Hellenic Capital Committee 7/448/11.10.2007 article 2, 1/434/03.07.2007 and the Company's Articles of Association, we present to you the Annual Report of the Board of Directors for the financial year from 01/01/2014 to 31/12/2014, which comprises of the audited consolidated and corporate financial statements, the related notes and the Report of the Auditors. This report provides summary information for the Group and the Company (METKA S.A.), financial information aiming in informing the shareholders and investors for the financial position and performance, the overall developments and variations in the financial year under review (01/01/2014 to 31/12/2014), significant events that took place and their impact on the financial statements. Furthermore, an analysis of potential risks and uncertainties that the Group and the Company may face in the future, the anticipated course and evolution of the group companies, the corporate governance, the dividend policy as well as, disclosure of the transactions between the Company and the related parties is provided.

This report accompanies the annual financial statements of fiscal year 2014 (01/01/2014 – 31/12/2014) and is included individually together with those statements as well as the declarations of the members of the board of directors into the annual economic report concerning the fiscal year 2014. Given that the Company also composes consolidated financial statements, this report is cohesive having as a main reference point the consolidated financial information and referring to the corporate financial information of METKA S.A. only where necessary or appropriate in order to gain a better understanding of the content.

A. PERFORMANCE AND FINANCIAL POSITION FOR 2014

Financial Information

In 2014 economic activity in Greece resumed positive growth rates, after six years of severe recession. According to revised quarterly GDP data, the Greek economy grew by 0.75% on a yearly basis – a performance better than earlier forecasts which projected a growth rate of 0.6%.

The increased foreign demand for services and the gradual recovery of private consumption were the main drives of GDP growth throughout the year. The continued consolidation of public finances, reflected in the elimination of the high fiscal and current account deficits, as well as the stabilization of the banking system laid the groundwork for the improvement of the economic climate.

Following this trend, during the first semester of 2014 Greek Government Bond yields as well as borrowing costs for Greek businesses in the international capital markets followed a downward course. This allowed the country's successful return in the markets and helped Greek banks and businesses gain access to capital market funding.

Among the positive developments regarding the improvement of liquidity in the Greek economy, was the completion of the Comprehensive Assessment and stress tests performed by the European Central Bank on the four largest banks in Greece. The test results confirmed the capital adequacy of the system and increased the expectations for a gradual, modest easing of banks' credit policies, for the first time since the onset of the global financial crisis.

In the two-month period of October – November 2014 the rate of credit contraction to businesses slowed by one percentage point, reaching the levels of 3,6% - 3,8%. However, the banking system continued to face significant challenges, with first and foremost the need to address a large stock of non-performing loans. Consequently, credit expansion towards the real economy remained on negative grounds, impeding the recovery of economic activity.

Since October 2014 the economic and investment climate in Greece deteriorated markedly, as reflected in the steep rise of 10-year GGB yields to more than 9%. The increased concern of markets regarding the progress of structural reforms and fiscal consolidation in Greece, combined with a possibility of the country's early disengagement from the financial support program were factors that contributed to this development.

Delays in reaching an agreement regarding the review of the Greek Economic Adjustment Program, followed by the escalation of political uncertainty towards the end of the year had a negative effect in economic activity. The deterioration of economic sentiment, consumer confidence and lending terms for businesses, the gradual fall in of investment and the difficulties in the implementation of the state budget, were phenomena that marked the last weeks of 2014.

Throughout the year METKA continued to successfully implement its international contracts, while effectively handling the challenges created by the unstable environment in Middle East markets.

The company accelerated the execution of its projects abroad, achieving high operating margins and establishing its leading position in the global EPC market. It also managed to limit its exposure to the high-risk region of Iraq through an agreement with its partner, SEPCO III, which is now responsible for the execution of the project in Al-Anbar, while METKA has undertaken the provision of technical support on a fee basis.

In 2014 METKA confirmed its strategic objective to explore opportunities in the domestic market, focusing on infrastructure projects. A significant step in this direction was the official award of the €227 m. project by ERGOSE, for the construction of the Kiato – Rododafni railway line.

For one more year the high professionalism, expert know – how and commitment of its people remained a key contributing factor in METKA's successful activity, despite the continuing challenges of the external environment.

The joint effort of the company's management and employees is reflected in the results of the reference period.

More specifically, the Group's turnover for 2014 reached € 609,3 million compared to last year's € 606,5 million, while the Company's turnover for the same period mounted to € 549,0 million compared to last year's € 404,4 million.

The main factors which contributed to the Group's above course are :

a) The «Construction and commissioning of a 724 MW power plant» in Deir Azzour, Syria, with a contractual value of € 687 million, which in the period under review recorded a turnover of €121,0 million.

b) The «Construction and commissioning of a 590,726 MW open-cycle, three turbine, dual fueled power plant» in Hassi 'Rmel, Algeria, with a contractual value of € 154 million and 2.311 million DZD, which in the period under review recorded a turnover of € 101,0 million.

c) The continuation of the project «Construction of a thermal power plant station of 1250 MW» in Iraq, with a contractual value of \$401,2 million which in the period under review recorded a turnover of € 76,8 million.

d) The continuation of the project «Construction and commissioning of a 143 MW power plant» in Zarka, Jordan, with a contractual value of \$ 143 million and 11 million JOD, which in the period under review recorded a turnover of € 64,6 million.

e) The continuation of the project «Construction of a power plant station of 701 MW» in Deir Ali, Syria, with a contractual value of € 673 million which in the period under review recorded a turnover of € 52,3 million.

f) The «Construction and commissioning of an open-cycle, natural-gas fired, two turbine power plant of 368,152 MW» in Algeria with a contractual value of € 72 million and DZD 2.127 million, which in the period under review recorded a turnover of €44,2 million.

and g) The «Construction of 8 mobile generators of 179,72 MW» in Algeria, with a contractual value of \$66 million, which in the period under review recorded a turnover of €26,9 million.

The Group's and the company's gross profit margin reached 19,0 % and 18,8% respectively, while the EBITDA (earnings before interest, taxes depreciation and amortization) of the Group were € 103,9 million (17,05%). Accordingly the Company's EBITDA amounted € 88,8 million (16,17%).

The Group's net earnings after taxes and non-controlling stakes amounted to € 90,2 million, and Company's amounted to € 73,9 million.

The Group's net cash at hand at the end of FY 2014 reached € 283,87 million, a considerable increase, which despite the negative economic climate remain on a high level.

The financial position of the Group on December 31, 2014 continues to be satisfying and reflects its economic stability and its future perspectives. The total equity in December 31, 2014 amounted to € 508 million in comparison to the € 450 million of December 31 2013, demonstrating an increase by 12,9%.

It is the Group's policy to constantly assess its results and performance on a monthly basis, aiming to detect any deviations from its objectives and to adopt the required corrective measures timely and effectively. The Group assesses its performance by using financial performance indices, in particular:

- ROCE (Return on Capital Employed) – The index divides the earnings before taxes, financial, investment results and total depreciations with the total Group capital employed, which is the sum of the equity, plus the total borrowing obligations and the long term provisions.
- ROE (Return on Equity) – The index divides the earnings after tax by the Group Equity.
- EVA (Economic Value Added) – This index can be determined by multiplying the Capital Employed with the difference (ROCE – Cost of Capital) and is the amount by which the Group increases its

economic value. The Group uses the model of WACC "Weighted Average Cost of Capital" in order to calculate the Cost of Capital.

Index	2014	2013	2012
ROCE	20%	21%	20%
ROE	18%	20%	19%
EVA	91.813 thous.	82.358 thous.	76.130 thous.

The mean yield values of the Greek State Bonds during December 2014 were especially high and, therefore, not appropriate to be used in such an assessment.

For this reason, the European bond index iboxx AA Corporate Overall 10+ EUR indices was used as a basis for the estimation of the EVA index. Its mean yield for the same period was 1,55%.

B. Significant events of the year 2014

I. Projects continued in year 2014

A) EPC Projects

1. Power Plant Station of 724MW in Deir Azzour, Syria

The joint venture of ANSALDO – METKA (METKA acting as a leader) undertook for the account of the Public Establishment of Electricity for Generation (PEEG) the engineering, procurement, construction and commissioning of a natural gas power plant that generates power with natural gas fuel and diesel (auxiliary fuel), with nominal capacity of 724 MW in Deir Azzour, Syria.

The budget of the contract is € 687 million paid through a Letter of Credit which already has been opened in our company's name and confirmed in April 2012. The project's degree of implementation is approx. 26%.

2. Construction and commissioning of a 590,726 MW open-cycle, three turbine, dual fuel (natural gas/diesel) power plant in Hassi 'Rmel, Algeria

On 19/11/2013 METKA announced a new contract with Société Algérienne de Production de l'Electricité (SPE Spa which belongs to Sonelgaz Group, the biggest power supplier in Algeria), in a joint venture with General Electric. It is the fourth major project undertaken by METKA in Algeria, and highlights the company's

commitment towards establishing a strong presence in regional growth markets. The project concerns the engineering, procurement, installation and commissioning of a dual fuel (natural gas/ diesel) open cycle power plant, with three gas turbines and a total output of 590,726 MW at site conditions. The total contractual value for METKA is € 154 million plus DZD 2.311 million and the project's completion was 16.5 months.

Further to an agreement with the client, an extension of the contract was signed in 24/2/2015 with a new completion period of 30 months. The electromechanical works are in an advanced state and the commissioning works have already begun, in line with the new time schedule.

The project's completion is approx.. 57%.

3. Thermal Power Plant Construction of 1250 MW in Iraq

Further to a contract signed on 23/11/2011, METKA undertook on behalf of the Ministry of Electricity Republic of Iraq, the engineering, installation and commissioning of a thermal power plant of 1250MW, with General Electric turbine technology, in open cycle, natural gas fueled, in the area Basra of South Iraq.

The contract budget is \$ 401,2 million and the project's completion is approx.. 72%.

4. Power Plant Construction of 143 MW in Jordan

With the 16/12/2012 contract, METKA undertook on behalf of Samra Electric Power Co. (SEPCO) the expansion of an existing power station in Jordan, following a successful completion of the relevant tender.

The project in Zarqa, near the capital Amman, concerns the engineering, procurement, construction and commissioning of a 143MW expansion to an existing power plant, by the addition of a combined cycle plant, of Alstom technology, to the existing open cycle gas turbines.

The total contract value is US \$143 million and Jordanian Dinars 11 million.

The plant's commercial operation is expected in April 2015.

The project's completion is approx.. 93%.

5. Power Plant Station of 701 MW in Deir Ali, Syria

The joint venture of ANSALDO – METKA (METKA acting as a leader) undertook for the account of the Public Establishment of Electricity for Generation (PEEG) the engineering, procurement, construction and commissioning of a natural gas power plant that generates power with natural gas fuel, with nominal capacity of 701 MW in Deir Ali, Syria.

The execution of the project started in July 2010 following the opening of the Letter of Credit.

A 92% of the project has already been executed.

The contract price amounts up to € 673 million and, according to the updated timetable, the tests-commissioning are expected to be completed in the 4th trimester of 2015.

6. Construction and commissioning of a natural gas fired, open-cycle power plant, with two gas turbines, of 368,152 MW in Hassi 'Rmel, Algeria

On 14/05/2013 METKA announced a new contract with Société Algérienne de Production de l'Electricité (SPE Spa which belongs to Sonelgaz Group, the biggest power supplier in Algeria), in a joint venture with General Electric. It is the third major project undertaken by METKA in Algeria, and highlights the company's

commitment towards establishing a strong presence in regional growth markets. The project concerns the engineering, procurement, installation and commissioning of a natural gas fired, open cycle power plant, with two gas turbines and a total output of 368,152 MW at site conditions. The total contractual value for METKA is € 72 million plus DZD 2.127 million (approx.. € 92.8 million in total) and the time schedule is 29.5 months.

Due to delayed civil engineering works by the Client, there will be an extension of the time schedule.

The project's completion is approx. 54%.

7. Construction of a 775 MW power plant in Denizli, Turkey

Following successful entry of the Denizli CCPP 800MW plant into commercial operation already since June 2013 and resolution of all pending commercial and technical issues, the Provisional Acceptance Certificate (PAC) has been signed on April 24 2014. The turn-key EPC contract has been carried out by METKA S.A. and its fully owned Turkish subsidiary, Power Projects Ltd. The owner of the project is the joint venture RWE/Turcas Guney Elektrik Uretim A.S. The Denizli CCPP is the second natural gas after the Samsun CCPP state-of-the-art natural gas fired power plant of this size that METKA has built in Turkey on behalf of international investors. Both Plants combine the high efficiency and operational flexibility needed to serve effectively the Turkish electricity market.

METKA / Power Projects scope of the entire and complete engineering, procurement, construction, commissioning and put in operation the power plant, consisting mainly of two Siemens Gas Turbine generator sets type SGT5 – PAC 4000F and one Siemens Steam Turbine generator set type SST5 – PAC 5000 combined with two heat recovery steam generators and all associated Balance of Plant equipment. The cooling of the power plant's main equipment is performed by an Air Cooled Condenser.

8. SES Aliveri V, PPC project

Construction was completed within 2012 but commissioning was postponed due to lack of a natural gas supply. This was arranged in November 2012 and the works re-started. The project was completed in the first half of 2013. Its semi-commercial and commercial operation was completed within the second half of 2013, terminating also the guarantee period.

Final acceptance is pending and is expected within 2015.

9. HES Ilarion Hydroelectric Project, Small Ilarion and small Papadia

The project's timetable was modified so that its progress is aligned with the activities of the civil works performed by another contractor and PPC's reservoir filling program. The electromechanical erection has almost been completed and the station has entered into commercial operation in 2014. Final acceptance is pending and is expected within 2015.

10. Construction of a combined cycle, gas-fired power plant of 1.642,6 MW in Al-Anbar, Iraq

The project concerns the engineering, procurement, construction and commissioning of a combined cycle, natural gas fired power plant in Al-Anbar, Iraq, of a total output 1642,6 MW at site conditions. The project's total budget is USD 1.050 million and the time schedule is 32 months.

METKA managed to limit its exposure to the high-risk region of Iraq through an agreement with SEPCO III, which is now responsible for the execution of the project in Al-Anbar, while METKA provides support in project management issues.

Summarizing

The participation of the EPC Projects in the 2014 sales turnover amounts to € 546,5 million which corresponds to a 89,7%.

B) Defense Projects

1. Patriot production

The production of air defense systems Patriot PAC-3 for Raytheon Company is being continued.

Completed within 2014 was the production and delivery of defense systems for the Government of Taiwan. The contracting party was INTRACOM Defense Electronics under the agreement with the Raytheon Company and the project's main features were the manufacture of 42 semi-trailers and 39 launcher mechanics.

A fourth contract is also in progress which concerns defense systems for the government of Kuwait. The contracting party is INTRACOM Defense Electronics under an agreement with the Raytheon Company/IDS (Integrated Defense Systems) and the project's main features are the manufacture of 12 semi-trailers and 10 launcher platforms. Completion of delivery is expected within 2015. In December 2014, 4 semi-trailers & 3 launcher platforms had already been delivered.

2. Defined metal structures of the hull and turret for 62 LEOPARD 2A7 main battle tanks for the Middle East market

On 26/11/2013 METKA signed an industrial coproduction agreement with Krauss-Maffei Wegmann GmbH & Co. KG (KMW), Europe's leading manufacturer of highly protected wheeled and tracked military vehicles. KMW chose METKA to supply defined metal structures of the hull and turret for 62 LEOPARD 2A7 main battle tanks for the Middle East market. The value of the agreement adds up to 56,5 million euro and deliveries are expected to be concluded within 2016.

METKA and KMW have been business partners in producing LEOPARD 2HEL tanks for the Greek Army since 2003 when the two companies set the basis of their co-operation that included extensive know how transfer and substantial investments on highly sophisticated machinery in METKA's two factories in Volos. This new agreement is the result of the successful execution of the Greek program that qualified METKA as one of the very few companies that can perform such demanding fabrication works worldwide and, certainly, sets a milestone in their long-term cooperation, particularly with regard to preservation of jobs and know-how in Greece's Defense Industry.

Summarizing

The contribution of Defense projects to the 2014 turnover amounted to € 26,0 million corresponding to 4,3% of the total turnover.

C) Various Projects -Infrastructure

1. Construction of the road Kanavari – Thespion intersection – Dombrena (Korini) – Thisvi –Prodromos (with a Dombrena detour) 2nd phase

This is a project of 37 km roadwork in the provincial network of Voiotia prefecture.

Initial deadline was nine hundred (900) calendar days from the date of the contract (22/3/2012), and completion date was 08/09/2014. Due to both extended archeological findings during construction and changes in the initial road map, the project took a three month extension. The new completion date was 31/12/2104.

The project was completed in line with the new time schedule and delivered to the State. According to the terms of the initial contract, there is a 15-month guarantee-maintenance period starting from 1/1/2015.

The initial budget was € 17,2 million (VAT included). Due to change in the technical specifications, the new contractual budget decreased to € 16,9 million (VAT included) further to agreement with the Department.

The work was completed in line with contractual obligations and technical specifications, absorbing a 93,3% of the budget. This amount has been certified and fully paid to the project's Contractor.

D) Other Projects - Sales

In addition to the aforementioned projects, during 2014 the Group completed various projects (infrastructure, maintenance, machining, etc.)

Summarizing

Various Projects and other sales participated with € 36,8 million in the 2014 turnover representing a 6,0% of the total turnover.

II. New projects assigned to the Company in 2014

Construction of 8 mobile generators with total output 179,72 MW in Algeria

METKA announced on 13.2.2014 that its Turkish subsidiary Power Projects Sanayi İnşaat Ticaret Limited Şirketi (Power Projects Limited) signed a new contract with Société Algérienne de Production de l'Electricité (SPE Spa).

This is the fifth major project undertaken by METKA in Algeria, which shall be realized by a consortium of Power Projects Limited with General Electric. It concerns the engineering, procurement, construction and commissioning of eight (8) mobile gas turbine power generation units with a total output of 179,72 MW at

site conditions, to be installed at three (3) sites in Algeria. The total contractual value for Power Projects Limited is \$66 million.

The project was carried out on a fast-track basis. All units are in operation and the relevant provisional acceptance protocols were signed in September 2014.

«Construction of remaining infrastructure, permanent way, signaling-telecommanding, telecommunications and electrical engineering works for the tunnel facilities for the new railway line Kiato-Rododafni»

METKA announced on 11.9.2014 the contract for the project «Construction of remaining infrastructure, permanent way, signaling-telecommanding, telecommunications and electrical engineering works for the tunnel facilities for the new railway line Kiato-Rododafni». The total budget of the project is €273 million and is co-funded by the European Regional Development Fund (ERDF), under Priority Axis 2 of the Operational Programme “Accessibility Improvement” of the Greek NSRF 2007-2013 and is scheduled for implementation over a period of 24 months following the contract award date.

For the implementation of the project METKA will collaborate with the international company THALES, a global leader in the field of signaling and telecommanding, as well as with XANTHAKIS S.A., a Greek company specialized in railway superstructure works.

The Kiato-Rododafni railway line is part of the larger construction project for the new double railway line from Athens (SKA) to Patras and is considered an infrastructure project of significant importance, since upon its implementation it will be possible to connect the Peloponnese with the modern railway network of Athens. The New Double High-Speed Railway Line KIATO-PATRAS is the extension of the new ATHENS - KORINTHOS - KIATO Double High-Speed Railway Line, which will link the Greek Capital to Patras, the third largest economic centre of the country.

The Implementation of the project started immediately with the signing of the contract. According to the 3rd account of works (until January 2015) an amount of €8.7mil. has been certified as already executed works, whereas the amount received is € 4mil. that corresponds to the first two accounts of works.

Additional fuel for the 1250 MW power plant in Iraq

With the 23/11/2011 contract METKA undertook on behalf of the Ministry of Electricity Republic of Iraq, the engineering, installation and commissioning of an open cycle gas turbine power plant of 1250 MW capacity, with General Electric turbines, in the area Basra of Southern Iraq. Further to the client’s invitation and in order to optimize the unit’s flexibility, METKA undertook with the 12/06/2014 contract the engineering, installation and commissioning of equipment which will allow the Unit to operate also with HFO (Heavy Fuel Oil).

The contractual value is \$166,5 million.

III. Other important events in 2014

- **Decisions of the Regular General Assembly of 18/6/2014**

The annual Regular General Assembly of the company's shareholders took place on June 18 2014, and the following decisions, among others, were taken:

- a) Approval of the separate and consolidated financial statements for the period 01/01-31/12/2013.
- b) Distribution of a dividend € 0,3000 per share.
- c) Approval of a fee of € 3,6 million out of the 2013 profit, in line with article 24 of C.L. 2190/1920, for the BOD members for their services to the company.
- d) The General Assembly discharged the Board of Directors and the Auditors from any compensation liability regarding the activities carried out in connection with the financial year 2013.
- e) Election of a new BOD comprised of eleven (11) members which was established as a body on 18.06.2014 as follows:

1. Mr Ioannis Mytilineos, father's name George, mother's name Kyriaki, **Chairman and Managing Director – Executive Member;**
2. Mr George Ikonomu, father's name Alexandros, mother's name Charikleia, **Vice President – Executive Member;**
3. Mr Panagiotis Gardelinos, father's name Antonios, mother's name Nikolina, **Deputy Managing Director – Executive Member;**
4. Mr Christos Pantzikas, father's name Nikolaos, mother's name Ekaterini, **Executive Member;**
5. Mrs Ekaterini Donta, father's name Anastassios, mother's name Chryssanthi, **Executive Member;**
6. Mr Paul Smith, father's name Michael, mother's name Barbara, **Executive Member;**
7. Mr Antonios Papantoniou, father's name Nikolaos, mother's name Vassiliki, **Executive Member;**
8. Mr George Pallas, father's name Nikolaos, mother's name Eleftheria, **Non-Executive Member;**
9. Mr Filippos Zotos, father's name Evangelos, mother's name Kassiani, **Non-Executive Member;**
10. Mr Isosif Avagianos, father's name Andreas, mother's name Athina, **Independent Non-Executive Member;** and
11. Mr Nikolaos Bakirtzoglou, father's name Charalambos, mother's name Georgia, **Independent Non-Executive Member.**

According to article 3 par. 1 of law 3016/2002 relative to the corporate governance, the General Assembly appointed Messrs. Avagianos and Bakirtzoglou as independent members. The BoD's mandate is four (4) years and extended until the first General Assembly after its termination period without in any case surpassing five years. It also appointed the members of the Audit Committee as follows:

Mr Filippos Zotos, father's name Evangelos, mother's name Kassiani

Mr Isosif Avagianos, father's name Andreas, mother's name Athina, and

Mr Nikolaos Bakirtzoglou, father's name Charalambos, mother's name Georgia

C. Important events after 2014

In December 2014, METKA was announced as the bidder/temporary contractor in the DEDDHE project, construction of distribution networks DD-206 in 4 areas with a total budget of €20.650.000. The contract is expected to be signed within 2015.

Apart from the already mentioned there are no other important events from the end of 2014 until the present.

D. Perspectives for 2015

The recovery trend that was observed in 2014 created prospects of further acceleration during the present year, despite the fact that the contribution of important factors, such as investment and exports of goods is still lower than desirable. Based on the overall momentum created during the past year – and depending on the degree to which it is maintained – it is estimated that the Greek economy could possibly achieve a growth rate of more than 2% in 2015.

Two important external developments could positively contribute to the country's recovery effort. The falling exchange rate of the euro, as part of the ECB's policies, creates the ground for improved competitiveness of and increased external demand for Greek products and services. Falling energy prices can contribute in the same end, allowing reduced production costs.

However, the initial favorable outlook for 2015 can only be realized if certain conditions are met. The risks and uncertainties that have made their appearance since the beginning of the year are weighing on economic activity and are already stalling growth.

A critical factor regarding the course of the Greek economy in 2015 is the outcome of the ongoing negotiations with the country's lenders. Until this process is completed, a high level of reticence in the economy will be maintained, impeding financial decisions and creating new pressures on liquidity.

The restoration of a stable economic climate directly depends on the achievement and initiation of an agreement between Greece and its partners, which will secure the country's place in the euro zone and continue the provision of financial support, until it can sustainably finance its borrowing needs through the international markets.

The particular terms of the agreement will be of significant importance, in the degree to which they will allow its practical implementation and create improved conditions for the consistent increase of investment and growth.

The increase of domestic and foreign investment is a critical challenge, as its contribution to the country's GDP should almost double over the coming years, if Greece is to achieve the desirable growth rates. Securing stability, continuity, transparency and clear rules in the domestic economic environment, is a necessary prerequisite in order to drive investment which will boost economic activity, create jobs and

increase the national income. To this end, it will be critical to pursue further reforms in the country's tax system, with an aim of making it simpler, stable and more favorable for investment and extrovert business activity.

Despite the continuing uncertainties in the domestic and international environment, METKA is expected to continue on a positive course in 2015. The company will maintain its focus on EPC projects and on penetrating markets with strong energy needs. At the same time, it will continue to pursue the enhancement of its domestic projects' portfolio, capitalizing on the competitive advantages it has gained through the successful execution of demanding international projects, even in areas with an unstable political and institutional environment.

METKA will keep being driven by the clear strategy of dynamic and extrovert growth, which it has been successfully implementing during the previous years, through the common efforts of its Management and employees. Having as main advantages the experience, the expertise and the international prestige that it now enjoys, the company will continue to generate value for its shareholders, its customers and the national economy.

E. Risks and Uncertainties

The activities of the Group are subject to various risks and uncertainties, related mainly to the technical and timely completion of the projects and their performance according to the guaranteed values.

The Group is active in the Greek territory as well as in Middle East, Syria, North Africa, Turkey and countries of the European Union. Therefore, it is subject to currency exchange risk which may arise from the exchange rate of euros against other currencies (mainly USD). This kind of risk may arise from transactions in foreign currency or valuation of foreign currency reserves. In order to manage this kind of risk, the Group's Treasury takes care to safeguard the Group's reserves from changes in exchange rates. Concerning the company's transactions with foreign institutions, these are mainly with European Group of Companies transacting in euros, so there is no such risk.

Additionally, in order to control the currency risk in trade transactions, the Group's policy is to invoice in the same currency with its clients/suppliers.

The Group is not subject to significant market risks (fluctuations in the exchange rates, interest rates, market prices etc.), credit risk, foreign currency risk and liquidity risk. This is achieved through cooperation with reliable clients, recourse to short-term bank borrowing only when funding is deemed necessary, and invoicing mainly in the same currency with clients / suppliers.

According to Group's risk management policy, an evaluation of the risks related to its activities and operations, the planning of methodology, the selection of the suitable financial products for the reduction of risks and their implementation is performed in accordance with the process approved by the Management.

It should be noted however that the systems and risk management policies by default offer potential but not absolute safety, since although they are designed to limit the possibility of the relevant risks and their consequences, they cannot fully exclude them.

A potential major change in the global circumstances could create risks even with trustworthy clients.

Subsequently, the factors of the basic risks and uncertainties are analysed, as well as the policies for their management and their impact on the activities of the Group.

I. Credit Risk

The credit risk occurs when the inability of the contracting parties to settle their obligations could decrease the amount of the future cash inflows from financial assets at the date of the balance sheet. The Group is regarded as not having any significant concentrations of credit risk.

The Group implements procedures so as to ensure that its receivables result from customers with acceptable credibility and reviews regularly the aging of its receivables.

The fact that the Company is not exposed to significant credit risk from commercial receivables is due to the nature of the activities of the Group as well as its policy, which is directed towards the collaboration with big corporations of the Public Sector and reliable foreign corporations with high credit ratings.

The credit risk also exists in relation to the cash and cash equivalents, the investments and financial derivatives. The risk can result from weakness of the contracting party to meet its obligations towards the Group. The bank balances are retained in bank institutions with high credit ratings and the Company implements processes which minimize its exposure to credit risk in relation to each financial corporation.

II. Exchange Rate Risk

The exchange rate risk results from future commercial transactions and recognized assets and liabilities that are denominated in currency which is not the functional currency of the Company.

The Group is exposed to exchange rate risk due to transactions with customers and suppliers in foreign currency, the majority of which are in USD. Contracts in USD are the Iraq project as well as the projects in Jordan and the project for the construction of 8 mobile generators in Algeria.

The financial assets as well as the corresponding liabilities of the Group in foreign currency converted into Euros with the closing exchange rate are analysed as follows:

Amounts in thousands €	2014								2013							
	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Nominal Amounts																
Financial Assets	85.877	481	33	1.743	14.375	6.162	2.097	0	129.110	567	23	2.215	253	1.986	4.117	-
Financial Liabilities	(32.300)	(958)	(91)	0	(404)	(8.769)	(3.235)	(58)	(82.208)	(695)	(64)	-	(1.622)	-4.548	-2.513	(37)
Total	53.577	(477)	(58)	1.743	13.970	(2.608)	(1.138)	(58)	46.902	(128)	(40)	2.215	(1.369)	(2.562)	1.604	(37)
Short-term exposure	58.737	(477)	(58)	1.743	13.970	(2.608)	(1.138)	(58)	46.902	(128)	(40)	2.215	(1.369)	(2.562)	1.604	(37)

The table below shows the sensitivity analysis of the financial year's result and equity in combination with the financial assets and the financial liabilities at the exchange rate EUR/USD, EUR/GBP, EUR/RON, EUR/TRL, EUR/SYP, EUR/DZD, EUR/JOD and EUR/IQD. The table was prepared based on the scenario that there is a fluctuation at 31 December 2014 of the above exchange rates by 5% (2013: 5%). The effect on result and equity is as follows:

Amounts in thousands €	2014								2013							
	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Earnings before tax	2.679	(24)	(3)	87	699	(130)	-57	(3)	2.345	(6)	(2)	111	(68)	(128)	80	(2)
Equity	2.021	(18)	(2)	70	559	(106)	(49)	(2)	1.821	(5)	(1)	89	(55)	(104)	69	(1)

Amounts in thousands €	2014								2013							
	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Earnings before tax	(2.679)	24	3	(87)	(699)	130	57	3	(2.345)	6	2	(111)	68	128	(80)	2
Equity	(2.021)	18	2	(70)	(559)	106	49	2	(1.821)	5	1	(89)	55	104	(69)	1

In order control the exchange rate risk resulting from transactions with non-EU countries (mainly in US \$), the group treasury department signs currency pre-purchase contracts on behalf of the separate Group companies when this is deemed necessary.

III. Interest Rate Risk

It is the risk from the fluctuations in the financial assets and liabilities value due to changes of the interest rates. The Group is exposed to interest rate risk arising from short-term financing.

The total assets of the Group that are exposed to interest rate fluctuations relate mainly to cash and cash equivalents. The Group finances the projects using own funds in order to minimize the level of bank borrowing.

At 31 December 2014 the total borrowing of the Group relates to short-term borrowing in Euros. (Analytical table of short-term borrowing is in paragraph 25). Refer also to the following sensitivity analysis, where the sensitivity of result and equity is presented given a reasonable change of interest at a rate + 3% or – 3%.

Amounts in thousands €	31/12/2014		31/12/2013	
	3%	-3%	3%	-3%
Earnings before tax	(137)	137	(1,279)	1,279
Equity	(101)	101	(946)	946

IV. Market Price Risk

The Group is exposed in fluctuations in the value of raw and other materials purchased as well as changes in the value of portfolio investments due to uncertainty of their future prices.

The risk of fluctuations of the value of raw and other materials is limited as in major contracts that the Group enters into price readjustment clauses are included.

The market price risk regarding the portfolio of investments of the Group is considered limited, as the investments of the Group are mainly in Government bonds and they represent a very small portion of financial assets of Group.

V. Liquidity Risk

Liquidity risk is the risk that arises when the cash and cash equivalent assets are not adequate to meet the liabilities at their maturity date.

Liquidity risks is held at low level by maintaining adequate level of cash & cash equivalent and positive working capital, while there are also unused credit lines from banks to meet any cash requirements.

The Group manages its liquidity requirement by close monitoring of the level of liabilities, obligations and payments on a daily basis.

Liquidity risk is closely linked to the project performance and procurement risk, given the financial negative impact that may arise in case of failure to execute the project under the terms of the contract.

The table below analyses the Group's and Company's financial liabilities, based on the remaining period at the balance sheet date until the expiry of payables. The amounts shown in the table are the contractual undiscounted cash flows. Balances ending within 12 months equal to their book values, since the effect of discounting is not significant. Liabilities from construction contracts are not included due to the application of IAS 11.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2014	Group METKA				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	1,268	822	2,090
Short Term Loans	2,194	156	-	-	2,350
Leasing liabilities	-	-	-	-	-
Trade and other payables	83,729	5,355	13,773	-	102,857
Other payables	5,950	8,320	-	-	14,270
Total	91,872	13,832	15,042	822	121,567

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2013	Group METKA				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	1,268	1,135	2,403
Short Term Loans	7,092	160	-	-	7,252
Leasing liabilities	-	-	-	-	-
Trade and other payables	116,888	5,432	-	-	122,319
Other payables	4,407	-	-	-	4,407
Total	128,387	5,591	1,268	1,135	136,381

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2014	METKA S.A.				Total
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	
Long Term Loans	-	-	-	-	-
Short Term Loans	-	-	-	-	-
Leasing liabilities	-	-	-	-	-
Trade and other payables	82,893	5,355	13,773	-	102,022
Other payables	5,222	8,320	-	-	13,542
Total	88,115	13,676	13,773	-	115,564

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2013	METKA S.A.				Total
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	
Long Term Loans	-	-	-	-	-
Short Term Loans	4,840	-	-	-	4,840
Leasing liabilities	-	-	-	-	-
Trade and other payables	110,406	7,251	-	-	117,657
Other payables	10,907	-	-	-	10,907
Total	126,153	7,251	-	-	133,404

VI. Other risks and uncertainties

a) Project's performance and procurement risk

Possible risks which may arise from commercial transactions of Group is the delay in procurement of plant and equipment and the delay by subcontractors in the completion of construction work which may result in overall delay of the completion of the projects undertaken and therefore the imposition of penalties for breaching the contractual terms.

Due to the nature of its projects, the Group is exposed to risks related to the design, procurement, and commissioning of power plants. The risks are due to:

- Mechanical damages to equipment
- Unforeseen construction circumstances
- Delays due to bad weather
- Unforeseen cost increases of material and equipment

Due to the Group's long – standing experience, the strict selection of sub-contractors and suppliers, the Audit Division and the quality assurance of these, is not exposed to major risks regarding the proper implementation of works and supplies that assigns. In addition, guarantees are required from co-suppliers, in the form of bank assurance (performance, supply materials, etc.).

b) Insurance Risk

The insurance risk arises from the Company's activities and is associated with various events, including accidents, injuries, damage in equipment and force majeure events. All of the above events are most likely

to cause delays and in worst-case cease of work. Any such developments would hinder the financial position and results of the Group.

In order to address the above risks, the Group proceeds to the 100% insurance against such risks to cover the total value of projects and activities with all-risk insurance policies (Erection All Risks & Construction All Risks), including civil liability, employer liability, machinery, vehicles etc to renowned international insurance firms.

However, the existing insurance policies cannot always fully cover possible damages from unexpected events such as natural disaster, war or terrorist attacks.

c) Risks arising from geopolitical factors

Apart from the Group's activity in Syria, there is no foreseeable risk for the Company due to geopolitical factors. Concerning the activity in Syria, it should be clear that METKA is not subjected into investor's risks but to the risks of a manufacturer with assured funding and confirmed credit. Nevertheless, the postponement of works for a certain period, the necessity for extremely high safety measures, our extended presence in the Project, the increased freight and insurance charges, and the extraordinary, in general, conditions under which the Project continues today, have increased significantly the cost although not to a degree which hinders its continuation, expecting of course a compensation from the client for all proven over-expenses which are imposed to us for reasons outside our responsibility.

d) Dividend Policy

Regarding the distribution of dividends, the Company's management, after taking into account, inter alia, the uncertain market conditions, the tight financing policy of businesses by the banks, and aiming to enforce the Group's available cash in order to self-finance the planned growth in 2015, proposes the distribution of a dividend equal to € 0,5000/share, as against € 0,3000/share in 2013. The proposed distribution is subject to the approval of the Regular General Assembly of the Shareholders.

e) Group's structure and consolidation method

Apart from the parent Company, Group subsidiaries that are included in the consolidated financial statements with the method of full consolidation are:

Company	Headquarters	Participation Percentage	Participation	Method of consolidation
GREEK STEEL INDUSTRY S.A. (SERVISTEEL)	VOLOS	99,98	Direct	Full consolidation
ELEMKA	MAROUSI, ATTIKIS	83,50	Direct	Full consolidation

Drosco Holdings Limited	NICOSIA, CYPRUS	83,50	Indirect	Full consolidation
Bridge Accessories & Construction Systems	MAROUSI, ATTIKIS	62,625	Indirect	Full consolidation
METKA BRAZI SRL	BUCHAREST, ROMANIA	100,00	Direct	Full consolidation
Joint Venture METKA – TERNA	ATHENS, ATTIKIS	10,00	Direct 10%	Equity Method
POWER PROJECTS	Istanbul Turkey	100,00	Direct 99% Indirect 1%	Full consolidation
Joint Venture ATERMON -EKME – TMUCB-METKA SA	MAROUSI, ATTIKIS	10,00	Direct	Equity Method
MYTILINEOS FINANCIAL PARTNERS SA	Luxembourg	25,00	Direct	Equity method

It is noted that Group's consolidated financial statements are consolidated in the consolidated financial statements of ultimate parent company MYTILINEOS S.A., located in Greece and possesses the 50,0% of the Group.

f) Own Shares

As in the previous years, the Company and its subsidiaries did not purchase any of its own shares during the financial year of 2014. There are no parent company shares at the end of the period under review which are possessed by the parent or its subsidiaries.

g) Transactions with related parties

According to IAS 24 related parties are subsidiaries, companies with common ownership and /or administration of the company, relatives of company as well as the parent company and subsidiaries of the parent company, in addition the members of the Board and Administrative executive members of the company. The company receives goods and services by the related parties, while also it supplies the same goods and services to them.

The transactions and balances of fiscal year 2014 are as follows:

Amounts of closing period 2014

Amounts in thousands euro

Subsidiary	Sales of goods and services	Purchases of goods and services	Receivables	Payables
POWER PROJECT	1,989	-	1,016	-
ELEMKA S.A.	-	14.358	4,901	5,222
GREEK INDUSTRY S.A. (SERVISTEEL)	-	1,387	-	-
AFFILIATED				
PROTERGIA S.A.	-	-	90,085	-
MYTILINEOS HOLDINGS	-	6,008	-	-
KORINTHOS POWER	4,761	-	20,040	-
MYTILINEOS FINANCIAL PARTNERS	1,719	-	29,066	-
AMIOXA S.A.	-	2,612	-	-

Clarifications concerning the above transactions:

Transactions with the above companies are on a strictly commercial basis. The Group is not involved in any transaction or unusual nature of content that is substantial for the Group or companies and individuals closely associated with it and it is not intended to engage in such transactions in future.

None of the transactions include special terms and conditions.

H) Information of para.7 and explanatory report of para. 8 to the Regular General Shareholders' Assembly of METKA S.A. pursuant to article 4 of Law 3556/2007

According to article 4 para.7 of law 3556/2007, the Company is obliged to publish in the present BoD report detailed information pertaining to the issues below as well as an explanatory report on the additional information of article 4 para.7 of law 3556/2007, according to the stipulations of para.8 of article 4 of law 3556/2007. The explanatory report concerns the developments related to the information of para.7 of law 3556/2007, for the fiscal year under review.

I. Structure of the Company's share capital

The share capital of the Company amounts to €16.624.192, divided into 51.950.600 common shares with par value of €0,3200 per share and one voting right each. The shares of the Company are listed on the Securities Market of the Athens Exchange.

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid share value corresponds. Each share entitles all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

- The right to dividend on the annual profits or liquidation profits of the Company. A percentage of 35% of the net profits following deduction only of the statutory is distributed from the profits of each year to the shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. The General Meeting determines the dividend. Dividends are entitled to each shareholder who is registered in the Shareholders' Register held by the Company on the date of approval of the financial statements by the Regular General Shareholders' Meeting. The dividend for each share is paid to its holder within ten (10) working days from the date on which the Ordinary General Meeting approved the annual financial statements according to the announced schedule of intended actions for 2015. The payment date and the payment method of the dividend are released through the Press. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of five years from the end of the year during which the General Meeting approved the distribution of the aforementioned dividend. It is noted that from the above mentioned amount, a tax is applicable and it is withheld in the favour of the Greek Tax Authorities.
- The right to reclaim the amount of someone's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved by the General Meeting.
- The right of pre-emption at every increase of the Company's share capital via cash payment and the issuance of new shares.
- The right to request a copy of the annual financial statements, the report of the Board of Directors and the report of the Company's Auditors.
- The right to participate in the Company's General Meeting which is analysed to the following rights: legitimacy, presence, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.
- The General Meeting of Company's Shareholders retain all its rights during the winding up (according to paragraph 4 of article 38 of the Articles of Association).

The shareholders' liability is limited to the nominal value of the shares held.

II. Restrictions on transfer of Company shares

The transfer of Company shares is performed as provided by the Law and the Athens Exchange's regulation. The Articles of Association sets no restriction on the transfer of shares.

III. Significant Direct / Indirect holdings according to Law 3556/2007

The Shareholders (individuals or legal entities) that hold directly or indirectly more than 5% of Company's shares on December 31, 2014, are presented in the table below.

COMPANY	%
MYTILINEOS S.A. – GROUP OF COMPANIES	50,00% plus one stock
KAS DEPOSITORY TRUST COMPANY (NETHERLANDS)	5,50%

IV. Shares conferring special control rights

None of the Company's shares provide special rights of control to their holders.

V. Restrictions on voting rights

No restrictions on voting rights emanate from the Company shares according to the Articles of Association.

VI. Agreements among Company's shareholders

The Company is not aware of any agreements among shareholders, which would result in restrictions on the transfer of the Company's shares or in the exercise of the voting rights stemming from such shares.

VII. Rules governing the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association.

The rules set out in the Articles of Association of the Company on the appointment and replacement of members of the Board of Directors and the amendments of the provisions of the Articles of Association do not differ from those envisaged in Codified Law 2190/1920 as amended by Law 3604/2007.

VIII. Responsibility of the Board of Directors for the issuance of new shares or acquisition of own shares

A) According to the provisions of article 13 par. 1 item b) and c) of C.L. 2190/1920 and the article 5 of the Articles of Association, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting that is subject to the publicity announcements of article 7b of C.L. 2190/1920, to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at least two thirds (2/3) of its total members. In this

case, Company's share capital may be increased by no more than the share capital amount paid up on the date when the Board of Directors was granted such power by the General Meeting, This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five years per instance of renewal.

B) According to the provisions of article 13 par. 9 item b) of C.L. 2190/1920, the General Meeting may establish a stock option plan for the members of the Board of Directors and Company's staff, in accordance with the specific terms of such decision. The decision of the General Meeting defines, in particular, the highest number of shares to be issued, which may not exceed, by law, the 1/10 of the existed shares, if the beneficiaries exercise their stock option right, the price, and the terms of share distribution to beneficiaries.

The Board of Directors regulates by resolution any other detail not otherwise regulated by the General Meeting, issues stock options certificates and shares for the entitled persons, who exercise their options, increasing the share capital accordingly and certifying such increase in December of every year.

IX. Significant agreement come in force is amended / terminated in the event of a change in the control of the Company following a public offer

There are no agreements which come in force, are amended or terminated in the event of change in the control of the Company following a public offer.

X. Significant agreement between the Company and the members of the Board of Directors or of the employees

There is no agreement between the Company and the members of the Board of Directors or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer. The provisions formed for retirement compensations as a result of the provisions of the L.3371/2005, amounts to € 801.700 on 31.12.2014 for the company (and € 932.075 at Group level).

H. Corporate Governance Declaration

This is a declaration of conformity of the Company with the provisions of article 2 of law 3873/2010 pertaining to:

1.1 Conformity of the Company with the Corporate Governance Code

Our Company conforms with the policies and practices adopted by the "Corporate Governance Code for Listed Companies" (henceforth the "Code") which is published in the Association of Hellenic Industries' site.

1.2 Deviation from the Code's special practices

The Company's practices, applied according to its Statutes, its Internal Regulation and Ethical Code, deviate from the Code's special practices at the following points:

- i. According to the Company's current Statutes, the BoD is comprised of five to eleven members instead of seven to fifteen anticipated by the Code (article 2.1). The Company re-examined its structure, organization and operation, and decided that not to adopt this practice of the Code.

- ii. There is no committee for the designation of candidatures for the BoD positions (article 5.5). Given that this committee is not imposed by law and our Company applies strict criteria to the selection of candidatures, it reserves the right not to establish such a committee and shall examine the possibility of applying a generally accepted methodology and process to this end.
- iii. The company's Statutes do not anticipate a process of electronic voting or voting through mail by the shareholders of the General Assembly (Part II. Article 1.2.). The company expects the issue of relevant ministerial decisions in order to implement this procedure.
- iv. The Remuneration Committee hasn't yet been established since it is not considered necessary given the company's structure and operation. Our intention is, however, to establish such a committee in order to conform with article 1.6 part C of the SEV code.
- v. The head of the Auditing Committee is not an independent non-executive member but simply a non-executive member. Given that the composition of the Auditing Committee does not violate the provisions of law 3693/25.08.2008, our company does not intend to reform the Auditing Committee before the end of its mandate.
- vi. There is no diversity policy pertaining to the composition of the BOD and the top management executives, as well as a gender representation percentage.

2. The General Assembly and Shareholders' Rights

2.1 Operation of the General Assembly and its main authorities.

2.1.1 The General Assembly of the Shareholders is the highest authority of the Company which decides for any corporate issue and judges all matters subjected to it. More specifically, the General Assembly exclusively decides for:

- a) modifications of the Articles of Association,
- b) Auditor election,
- c) approval or change of the balance sheet and the annual financial statements of the Company,
- d) distribution of annual profit,
- e) merging, split, modification, revival of the Company,
- f) conversion of the Company's shares to nominal,
- g) extension or short cut of the Company's duration,
- h) the Company's winding up and the appointment of liquidators,
- i) BoD members' election

2.1.2 The decisions of the General Assembly are mandatory for absent shareholders or shareholders who disagree.

2.1.3. The General Assembly of the Shareholders is summoned by the Board of Directors and meets regularly at the Company's headquarters at least once annually and always within six months from the ending of the

fiscal year. The Board of Directors may also summon an extraordinary meeting of the Shareholders when needed. In special situations, the General Assembly may session in another domestic place, following a permission by the Minister of Commerce which should detail the terms under which permission is granted. This permission is not required when are present or represented all shareholders in the Assembly and none objects to session and take decisions.

2.1.4 The General Assembly, excluding Repeated Assemblies and simulations, is summoned at least twenty (20) days before the date of the session (including non-working days). Not counting are the day of publication of the invitation and the day of the session. The invitation of the shareholders to a General Assembly should include the date, day, time, and place of the Assembly, the agenda, the shareholders who have a right to participate, as well as precise instructions about the way in which the shareholders may participate to the assembly and exercise their rights in person or through a representative or even remotely. An invitation is not required in case all shareholders are present or represented and none objects to session and take decisions.

2.1.5 The General Assembly is in quorum and valid to session on the agenda when are present or represented shareholders who comprise at least one fifth (1/5) of its share capital. If no quorum is achieved the General Assembly is repeated twenty (20) days from the cancellation date, following an invitation at least ten (10) days before. This repetitive meeting may validly session on the original agenda not taking into account the portion of the share capital represented.

2.1.6 The decisions of the General Assembly are taken with an absolute majority of the votes represented. However, in case of decision concerning a) Company nationality change b) change of Company headquarters c) change of purpose or objective of the Company d) conversion of the Company's shares to nominal e) shareholder additional obligations f) share capital increase or imposed by law or through capitalization of reserves or share capital decrease, unless effected according to para.6 of article 16 of C.L.2190/1920, g) issuance of bond loan pursuant to the provisions of articles 3a and 3b C.L. 2190/1920 as currently valid, h) change of profit distribution, i) merging, split, modification, revival of the Company, j) extension or short cut of the Company's duration, k) the Company's termination, l) authority or renewal of authority to the BoD for share capital increase according to para.1 of article 6 of the Articles of Association, and m) any other case which according to law the quorum of this paragraph is required, the General Assembly is in quorum and may validly session on the agenda when are present or represented shareholders which comprise two thirds (2/3) of the share capital.

2.1.7 Temporary president in the General Assembly is the BoD's president, or its deputy, who appoints as Secretary one of the present shareholders or representatives, until the General Assembly certifies the shareholders' list who are entitled to participate and elects the chair. The chair consists of the President and the Secretary who is also the teller.

2.1.8 The discussions and decisions of the General Assembly are limited to the agenda. The agenda is prepared by the BoD and includes the BoD's proposals to the Assembly as well as any proposals of auditors or shareholders who represent 1/20 of the share capital. The discussions and decisions of the General Assemblies are recorded in a special book (proceedings) and the relevant proceedings are signed by the Assembly's President and Secretary. At the beginnings of the proceedings the list of the present or represented shareholders is recorded. Following a shareholder's demand the President of the Assembly is obliged to record in the proceedings the opinion of the shareholder who made the demand. If only one (1)

shareholder is present in the General Assembly, a notary must be also present in order to sign the session's proceedings.

2.2 Shareholders' rights and their exertion

2.2.1 Participation and voting right

2.2.1.1 Shareholders exert their rights towards the management of the Company, only in the General Assemblies and according to law and the Articles of Association. Each share offers the right of one vote to the General Assembly, taking into account the requirements of article 16 of C.L. 2190/1920, as is currently valid.

2.2.1.2 Right to participate in the General Assembly has any shareholder appearing in the files of the Dematerialized Securities System of the «Hellenic Stock Markets S.A.», in which the Company's shares are kept. To prove his attribute, the shareholder must bring a relevant written certificate from the aforementioned authority or, alternatively, this can be done through a direct link of the Company with the files of the authority. The shareholder's attribute should exist at the record date which is five (5) days before the General Assembly and the relevant confirmation/certificate or electronic confirmation should reach the Company latest three (3) days before the General Assembly.

2.2.1.3 Right to participate and vote to the General Assembly have only the confirmed shareholders at the record date. In case of non-conformity to the provisions of article 28a of C.L. 2190/1920, the shareholder may participate in the General Assembly only following a permission from the Company.

2.2.1.4 The exertion of the above rights (participation and vote) does not require a freezing of the beneficiary's shares neither the application of any other relevant procedure which limits the share transfer and sale in the period between the record date and the General Assembly date.

2.2.1.5 The shareholder participates in the General Assembly and votes either in person or through a representative. Each shareholder may appoint up to three (3) representatives. Legal entities may participate in the General Assembly through the designation of up to three (3) individuals. However, if the shareholder possesses shares appearing in more than one share account, this limitation does not prevent the shareholder to appoint different representatives for each share account in the General Assembly. A representative who represents more than one shareholders may vote differently for each shareholder. The shareholder's representative is obliged to notify the Company, before the General Assembly starts, any specific event which may be useful to the shareholders in order to assess the risk of the representative operating on behalf of other parties apart of the shareholder. In the context of this paragraph, there may be an interest conflict, especially when the representative:

- a) is a shareholder who controls the Company or any other legal person or entity controlled by this shareholder,
- b) is a member of the BoD or the Company's management or a shareholder controlling the Company or other legal person or entity controlled by a shareholder who controls the Company,
- c) is an employee or chartered auditor of the Company or a shareholder who controls the Company or other legal person or entity controlled by a shareholder who controls the Company,
- d) is a spouse or first degree relative with one of the individuals mentioned above in cases (a) to (c).

The appointment or removal of the shareholder's representative is made through a written document and notified to the Company at least three (3) days before the General Assembly.

2.2.2 Other shareholder rights

2.2.2.1 Ten (10) days prior to the Regular General Assembly, each shareholder can take from the Company copies of its annual financial statements, and the BoD and auditor reports. Those documents must be timely supplied from the BoD to the Company's office.

2.2.2.2 Following a request by shareholders representing one twentieth (1/20) of the paid share capital, the Board of Directors is obliged to summon a Special General Assembly, designating a session date within forty five (45) days from the date that the request reached the President of the BoD. The request should include the item of the agenda. If the Board of Directors does not summon a general assembly within twenty (20) days after the relevant request, the shareholders who asked for it conduct it on their own, with the expenses charged to the Company, and following a decision of the Court of first instance in the area of the Company's headquarters, issued during the procedure of injunction. This decision details the time and place of the session, as well as the agenda.

2.2.2.3 Following a request by shareholders representing one twentieth (1/20) of the paid share capital, the Board of Directors is obliged to include in the agenda of the General Assembly additional items, provided that the request reaches the BoD at least fifteen (15) days before the date of the General Assembly. It is the BoD's responsibility to publish or disclose additional agenda items, according to article 26 of C.L. 2190/1920, at least seven (7) days before the General Assembly. If the items are not made public, the shareholders who requested them have the right to ask for a postponement of the General Assembly according to para. 3 of article 39 of C.L. 2190/1920 and make themselves the publication, on the expense of the Company and according to the previous paragraph.

2.2.2.4 Following a request by shareholders representing one twentieth (1/20) of the paid share capital, the Board of Directors supplies the shareholders, according to article 27 para. 3 of C.L. 2190/1920, at least six (6) days before the date of the General Assembly, decision drafts for items included in the original or revised agenda, provided that the request reaches the BoD at least seven (7) days before the date of the General Assembly.

2.2.2.5 Following a request by any shareholder handed to the Company at least five (5) days before the General Assembly, the Board of Directors is obliged to supply the General Assembly with all specific information for the Company's affairs, insofar as they are useful for assessing the agenda items.

2.2.2.6 Following a request by shareholder(s) representing (1/20) of the paid share capital, the President of the Assembly is obliged to postpone only once the decision-making for all or selected items of the Special or Regular General Assembly, designating another day as in the shareholders' request, provided that it is no more than thirty (30) days from the postponement day. The new General Assembly is actually a continuation of the previous one and there is no need to publish an invitation. New shareholders can participate to the continuation of the General Assembly according to articles 27 para.2 and 28 of C.L. 2190/1920.

2.2.2.7 Following a request by shareholder(s) representing (1/20) of the paid share capital, handed to the Company five (5) full days before the Regular General Assembly, the Board of Directors is obliged to announce at the General Assembly the amounts which were paid during the last two years by the Company for any reason to its managers or other employees, as well as any other Company contract which was made for any reason with the same persons. Also, following a request by any shareholder handed as above, the BoD is obliged to supply the specific information asked, concerning the affairs of the Company, insofar as they are useful in order to assess the agenda items. The BoD may deny the disclosure of information for any

fair cause, recording the relevant rationale in the proceedings. Such a cause may be on certain occasions the representation of the requesting shareholders in the Board of Directors according to para.3 or 6 of article 18 of C.L. 2190/1920.

2.2.2.8 Following a request by shareholders representing 1/5 of the paid share capital, handed to the Company within the time limit of the previous paragraph, the Board of Directors is obliged to provide the General Assembly information concerning the course of corporate affairs and the property of the Company. The BoD may refuse to disclose the requested information for a substantial cause, recording the rationale in the proceedings. Such a cause may be on certain occasions the representation of the requesting shareholders in the Board of Directors according to para.3 or 6 of article 18 of C.L. 2190/1920, provided that the BoD members have received adequate relevant information.

2.2.2.9 Following a request by shareholders representing one twentieth (1/20) of the paid share capital, the decision for any agenda item is made through roll-call vote.

2.2.2.10 Shareholders representing one twentieth (1/20) of the paid share capital, have the right to ask for a Company audit addressing the local Court of first instance which judges according to the procedure of voluntary jurisdiction. The audit is imposed if there is possibility of acts against the law or the Statutes or the decisions of the General Assembly.

2.2.2.11 Shareholders representing one twentieth (1/5) of the paid share capital, have the right to ask for a Company audit addressing the Court of the previous paragraph, if there is evidence that the corporate affairs administration does not operate in a moral and sensible way. This provision is not applied if the minority which requests the audit is represented in the Company's BoD.

3. Board of Directors and Committees

3.1 The Board of Directors is the administrative instrument of the Company. It is responsible for the management (administration and distribution) of the corporate property and its representation aiming to amplify its financial value and performance, and defend the corporate interests.

The Board of Directors meets regularly (at least once in a month), and specially depending on the urgency of the affairs and the need for decision-making. At the regular meetings, all members of the BoD are usually present. **Up to now there hasn't been a case when the BoD did not make a decision due to unreachd quorum. More specifically, during 2014 ninety (102) meetings** of the BoD were realized. The attendance of each BoD member is shown in the following table:

NAME	TOTAL MEETINGS DURING HIS MANDATE	MEETINGS HE ATTENDED IN PERSON	MEETINGS HE ATTENDED THROUGH REPRESENTATIVE
Ioannis Mytilineos, son of George (President and Managing director)	102	102	-
George Economou, son of Alexandros (Vice-President Executive)	102	102	-

member)			
Panayiotis Gardelinos, son of Antonios (Deputy Manager Director - Executive member)	102	102	-
Christos Pantzikas, son of Nikolaos (Executive member)	69	69	-
Aikaterini Donta, daughter of Anastasios (Executive member)	69	69	-
Paul Smith, son of Michael (Executive member)	69	69	-
Antonios Papantoniou, son of Nikolaos (Executive member)	69	69	-
George Pallas, son of Nikolaos (Non-executive member)	102	102	-
Filippos Zotos, son of Evangelos (Non-executive member)	102	102	-
Iosif Avagianos, son of Andreas (Non-executive independent member)	102	102	-
Nikolaos Bakirtzoglou, son of Haralambos (Non-executive independent member)	102	102	-

3.2 The **Auditing Committee** meets regularly at least once every trimester or especially if the members need to be informed about an issue and make a decision. The following table shows each member's attendance in 2014:

NAME	MEETINGS DURING HIS MANDATE	MEETINGS WHICH HE ATTENDED IN PERSON	MEETINGS WHICH HE ATTENDED THROUGH A REPRESENTATIVE
George Pallas (Non-executive member)	2	2	-
Filippos Zotos (Non-executive member)	2	2	-

member)			
Nikolaos Bakirtzoglou, (Independent non-executive member)	4	4	-
Iosif Avagianos (Independent non-executive member)	4	4	-

3.3 The main authorities of the Board of Directors according to the Articles of Association and the Internal Operation Regulation of the Company are the following:

- To define strategies, including the sale of shares or their distribution in other ways, the acquisition of any company or proposal to the General Assembly for merging the Company,
- To adopt and apply a general policy based on the proposals of the General Managers and Managers of the Company,
- To manage and dispose corporate property and represent the Company in Court or extra judicially,
- To draw up the annual budget and business plan of the Company, to designate and achieve performance goals, to monitor the Company's course and control large capital expenses,
- To conduct full and effective internal control in all the activities of the Company,
- To monitor the effectiveness of the Corporate Governance principles, based on which the Company operates and, if required, make the necessary changes,
- To define a strategy and manage the Company's business risks,
- To select, utilize, and develop the managing executives of the Company and designate their fee policy,
- To appoint an internal auditor and designate his fee,
- To designate the accounting principles followed by the Company,
- To brief the General Assembly of the Shareholders,
- To draw up the annual reports which contain in detail the company's transactions with affiliates according to article 42e para. 5 of the current C.L. 2190/1920.

The rules for representing and binding the Company are designated with special decisions of the Board of Directors.

3.4 The Auditing Committee's main duty is to monitor the financial information procedure, to monitor the effective operation of the internal audit system and the risk management system, as well as to monitor the operation of the internal auditors' Management of the audited entity, to monitor the progress of the mandatory audit of the company and consolidated financial statements, to overview and follow issues pertaining to the existence and conservation of the objectivity and independence of the legal auditor or auditing office, to accept the mandatory reports of the legal Company auditors pertaining to any issue relevant to the course and results of the mandatory audit, as well as to follow the drawing up and receive a possible special report of the legal auditors with the weaknesses of the internal audit system and,

especially, the weaknesses in procedures concerning the financial information and compilation of financial statements.

The matters discussed in the Auditing Committee during 2014 are shown in the following table:

MEETING DATE	AGENDA
13/01/2014	Briefing and filing the report for the audits during the fourth trimester of 2013
11/04/2014	Briefing and filing the report for the audits during the first trimester of 2014
25/07/2014	Briefing and filing the report for the audits during the second trimester of 2014
7/10/2014	Briefing and filing the report for the audits during the third trimester of 2014

3.5 According to the Articles of Association, the BoD consists of seven (7) executive members, and four (4) non-executive two of which are independent non-executive. The BoD's composition is as follows:

NAME	STATUS
Mytilineos John, son of George	President and Managing Director - Executive Member
Economou George, son of Alexander	Vice-president - executive member
Gardelinos Panayiotis, son of Antonios	Deputy Managing Director - Executive Member
Christos Pantzikas, son of Nikolaos	Executive Member
Aikaterini Donta, daughter of Anastasios	Executive Member
Pallas George, father's name Nikolaos	Non-executive Member
Zotos Filippas, father's name Evangelos	Non-executive Member

Bakirtzoglou Nikolaos, father's name Haralambos	Non-executive Independent Member
Avagianos Iosif, father's name Andreas	Non-executive Independent Member

The executive members deal with everyday administration issues of the Company and monitor the implementation of the BoD's decisions. The non-executive members are responsible for monitoring the implementation of the BoD's decisions and special Company departments appointed to them by the BoD. Independent non-executive members are the ones who do not have any business activity or other commercial relation with the Company which could affect their independent judgment. In this context, a person is not considered independent member of the BoD when: (a) has a business or other type of relation with the company or an affiliate as described in article 42e para.5 of C.L. 2190/1920, which by its nature affects substantially its business activity and especially when he is an important goods or services supplier or a main company client, (b) is the President or General Manager of the company or the same in an affiliate company (executive member) and according to article 42e para.5 of C.L.2190/ 1920, or has an employment relationship or receives a wage from the company or its affiliates, (c) has a family relationship up to the second degree or is married to an executive BoD member or manager or major shareholder of the company or its affiliates according to article 42e para.5 of C.L. 2190/1920, (d) has been appointed according to article 18 para.3 of C.L.2190/1920. The independent non-executive BoD members can file separate reports to the General Assembly. Their presence in a BOD session is not obligatory when there are other members representing and acting on behalf of the minority Shareholders.

3.6. The BoD in force has been elected by the General Assembly of 18.06.14, its service lasts for four years, and may be extended until the first General Assembly following its termination, but not surpassing the fifth year. It consists of seven executive and four non-executive members, two of which are independent non-executive members.

3.7 The executive members of the BoD apart from their work in the Company may all be professionally active in their specific areas of expertise provided that this does not create an interest conflict with the company. Otherwise, an approval is needed by the General Assembly of the shareholders.

3.8 The Company has adopted a policy and principles for formulating the remuneration of executive board members and a method of performance evaluation and calculation of the variable remuneration of the Board for the payment of their salaries.

4. Risk management and internal audit

4.1 Information regarding risk management and internal audit:

I. Main element description of the risk management and internal audit systems

a. Risk factors

The Group faces a number of risk factors in the business sectors of its activity. Its exposure in these risk factors may affect its operation, its financial situation or its operating results. The following, additionally to the risks presented in other parts of the Group's annual operation statement, are the main risks factors which could affect substantially the results and the financial situation of the Group.

Market risk

The global economic situation continues to fluctuate. The Group is exposed to risks from fluctuations in the general economic and financial environment, as well as in the purchase of raw and auxiliary material.

During 2014 and 2013, the Group took on a series of actions on order to counterbalance its exposure to market risks, improve cost structure, and safeguard its cash flow.

Those were mainly:

- Risk compensation from exposure in €/€ exchange fluctuations through the use of derivative products.
- Application of property optimal exploitation programs and cost reduce programs.
- Work-out of production improvement plans.

Non-realization of expected long-term benefits from productivity and cost reduce initiatives

The Group has taken, and continues to take, initiatives in the areas of productivity and cost reduction in order to improve performance and reduce the total production cost. There are always possibilities those actions or the calculated savings not to be realized in full, and this may be due to circumstances out of the Group's control.

Political, Legal, and Regulatory matters

The Group may be affected from unfavorable political and regulatory developments related to its activity in EPC projects in countries outside Greece.

Informatics Security

The Group's business processes are supported from various software packages and information processing systems. Nevertheless, one can never fully exclude the possibility of unavailability of the information systems or data safety hacking.

The Group lessens those risks by applying high safety standards and taking measures in order to achieve and assure the availability, reliability, confidentiality, and traceability. Additionally, and in order to control safety risks, the Group invests regularly into software and equipment upgrades, conducts periodic internal and

external audits through international consultant groups, and generally applies continuous progress processes.

Risks related to EPC projects

The Group is contractually exposed to risks related to mechanical and electrical design, procurement, construction and ready-for-operation delivery of energy facilities in the agreed price. The aforementioned risks mainly relate to cost excesses concerning:

- Unforeseen cost increase of raw materials and equipment
- Equipment damages or mechanical faults
- Unforeseen conditions during construction
- Delays due to extraordinary weather conditions
- Performance faults or supplier/sub-contractor weaknesses
- Additional works required by the client or due to client's delay to supply timely information pertaining to the design of the mechanics of the project.

In cases where additional time or extra costs are involved due to the client's responsibility, the Group negotiates a pecuniary compensation.

The Group's main advantage is its people. Therefore, any inability to maintain its workforce or approach and gain new, proficient employees in order to develop its know-how could affect its current or future performance.

METKA's success in this area depends in its ability to hire, train, and maintain an adequate number of employees, including managers, engineers, and technicians who possess the necessary abilities and specialization.

Extraordinary Events

Extraordinary events, including natural disasters, war or terrorist activities, non-planned production interruptions, supply interruptions or inability of the equipment and/or processes to comply to the standards, may increase the cost and affect the Group's financial results. Also, the Group's current insurance terms may not offer enough protection capable to cover all damage that may arise from such circumstances.

b. Risk Assessment and Management

The Group has designated the risk as a totality of uncertain and random incidents that can have an impact on the Company's activities, business actions and financial performance, as also on the Company's business strategy and goal attainment.

A certain risk assessment approach has been considered for all of the Company's activities, under the following guidelines:

- (i) Identification and assessment of risk factors
- (ii) Risk management policy guidelines
- (iii) Implementation and evaluation of Risk management policy guidelines

The Group has not yet implemented a consolidated Risk management structure. However, all heads of the Company's divisions are involved in risk assessment, in order to facilitate the good execution of work of all divisions and the BoD, and also, to assist all related parties involved to designate the appropriate measures and actions for Risk management.

The Group conducts regular internal audits in order to ensure the adequacy and effectiveness of the Risk Assessment and Management procedures.

c. Internal audit

Furthermore, and beyond the responsibilities of the Audit Committee, the Internal Audit Division is an independent and impartial Unit that reports the results of its work to the Board of Directors. The responsibilities of the Internal Audit Division are aiming to assist the Company in attaining its goals, by offering a systematic scientific approach to the assessment and improvement of risk management, of the internal control systems, and of the adjustment of all policies and procedures foreseen by current laws and the corporate governance framework.

Within the Internal Audit's tasks are the permanent analysis and monitoring of:

- the effectiveness of the existing mechanisms used for Financial Data provision, Auditing Control, Quality / Health & Safety / Environmental issues, and risk management
- the preparation of Financial Statements, and other important issues that are for publication
- the adequacy of qualifications and impartiality of chartered accountants
- cases of conflict of personal interests of the BoD or management members of the Company with the interests of the Company
- relations and interactions between the Company and its subsidiaries, and also, the relations of the Company with companies that BoD members or shareholders have an at least 10% capital participation
- legitimacy of fees and allotments to the management members regarding decisions taken by the adequate institutions of the Company

4.2 BoD statement concerning the annual re-examination of corporate strategy, main business risks and internal audit systems

The company re-examines regularly the corporate strategy, the main business risks and the internal audit systems.

More specifically, the Management:

- a. Is regularly informed for the internal and external company environment which it analyses and evaluates.
- b. Supports the Managing Director during the designation procedure of the corporate vision, the corporate mission, and the strategic goals.
- c. Draws up and proposes the strategy of the Company and its subsidiaries.
- d. Cooperates with the Managing Director for the designation of guidelines.
- e. Draws up, proposes, and monitors the Company's business plan and its subsidiaries.

- f. Monitors and coordinates, in cooperation with the company's organic units and the subsidiaries, the separate actions for the implementation of the strategy and business plan of the company and the subsidiaries.
- g. Notifies the Managing Director and the respective General Managers as regards the implementation of the strategy and the business plan on a Group level.
- h. Notifies the management of the subsidiaries for the guidelines and the company's business plan.
- i. Cooperates with the management of the subsidiaries in order to implement the Group's strategy.
- j. Cooperates with the appropriate organic units for the communication of the strategy of the Group.

4.3 Legal auditors do not offer non-auditing services to the company, nor participate in any way, directly or indirectly, to the decisions connected with the activity of the audited entity. There are no self-audit conditions or self-interest, advocate attribute, familiarity, intimidation, and trust disruption during their work. Therefore, taking into account Law 3693/2008, there are no cases which have affected the objectivity and effectiveness of the mandatory audit.

4.4 BoD members' fees

According to the company's Articles of Association, the compensation of the BoD members must be approved by the Annual General Assembly following a proposal by the BoD.

For the period 1.1.2014 -31.12.2014 no stock option rights have been granted and there is no share distribution program in effect.

The Company and its Subsidiaries have applied a specific policy for the remuneration of the BOD members. Said policy is an integral part of the Corporate Governance policy of the Company and its Subsidiaries, aiming to enhance its Corporate Values and its long term business objectives. With the view to maximize the Value for the Shareholders, this remuneration policy is in line with the Company's corporate strategy that keeps aligned the business objectives with those of all stakeholders - such as employees, management, shareholders

Said policy is based on the following principles:

- Maximizing Performance
- Alignment of remuneration with profitability, risk and Capital adequacy
- Internal transparency

The alignment of the BOD remuneration policy with the Strategy of each one of the core business sectors of the Company is a continuous commitment. The procedures for the definition of the amounts of remuneration are clearly and transparently depicted. The remuneration policy is designed by the Human Resources management with the support of the Company's Finance and Legal departments and the Internal Audit. Said policy is submitted to the Remuneration Committee of the BOD the majority of its members being independent and non – executive members of the BOD.

The structure of the remuneration for the BOD may include both a fixed and a variable part, assuring the link of remuneration with short term and long term business profitability and efficiency.

4.5 The curriculum vitae of the BoD members are as follows:

IOANNIS MYTILINEOS, SON OF GEORGE

Born in Athens in 1955. Has a degree from the Polytechnic School of the Aristotle University of Thessaloniki, Department of Civil Engineering. He is the President and Managing Director of METKA S.A., and co-founder and Vice-president of MYTILINEOS S.A.

GEORGE ECONOMOU, SON OF ALEXANDER

Born in Volos of Magnisia in 1949. He is the manager of the Volos factory and executive member of the BoD. Has a degree in Mechanical Engineering and works in the company since 1977.

PANAYIOTIS GARDELINOS, SON OF ANTONIOS

Born in Athens 1961. He is General Project Manager and executive BoD member. Has a degree in mechanical engineering and works in the company since 2006.

CHRISTOS PANTZIKAS, SON OF NIKOLAOS

Born in Athens 1969. General Manager of Engineering & Commissioning and executive BoD member, Has a degree in mechanical engineering from the National Polytechnic School of Athens. Works in the company since 1999.

AIKATERINH DONTA, DAUGHTER OF ANASTASIOS

Born in Piraeus 1950. She is the manager of the Logistics department and executive BoD member, with a degree from the National Capodistrian University. Works in the company since 1998.

PAUL SMITH, SON OF MICHAEL

Born in York, England 1967. General Manager of Sales & Development and executive member of the company's BoD, with a degree from Nottingham University England, in mechanical engineering and specialty in chemical mechanics. Works in the company since 2006.

ANTONIOS PAPANTONIOY, SON OF NIKOLAOS

Born in Athens 1958. General Manager of Infrastructures & Projects and Bod executive member. Has a degree from the National Polytechnic of Athens in traffic management and roadworks. Works in the company since 2013.

GEORGE PALLAS, SON OF NIKOLAOS

Born in Salamina of Pireaus – Attika in 1956. Has a degree in Electrical Engineering. Member of the Hellenic Technical Chamber. Works in the company since the year 2000 and is a non-executive BoD member.

FILIPPOS ZOTOS, SON OF EVANGELOS

Born in Athens in 1953. He is General Financial and Administrative Manager and a non-executive member of the BoD. Holds a degree in Civil Engineering from NTUA and Economic Engineering from University of Aachen in Germany and works in the company since 1982.

NIKOLAOS BAKIRTZOGLU, SON OF HARALAMBOS

Born in Nikaia of Attika in 1945. He is an independent non-executive member of the BoD. Has a degree in Electrical Engineering and works in the company since 1972.

IOSIF AVAGIANOS, SON OF ANDREAS

Born in Mytilini of Lesvos in 1946. He is an independent non-executive member of the BoD. Has a degree in Metallurgy Engineering. Has a 30 year experience as an Industry Manager in the design, installation and commissioning of industrial production units.

5. Additional Information

Article 10 para. 1 of Directive 2004/25/EK of the European Parliament and the Council of April 21, 2004, concerning the public acquisition offers, anticipates the following as regards the companies whose shares are fully listed in an organized market:

«1. The member-states assure that the companies mentioned in article 1 paragraph 1 publish detailed information regarding:

- a) their capital structure, including titles not listed for negotiation in an organized market of a member-state and, in certain cases, indication of the share categories with the relevant rights and obligations and the percentage of the total share capital that they represent,*
- b) all limitations for share transfer, such as limitations in title possession or obligation to receive approval from the Company or other title owners, taking into account the article 46 of Directive 2001/34/EK,*
- c) the important direct or indirect participations (including indirect participations through pyramidal structures or mutual participation) as conceived by article 85 of Directive 2001/34/EK,*
- d) the owners of any kind of titles offering special control rights and description of the said rights,*
- e) the control mechanism which may be anticipated in a system of employee participation, in cases where the control rights are not exercised directly by the employees,*
- f) any kind of limitations in the voting right, such as limitations in voting rights to owners of a specific percentage or number of shares, the deadline for exerting voting rights, or systems in which, through a cooperation with the Companies, the financial rights that result from titles are separated from the title ownership,*
- g) the agreements among shareholders which are known to the Company and may lead to limitations in title transfer and/or voting rights, as conceived in directive 2001/34/EK,*
- h) the rules pertaining to the appointment and replacement of BoD members as well as the ones concerning the modification of the Statutes,*
- i) the authorities of BoD members, and mainly those linked to the issue or repurchase of shares,*
- j) any important agreement in which the Company participates and which is valid, modified or expires in case of a change in the control of the Company following a public acquisition offer and the consequences of this agreement, unless its disclosure could cause significant damage to the Company. This exception is not valid when the Company is explicitly obliged to disclose such information based on other legal requirements,*
- k) any agreement that the Company has made with BoD members or employees, which anticipates a compensation in case of a resignation or dismissal with no substantial reason or if their employment is terminated due to a public acquisition offer.»*

Regarding points c, d, f, h and i of para. 1 of article 10, the Company declares the following:

Regarding point c: the important direct or indirect participations of the Company are the following:

Company	Headquarters	Participation Percentage	Participation	Method of consolidation
GREEK STEEL INDUSTRY S.A. (SERVISTEEL)	VOLOS	99,98	Direct	Full consolidation
ELEMKA	MAROUSI, ATTIKIS	83,50	Direct	Full consolidation
Drosco Holdings Limited	NICOSIA, CYPRUS	83,50	Indirect	Full consolidation
Bridge Accessories & Construction Systems	MAROUSI, ATTIKIS	62,625	Indirect	Full consolidation
METKA BRAZI SRL	BUCHAREST, ROMANIA	100,00	Direct	Full consolidation
Joint Venture METKA – TERNA	ATHENS, ATTIKIS	10,00	Direct 10%	Equity Method
POWER PROJECTS	Istanbul Turkey	100,00	Direct 99% Indirect 1%	Full consolidation
Joint Venture ATERMON -EKME – TMUCB-METKA SA	MAROUSI, ATTIKIS	10,00	Direct	Equity Method
MYTILINEOS FINANCIAL PARTNERS SA	Luxembourg	25,00	Direct	Equity method

regarding point d: there are no titles of any kind, offering special control rights.

regarding point f: there are no known limitations to voting rights (such as voting right limitations to owners of a given percentage or number of votes, deadline for exerting voting right, or systems in which, through a cooperation with the Companies, the financial rights that result from titles are separated from the title ownership). Regarding the voting rights during the General Assembly, there is a detailed description in Section 3 of this Corporate Governance Declaration.

regarding point h: there are no rules concerning the appointment and replacement of BoD members or the modification of the Company's Statutes, which deviate from the provisions of C.L. 2190/1920 as is valid today. The rules are detailed in Unit 3.II of this Corporate Governance Declaration.

regarding point i: there are no special authorities of the BoD members pertaining to the issue or repurchase of shares.

The present Declaration of Corporate Governance is an integral and special part of the Annual Administration Report of the Company's Board of Directors.

Maroussi, the 16th of March 2015

The President of the Board

Ioannis Mytilineos

D. Annual Financial Statements for FY 2014

**According to the International Financial Recording Standards
as adopted by the European Union**

(amounts in thousands € unless stated otherwise)

The Annual Financial Statements presented both for the Group and the Parent Company, have been approved by the Board of Directors of “Metal Constructions of Greece S.A.” on 16/03/2015 and are disclosed to the company’s website www.metka.gr in addition to the Athens Exchange website. The Annual Financial Statements will remain available to the investors in the company’s website for at least five years from the date of their approval and publication.

It is noted that the published on press Financial Figures and Information that summarize the financial statements aim to give summary information about the financial position and results of METKA S.A. and its subsidiaries. Therefore the above Figures don’t include the full presentation of the financial, investment and cash flow statements according to the International Financial Reporting Standards.

I. ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/12/2014

Income Statement (Consolidated and Corporate)

(Amounts in thousands €)	Note	Group METKA		METKA S.A.	
		1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Sales	30	609,271	606,491	549,001	404,408
Cost of sales	31	(493,373)	(482,731)	(446,058)	(324,687)
Gross profit		115,898	123,760	102,943	79,721
Other operating income	33	40,496	17,803	31,685	7,248
Distribution expenses	31	(1,949)	(2,059)	(1,568)	(1,633)
Administrative expenses	31	(22,069)	(21,283)	(19,782)	(18,526)
Other operating expenses	33	(32,146)	(20,496)	(27,366)	(15,163)
Earnings before interest and income tax		100,230	97,725	85,912	51,648
Financial income	34	7,786	5,169	5,432	3,224
Financial expenses	34	(11,109)	(15,590)	(10,123)	(11,791)
Other financial results	35	1,444	937	3,537	(154)
Share of profit of associates		(50)	(1,714)	-	(213)
Profit before income tax		98,300	86,527	84,758	42,713
Income tax expense	36	(7,982)	5,037	(10,850)	1,718
Profit for the period		90,319	91,564	73,908	44,432
Profit for the period		90,319	91,564	73,908	44,432
Attributable to:					
<i>Equity holders of the parent</i>		<i>90,199</i>	<i>91,656</i>	<i>73,908</i>	<i>44,432</i>
<i>Non controlling Interests</i>		<i>120</i>	<i>(92)</i>	<i>-</i>	<i>-</i>
<i>Basic earnings per share</i>	37	<i>1.7362</i>	<i>1.7643</i>	<i>1.4227</i>	<i>0.8553</i>

- The attached notes to the accounts form an integral part of the annual financial statements.

Statement of Comprehensive Income (Consolidated and Corporate)

(Amounts in thousands €)	GROUP METKA		METKA S.A.	
	01/01- 31/12/2014	01/01- 31/12/2013	01/01- 31/12/2014	01/01- 31/12/2013
Net Profit / (Losses) for the period after taxes (from continued and discontinued operations)	90,319	91,564	73,908	44,432
Other comprehensive income:				
Amounts not reclassified to the income statement in subsequent periods				
Revaluation of liabilities for employee benefits	(138)	150	(113)	124
Deferred tax from Actuarial Gain/(loses)	37	(6)	29	-
	(101)	144	(84)	124
Amounts reclassified to the income statement in subsequent periods				
Exchange differences of foreign operations redistributed to P & L	(5)	1,393	-	-
	(5)	1,393	-	-
Other comprehensive income after taxes	(106)	1,536	(84)	124
Total other comprehensive income after taxes	90,213	93,101	73,824	44,556
Attributable to:				
Equity holders of the parent	90,095	93,186	73,824	44,556
Non controlling interests	118	(85)	-	-

- The attached notes to the accounts form an integral part of the annual financial statements.

Statement of Financial Position (Consolidated and Corporate)

(Amounts in thousands €)	Notes	Group METKA		METKA S.A.	
		31/12/2014	31/12/2013	31/12/2014	31/12/2013
Assets					
Non current assets					
Tangible Assets	8	49,400	54,161	38,681	34,476
Goodwill	9	1,831	1,831	-	-
Intangible Assets	10	4	23	1	5
Investments in Subsidiary Companies	11	-	-	6,792	16,302
Investments in Associate Companies	12	501	567	501	501
Deferred Tax Receivables	13	1,513	7,317	48	5,526
Financial Assets Available for Sale	14	31	32	22	23
Other Long-term Receivables	15	78,241	37,088	72,650	30,626
		131,521	101,018	118,694	87,460
Current assets					
Total Stock	16	50,562	31,456	49,614	30,432
Trade and other receivables	17	305,686	433,259	294,928	390,602
Other receivables	18	103,001	98,848	76,801	77,903
Financial assets at fair value through profit or loss	19	2,500	1,167	2,500	-
Cash and cash equivalents	20	288,314	134,542	192,866	56,398
		750,062	699,272	616,708	555,335
Assets		881,584	800,290	735,402	642,794
Liabilities & Equity					
EQUITY					
Share capital	22.1	16,624	16,624	16,624	16,624
Other reserves	22.2	23,167	28,568	21,925	23,860
Translation reserves		(567)	(713)	-	-
Retained earnings	22.3	468,329	388,547	338,493	278,319
Equity attributable to parent's shareholders		507,554	433,026	377,042	318,803
Non controlling Interests		237	16,841	-	-
EQUITY		507,790	449,867	377,042	318,803
Non-Current Liabilities					
Long-term debt	27	2,090	2,403	-	-
Deferred tax liability	13	18,928	36,324	17,674	28,563
Liabilities for pension plans	23	932	988	802	734
Other long-term liabilities	24	38,186	63,640	38,186	63,451
Provisions	29	890	1,010	780	780
Non-Current Liabilities		61,027	104,365	57,442	93,528
Current Liabilities					
Trade and other payables	25	294,665	231,571	285,904	213,630
Tax payable	26	12,559	2,824	12,156	1,087
Short-term debt	27	2,350	7,252	-	4,840
Derivatives		0	307	0	307
Other payables	28	3,193	4,101	2,857	10,600
Current portion of non-current provisions	29	-	4	-	-
Current Liabilities		312,766	246,057	300,917	230,464
LIABILITIES		373,793	350,423	358,359	323,992
Liabilities & Equity		881,584	800,290	735,402	642,794

- The attached notes to the accounts form an integral part of the annual financial statements.

Consolidated Statement of Changes in Equity

(Amounts in thousands €)	Group METKA					Non controlling Interests	Total
	Share capital	Other reserves	Translation reserves	Retained earnings	Total		
Opening Balance 1st January 2013	16,624	28,413	(2,107)	309,898	352,828	17,155	369,983
<u>Change In Equity</u>							
Dividends Paid	-	-	-	(12,988)	(12,988)	(229)	(13,217)
Transfer To Reserves	-	16	-	(16)	-	-	-
Transactions With Owners	-	16	-	(13,003)	(12,988)	(229)	(13,217)
Net Profit/(Loss) For The Period	-	-	-	91,656	91,656	(92)	91,564
Exchange Differences On Translation Of Foreign Operations	-	-	1,393	-	1,393	-	1,393
Income tax relating to components of other comprehensive income	-	-	-	(4)	(4)	(3)	(6)
Actuarial Gain / Losses	-	140	-	-	140	10	150
Total Comprehensive Income For The Period	-	140	1,393	91,652	93,185	(85)	93,101
Closing Balance 31/12/2013	16,624	28,568	(713)	388,548	433,025	16,841	449,867
Opening Balance 1st January 2014	16,624	28,568	(713)	388,548	433,026	16,841	449,867
<u>Change In Equity</u>							
Dividends Paid	-	-	-	(15,585)	(15,585)	(44)	(15,629)
Transfer To Reserves	-	(2,466)	-	2,466	-	-	-
Impact from transfer of subsidiary	-	(2,836)	152	2,701	18	(16,678)	(16,661)
Transactions With Owners	-	(5,302)	152	(10,417)	(15,568)	(16,722)	(32,289)
Net Profit/(Loss) For The Period	-	-	-	90,199	90,199	120	90,319
Exchange Differences On Translation Of Foreign Operations	-	-	(5)	-	(5)	-	(5)
Income tax relating to components of other comprehensive income	-	36	-	-	36	1	37
Actuarial gain/(loses)	-	(135)	-	-	(135)	(3)	(138)
Total Comprehensive Income For The Period	-	(99)	(5)	90,199	90,095	118	90,213
Closing Balance 31/12/2014	16,624	23,167	(567)	468,329	507,554	237	507,790

- The attached notes to the accounts form an integral part of the annual financial statements.

Company Statement of Changes in Equity

(Amounts in thousands €)	METKA S.A.			
	Share capital	Other reserves	Retained earnings	Total
Opening Balance 1st January 2013	16,624	23,736	246,875	287,235
<i>Change In Equity</i>				
Dividends Paid	-	-	(12,988)	(12,988)
Transactions With Owners	-	-	(12,988)	(12,988)
Net Profit/(Loss) For The Period	-	-	44,432	44,432
Actuarial Gain / (Losses)	-	124	-	124
Total Comprehensive Income For The Period	-	124	44,432	44,556
Closing Balance 31/12/2013	16,624	23,860	278,319	318,803
Opening Balance 1st January 2014	16,624	23,860	278,319	318,803
Dividends Paid	-	-	(15,585)	(15,585)
Transfer To Reserves	-	(1,852)	1,852	-
Transactions With Owners	-	(1,852)	(13,734)	(15,585)
Net Profit/(Loss) For The Period	-	-	73,908	73,908
Deferred Tax From Actuarial Gain / (Losses)	-	29	-	29
Actuarial Gain / (Losses)	-	(113)	-	(113)
Total Comprehensive Income For The Period	-	(84)	73,908	73,824
Closing Balance 31/12/2014	16,624	21,925	338,493	377,042

- The attached notes to the accounts form an integral part of the annual financial statements.

Cash Flow Statement (Consolidated and Corporate) FY 2014

Amounts in thousands €	Note	Group METKA		METKA S.A.	
		12 months until 31 December 2014	12 months until 31 December 2013	12 months until 31 December 2014	12 months until 31 December 2013
Operating Activities					
Profit after Tax		98,300	86,527	84,758	42,713
Plus (Less) Adjustments:	38	(22,334)	4,341	(18,957)	3,266
		75,966	90,868	65,801	45,979
Working Capital changes					
Increase / (Decrease) in Inventories		(19,393)	5,902	(19,181)	5,972
Increase / (Decrease) in Trade and other Receivables		91,108	(20,843)	68,516	(30,763)
Increase / (Decrease) in other current assets		(297)	(1,074)	(1,813)	(2,292)
Increase / (Decrease) in Trade and other Payables		29,669	12,160	41,585	13,850
		101,087	(3,855)	89,107	(13,233)
Cash flow from Operating Activities		177,053	87,013	154,908	32,746
Cash flow from Operating Activities					
Cash flow from operating activities					
Less: Debit interest and similar expenses Paid		(567)	(3,359)	(202)	(2,965)
Less: Income Taxes Paid		(10,982)	(2,034)	(10,501)	(1,033)
Net cash flow from Operating Activities		165,505	81,619	144,204	28,749
Investing Activities					
Purchases of tangible assets		(7,344)	(1,193)	(7,109)	(1,020)
Purchases of intangible assets		(3)	(15)	-	-
Disposals from sale of tangible assets		168	285	36	222
Proceeds from dividends		-	59	660	673
Purchase of Bonds		(5,000)	(4,750)	(5,000)	(4,750)
Purchase of financial assets at fair value through profit and loss		(18,676)	-	(16,974)	-
Acquisition of associates and other investments		(6)	(251)	-	(250)
Sales of subsidiaries (less the cash & cash equivalent of the Subsidiary)		(1,338)	1	8,000	1
Sales of financial assets available for sale		5	69	1	28
Proceeds from Bonds		6,398	11,321	6,398	11,321
Sales of financial assets at fair value through profit and loss		21,529	1,113	18,679	-
Interest received		5,472	4,194	3,591	2,249
Net cash flow from Investing Activities		1,204	10,832	8,284	8,475
Financing Activities					
Dividends Paid		(15,758)	(13,831)	(15,587)	(13,050)
Borrowings Paid		(5,214)	(41,518)	(4,840)	(41,130)
Net cash flow from Financing Activities		(20,972)	(55,349)	(20,427)	(54,180)
Net increase / decrease in cash and cash equivalents		145,737	37,102	132,061	(16,957)
Cash and cash equivalents at the beginning of the period		134,542	100,045	56,398	75,526
Foreign currency differences in cash and cash equivalents		8,035	(2,605)	4,407	(2,170)
Cash and cash equivalents at the end of the period		288,314	134,542	192,866	56,398

- The attached notes to the accounts form an integral part of the annual financial statements.
- Rodax Brazi at the time of disposal had no cash and cash equivalent

II. NOTES ON THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/12/2014

1. General Information for the Company

The Company was founded in 1962 by the Industrial Development Organization and was involved in the manufacturing of metal constructions, while its plant in Volos started operating in 1964. Following its privatization in 1971, the Company rapidly developed.

METKA belongs to the Sector of Metallurgical Companies and specifically to the Sector of Industrial Production, Process and Conversion of Ferrous Metals. In January 1999, the Company was acquired by MYTILINEOS GROUP S.A. Today, the acquired company is the largest metal constructions complex in Greece, with an essential presence lasting for many decades in Greece and abroad.

In 1980, METKA S. A. acquired the strong and experienced erection company TECHNOM S. A.

During its 52-year course, the company continued to grow at a steady pace and acquired a higher technological level, by constructing innovative works of high-technological demand and of significant added value.

In 1973, the Company's shares were listed on the Athens Stock Exchange. The Company's headquarters are in Attika, Maroussi, 8 Artemidos street, 15125.

The annual financial statements of 2014 (which contain comparative data with FY 2013) were approved by the Board of Directors, on the 16th of March 2015. The above statements are to be approved by the General Shareholders Meeting.

It is noted that METKA S.A. is included in the consolidated financial statements of MYTILINEOS S.A., the domicile of which is in Greece, possessed a 50,00 % of METKA on 31/12/2014 and applies the full consolidation method on its consolidated financial statements.

2. Nature of operations

The strategic sectors of the Company's successful activity today are listed below:

- Energy Projects (Deregulation/Renewable Energy Sources/Co-production)
- Infrastructure Projects (Petrochemicals – Refineries, Mining Equipment, Bridge Supporting Systems, Building Infrastructures and Sports Complexes, Cranes and other Harbour Equipment)
- Defense Projects

The company is especially competitive in the Energy sector (construction of Thermoelectric and Hydroelectric Power Stations as EPC Contractor), in the Infrastructure sector and the Co-manufacturing defense sector.

The company's long experience in energy issues has given the opportunity to move forward in this area.

In the Energy sector the company operates dynamically, mainly because of her long-term experience. In the defense sector, METKA is dynamically active in the co-manufacture of tanks, other vehicles, frigates, submarines, and PATRIOT missile systems. The Company is based on its fully-equipped plants (two factories in Volos, the industrial facilities of EKME in Thessaloniki and Kavala, and its high experience).

METKA's two factories in Volos are amongst the best in the sector of high-tech metal constructions, exporting their total production in the recent years to the most demanding markets globally.

3. Basis for preparation of the financial statements

3.1 Declaration of Conformity

The attached consolidated financial statements of METKA S.A. for the year ended December 31, 2014 are in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as its Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until the 31st of December 2014. Also, the Financial Statements have been prepared based on the going concern principle.

The Group applies all International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and the Interpretations which apply to its activities. The relevant accounting policies, a summary of which is presented below in note 4, have been applied consistently in all presented periods.

3.2 Presentation Currency

The currency of the presentation is Euro (currency of the country in which the parent company is based) and all amounts are in thousands of Euro, unless stated otherwise.

3.3 Measurement Base

The consolidated Financial Statements of METKA have been prepared according to the historical cost as modified for the revaluation at fair value of financial assets at fair value through profit or loss.

3.4 Use of Estimates

The compilation of financial statements according to the IFRS requires the use of estimates and judgments during the application of the Company's accounting principles. Important assumptions made by the management for the application of the company's accounting methods have been appropriately highlighted whenever this has been deemed necessary.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Since the estimates and judgments concern the future, real results may deviate from accounting estimates.

3.5. Changes in Accounting Policies

2014 financial statements were prepared using the same accounting policies of the 2013 financial statements, and taking into account any new Standards and Standard Amendments of the IFRS (see par. 3.4.1 and 3.4.2).

3.5.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following amendments and interpretations of the IFRS have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2014.

- **IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities”, IAS 27 “Separate Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” (effective for annual periods starting on or after 01/01/2014)**

In May 2011, IASB issued three new Standards, namely IFRS 10, IFRS 11 and IFRS 12. IFRS 10 “Consolidated Financial Statements” sets out a new consolidation method, defining control as the basis under consolidation of all types of entities. IFRS 10 supersedes IAS 27 “Consolidated and Separate Financial Statements” and SIC 12 “Consolidation — Special Purpose Entities”. IFRS 11 “Joint Arrangements” sets out the principles regarding financial reporting of joint arrangements participants. IFRS 11 supersedes IAS 31 “Interests in Joint Ventures” and SIC 13 “Jointly Controlled Entities – Non-Monetary Contributions by Venturers”. IFRS 12 “Disclosure of Interests in Other Entities” unites, improves and supersedes disclosure requirements for all forms of interests in subsidiaries, under common audit, associates and non-consolidated entities. As a result of these new standards, IASB has also issued the revised IAS 27 entitled IAS 27 “Separate Financial Statements” and revised IAS 28 entitled IAS 28 “Investments in Associates and Joint Ventures.

- **Transition Guidance: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12) (effective for annual periods starting on or after 01/01/2014)**

In June 2012, IASB issued this Guidance to clarify the transition provisions of IFRS 10. The amendments also provide additional accommodation during the transition to IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirements to provide adjusted comparative information to only the preceding comparative period. Furthermore, in respect to the disclosures relating to the unconsolidated entities, the amendments take away the requirement to present comparative information. The amendments do not affect the consolidated/ separate Financial Statements.

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (effective for annual periods starting on or after 01/01/2014)

In October 2012, IASB issued amendments to IFRS 10, IFRS 12 and IAS 27. The amendments apply to a particular class of business that qualifies as investment entities. The IASB uses the term ‘investment entity’ to refer to an entity sole business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must evaluate the return of its investments on a fair value basis. Such entities could include private equity organizations, venture capital organizations, pension funds, sovereign wealth funds and other investment funds. The Investment Entities amendments provide an exception to the consolidation requirements under IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them while making the required disclosures. The amendments do not affect the consolidated/ separate Financial Statements.

- **Amendments to IAS 32 “Financial Instruments: Presentation” – Offsetting financial assets and financial liabilities (effective for annual periods starting on or after 01/01/2014)**

In December 2011, IASB issued amendments to IAS 32 “Financial Instruments: Presentation”, which provide clarification on some requirements for offsetting financial assets and liabilities in the Statement of Financial Position.

- **Amendment to IAS 36 “Impairment of Assets” - Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods starting on or after 01/01/2014)**

In May 2013, IASB issued amendments to IAS 36 “Impairment of Assets”. These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- **Amendments to IAS 39 “Financial Instruments: Recognition and Measurement” - Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods starting on or after 01/01/2014)**

In June 2013, IASB issued narrow-scope amendments to IAS 39 “Financial Instruments: Recognition and Measurement”. The purpose of the amendments is to introduce a limited scope exception in respect to the suspension of accounting setting off, as per IAS 39. In particular, it allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 “Financial Instruments”.

- **IFRIC 21 “Levies” (effective for annual periods starting on or after 01/01/2014)**

In May 2013, the IASB issued IFRIC 21. IFRIC 21 provides guidance on when a company recognises a liability for a levy imposed by the state in its Financial Statements. IFRIC 21 is an interpretation of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as an obligating event. This interpretation indicates that the obligating event is the activity that triggers the payment of the levy in accordance with the relevant legislation.

3.5.2 New Standards and Interpretations that have not been applied yet or have not been adopted by the European Union.

The following new Standards, Revised Standards as well as the following Interpretations to the existing Standards have been publicized but have not taken effect yet or have not been adopted by the European Union. In particular:

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

In July 2014, the IAB issued the final version of IFRS 9. This version brings together the classification and measurement, impairment and hedge accounting models and presents a new expected loss impairment model and limited amendments to classification and measurement for financial assets. The Group will

examine the impact of the above on its Financial Statements. The above 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. The above have not been adopted by the European Union.

- IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods starting on or after 01/01/2017)

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 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. The above have not been adopted by the European Union.

- Annual Improvements cycle 2010-2012 (effective for annual periods starting on or after 01/07/2014)

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight 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 7**: Interest paid that is capitalised, **IAS 16/IAS 38**: Revaluation method—proportionate restatement of accumulated depreciation and **IAS 24**: Key management personnel. The Group will examine the impact of the above on its. The above have been adopted by the European Union at December 2014.

- Annual Improvements cycle 2011-2013 (effective for annual periods starting on or after 01/07/2014)

In December 2013, the IASB issued Annual Improvements to IFRSs 2011-2013 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2011-2013 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 1**: Meaning of effective IFRSs, **IFRS 3**: Scope exceptions for joint ventures; **IFRS 13**: Scope of paragraph 52 (portfolio exception); and **IAS 40**: Clarifying the interrelationship of IFRS 3 Business Combinations and IAS 40 Investment Property when classifying property as investment property or owner-occupied property. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union at December 2014.

- Annual Improvements cycle 2012-2014 (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 to IFRS 7 to Condensed Interim Financial Statements, **IAS 19**: Discount rate: regional market, and **IAS 34**: Disclosure of information elsewhere in the interim financial report. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (effective for annual periods starting on or after 01/07/2014)

In November 2013, the IASB published narrow scope amendments to IAS 19 “Employee Benefits” entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). 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 will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union.

- Amendment 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 “Equity Method in Separate Financial Statements “. 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 will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- Amendments to IFRS 10 and IAS 28: “**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**” (effective for annual periods starting on or after 01/01/2016)

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”. The amendments will be applied by entities prospectively in respect of sales or contribution of assets performed in the annual periods starting on or after 01/01/2016. Earlier application is permitted, given that this fact is relatively disclosed in the financial Statements. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- 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 above modifications is not expected to have any impact on the consolidated / corporate Financial Statements of the company. The above have not been adopted by the European Union.

- 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 will examine the impact of the above on its Financial Statements, but is not expected to have any. The above have not been adopted by the European Union.

- 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 will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

- Amendments to IAS 1: « Disclosures 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 above have not been adopted by the European Union.

- Amendments to IFRS 10, IFRS 12 and IAS 28: “**Investment Entities: Applying the Consolidated 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 will examine the impact of the above on its Financial Statements, but is not expected to have any. The above have not been adopted by the European Union.

4. Summary of Important Accounting Policies

4.1 Consolidation

Subsidiaries: All the companies that are managed or controlled, directly or indirectly, by another company (parent) either through the holding of majority voting rights in the undertaking or through its dependence on the know-how provided from the Group. That is to say that subsidiaries are companies in which control is exercised by the parent.

The existence of potential voting rights that are exercisable at the time the financial statements are compiled, is taken into account in order to determine whether the parent exercises control over the subsidiaries.

Subsidiaries are consolidated completely (full consolidation) with the purchase method from the date that control over them is acquired and cease to be consolidated from the date that this control no longer exists.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. Paragraph “4.6 Intangible Assets – Goodwill” describes the accounting aspect of goodwill. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately booked to the results.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also written-off except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to conform to the ones adopted by the Group.

Minority transactions: For the accounting of transactions with the minority, the Group applies the accounting principle which considers those transactions as transactions with non-Group third parties. Sales to minority create profit and loss for the Group and those are registered in the Profit and Loss Statement. Purchases from the minority create a goodwill which is the difference between the amount paid and the percentage of the net accounting value of the subsidiary acquired.

Associates: Associates are companies on which the Group can exert significant influence but which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the Group imply that a holding of between 20% and 50% of a company’s voting rights suggests significant influence on the company. Investments in associates are initially recognized at cost and are subsequently valued using the equity method.

At the end of each period, the cost increases by the proportion of the investing company in the changes in net worth of the company it invests in and decreases by the dividends received from the associate.

As regards the acquisition goodwill, it reduces the stake value affecting the income statement when its value is reduced.

The Group's share in the profits or losses of associated companies after the acquisition is recognized in the income statement, while the share of changes in reserves after the acquisition is recognized in the reserves. The cumulated changes affect the book value of the investments in associated companies. When the Group's share in the losses of an associate is greater than or equal to its participation in the associate, including any other doubtful debts, the Group does not recognize any further losses, unless it has covered liabilities or made payments on behalf of the associate or those that emerge from ownership.

Unrealized profits from transactions between the Group and its associates are written-off according to the percentage of the Group's holding in the associates. Unrealized profits are written-off, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been amended so as to be uniform to the ones adopted by the Group.

4.2 Operating Segments

The Board of Directors is the main body of business decisions and monitors the internal financial information reports in order to evaluate the Company's and Group's performance and decide for the distribution of resources. The Management has designated the activity segments based on these internal reports. The Board of Directors uses various criteria in order to assess the Group's activities, depending on the nature of each segment and taking into account the risks involved and the existing needs in cash.

Operating segments are those in which the Group is activated and in which its internal information system is based. The Group of METKA is active in the sector of complicated electromechanical constructions. Every contract that is executed has its own characteristics according to the customer's need (custom made products). The company's projects are mainly differentiated by the use intended by the client, while the degree of business risk and returns remain the same.

The basic principles are summarized as follows:

1. The Group is active in the construction of complex electromechanical metal constructions. Each contract realized by the Group has its own special technical characteristics which differ to a greater or lesser extent from the other contracts. The company's projects are mainly differentiated by the use intended by the client, while the degree of business risk and returns remain the same.
2. The results of each segment are based on the operating results of each individual country in which the company is active (geographical segment). Not included in the segment results are the results of possible discontinued operations. There are asymmetric distributions to the presented segments since the depreciations of the geographic segment are separated based on the direct work-hours of the fixed assets used in each project. It should be noted that the tangible fixed assets of each segment include the fixed assets installed in each segment.
3. The additions of the non-current assets include fixed asset and intangibles, as well as stakes to affiliates and joint-ventures.

If the total income from external sources presented by geographical segments comprises less than the 75% of the Group's income, then more geographical segments are selected for presentation in order to reach the 75% of the Group's income.

Operating segments which have not achieved any of the quantitative limits defined by IFRS 8, are not considered eligible for presentation and are not disclosed separately since the Administration believes that this wouldn't be of any use to the users of its financial statements.

Each one of the geographical segments is separately managed. Inter-segment transactions are effected with the same terms as transactions at arm's length basis.

The accounting principles used by the Group for the segment presentation according to IFRS 8 are the same used for the preparation of its financial statements.

There are no changes compared to the previous period as regards the valuation methods used to designate the profit/loss of the geographic segment.

4.3 Foreign currency conversion

a) Operating currency and presentation currency

The measurement of the items in the financial statements of the Group's companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

b) Transactions and account balances

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date, are posted to the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

The Group's foreign activities in foreign currency (which constitute an inseparable part of the parent's activities), are converted to the operating currency using the rates in effect at the date of the transaction, while the asset and liability items of foreign activities, including goodwill and fair value adjustments, that arise during the consolidation, are converted to euro using the exchange rates that are in effect as at the balance sheet date.

c) Affiliated Companies

Profit from operating activities and own equity of each firm of the Group (apart from the ones that operate in hyper-inflating economies), in the cases when the functional currency differs from the presentation currency of the Group, are converted to the currency of the Group as follows:

- (i) The Assets and the Liabilities of the Balance Sheets are presented and converted to euro using the exchange rates that are in effect as at the balance sheet date.
- (ii) Incomes and expenses of the income statement of each company are translated at the closing rate at the date of the balance sheet.
- (iii) All exchange differences, are recognized as a “Foreign currency translation reserve” in Equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity, are treated as assets and liabilities of the foreign entity and are converted to euro using the exchange rates that are in effect as at the balance sheet date.

4.4 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as such was determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than plots which are not depreciated) is calculated using the straight line method over their useful lives, as follows:

Land	25-35 years
Mechanical equipment	4-20 years
Vehicles	4-10 years
Other equipment	4-7 years

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the results.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Finally, when the tangible assets are measured at fair value, any existing revaluation reserve in equity during the sale, is transferred to retained earnings. Expenditure on repairs and maintenance is booked as an expense in the period it relates to.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee’s salaries (including the relevant employer’s contributions), the cost of materials used and other general costs.

The Group applies the IFRS 23 “Cost of Borrowings”, by registering the cost of borrowings as cost of the period, without taking into consideration the purpose of the borrowings.

4.5 Intangible assets

The intangible assets include the Goodwill, the rights of use of Property, plant and equipment, as well as software licenses.

Goodwill: is the difference between the acquisition cost and the asset/liabilities fair value of the subsidiary/affiliated company on the date of acquisition. The company considers the acquisition goodwill as asset and presents it in the cost. This cost is equal to the amount that the consolidation cost surpasses the company stake in the assets, liabilities and contingent liabilities of the acquired company.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. The acquirer tests goodwill for impairment annually, according to IAS 36, if events or changes in circumstances indicate that it might be impaired.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. A cash generated unit is the smallest identifiable group of assets generating cash inflows independently and represents the level used by the Group to organize and present each activities and results in its internal reporting. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount (typically the value in use) of the cash-generating units is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reserved in future periods. The Group performs its annual impairment test of goodwill as at 31 December each year.

In case the fair value of the Group's interest in the fair value of the acquired entity exceeds the cost of acquisition, the company proceeds to the Group proceeds to a revaluation of the cost of acquisition, the acquired assets, liabilities and contingent liabilities and any remaining difference after the revaluation is recognized directly to the income statement as profit.

Software: The authorizations of software are valued in the cost less accumulated depreciation. The accumulated depreciation they are held with the constant method at the duration of beneficial life assets who oscillates from 1 until 3 years.

4.6 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater of the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash flow generating unit) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

4.7 Financial instruments

Financial instrument is any contract that creates a financial asset in an enterprise and a financial liability or equity instrument in another. The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased.

i) Financial instruments valued at fair value through the income statement

These comprise of assets that satisfy any of the following conditions:

Financial assets that are held for trading purposes (including derivatives, except those that are designated and effective hedging instruments, those that are acquired or incurred for the purpose of sale or repurchase and, finally, those that are part of a portfolio of designated financial instruments).

Upon initial recognition it is designated by the company as an instrument valued at fair value, with any changes recognized through the Income Statement.

The realized and unrealized profit or losses that arise from changes in the fair value of financial assets valued at fair value with changes in the results, are recognized in the results of the period they result in.

ii) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. The following are not included in this category (loans and receivables):

- a) Receivables from down payments for the purchase of goods or services,
- b) receivables relating to tax transactions, which have been legislatively imposed by the state,
- c) any receivable not covered by a contract which gives the company the right to receive cash or other financial fixed assets.
- d) The loans and receivables are recognized in the net book value based on the real interest rate method.

iii) Investments held to maturity

These include non-derivative financial assets with fixed or defined payments and specific maturity and which the Group intends to hold until their maturity. The Group did not hold investments of this category.

iv) Financial assets available for sale

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories.

Following, the financial assets available for sale are valued at fair value and the relevant profit or loss is booked in equity reserves until such assets are sold or characterized as impaired. During the sale, or when they are characterized as impaired, the profit or loss is transferred to the results. Impairment losses that have been booked to the results are not reversed through the results.

The purchases and sales of investments are recognized during the transaction date, which is also the date the Group commits to purchase or sell the item. Investments are initially recognized at fair value plus the directly related to the transaction costs. The costs directly related to the transaction is not added for items that are valued at fair value with changes in the results. Investments are written-off when the right on cash flows from investments mature or is transferred and the Group has essentially transferred all the risks and rewards implied by the ownership.

The fair values of financial assets that are traded in active markets, are defined by the current ask prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent

transactions, comparative items that are traded and discounted cash flows. The securities that are not traded in an active market that have been classified in the category Financial assets available for sale, and whose fair value cannot be determined with credibility, are valued at their acquisition cost.

At each reporting date the Group assess whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an indication consists of a significant or extended decline in the fair value compared to the acquisition cost. If impairment is established, the accumulated loss in equity, which is the difference between acquisition cost and fair value, is transferred to the results.

4.8 Inventories

The cost of the inventories comprises direct labor, other direct costs and related production overheads (based on normal operating capacity) but excludes financial expenses.

At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses.

4.9 Trade receivables

Receivables from customers are initially booked at their nominal value and are subsequently valued at their net book cost using the method of the effective interest rate, less the provision for impairment.

The relevant loss is immediately transferred to the period's results. The impairment losses, i.e. when there is objective evidence that the Group is unable to collect all the amounts owed based on the contractual terms, are recognized in the income statement.

4.10 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits. Money market products are financial assets which are valued at fair value through the profit and loss account.

4.11 Non current segment assets held for sale

The segment assets held for sale include the other segment assets (including the capital gains) and the tangible assets that the Group intends to sell within a year after their registration date as "held for sale".

The segment assets registered as "held for sale" are priced at the minimum value between the book value just before their registration as held for sale, and their fair value minus the cost of sale. The segment assets that are registered as "held for sale" are not subject to amortization. The profit or damage from the sale and reevaluation of the "held for sale" segment assets are included in the "other revenue" and "other expenditure", respectively, at the list of the use results

At 31/12/2014 the Group has not registered non-current segment assets as held for sale.

4.12 Share capital

Expenses incurred for the issuance of shares, reduce after deducting the relevant income tax the proceeds from the issue. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired.

When acquiring own shares, the paid amount, including the relevant expenses, is shown as a reduction of share capital (premium reserves).

The shares of the Group's subsidiaries (excluding shares of the parent company) are considered as assets available for sale.

At 31.12.2014, the Group did not hold any treasury shares.

4.13 Income tax & deferred tax

The period charge for income tax comprises current tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to equity, in which case it is, accordingly, booked directly to equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are measured according to the tax rates and tax laws in effect during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the equity of the Group, such as the revaluation of property value, that results in the relevant change in deferred tax assets or liabilities being charged against the relevant equity account.

4.14 Employee benefits

a) Short-term benefits

Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

b) Post-employment benefits

Post-employment benefits include pensions or other benefits (insurances and medical care) which the company offers after the termination of employment to the employees as acknowledgement of their services. Thus, they include both defined contribution schemes as well as defined benefits schemes. The accrued cost of the defined contributions scheme is registered as an expense in the relative period. Post-employment benefits are partly funded through payments to insurance companies or state social insurance institutions.

- **Defined contribution scheme**

Defined benefits plans are relating to contributions to Insurance Carriers (eg Social Security), so the Group doesn't have any legal obligation in the event that the State Fund is unable to pay a pension to the insured. The employer's obligation is limited to the payment of employer contributions to the insurance companies or state social insurance institutions. The payable contribution from the company to a defined contribution scheme, is recognized either as liability, after deduction of the paid contribution, or as an expense.

- **Defined benefits scheme**

According to L.2112/20 and 4093/2012 the company is obliged to compensate it's employees in case of retirement or dismissal. The amount of the compensation paid depends on the years of service, the level of wages and the removal from service (dismissal or retirement). The entitlement to participate in these programs is usually based on years of service of the employee until retirement.

The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit depending on the accrued right of the employee and the period to be rendered. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. For the fiscal year 2014 as a discount rate is used the yield of iBoxx AA Corporate Overall 10 + EUR indices , which is considered consistent with the principles of IAS 19 since is based on bonds corresponding to the currency and term estimation in relation to employee benefits and appropriate for long-term forecasts.

The obligations for benefits payable of an employee benefit scheme are based on various parameters , such as age , years of service and salary. The provisions for the period are included in personnel cost (consolidated and company's financial statements) and consist of current and past service cost , the relative financial cost , actuarial gains or losses and any possible additional charges . Regarding unrecognized actuarial gains or losses the revised IAS 19R is followed, which includes a number of changes in accounting for defined benefit plans, including :

- The recognition of actuarial gains / losses in other comprehensive income and permanent exclusion from the year's income statement,
- The expected returns on investment of the program of each period is not recognized according to the expected returns but it is recognized the interest on net liability / (asset) according to the discount rate used to measure the defined benefit obligation,
- Other changes include new disclosures as quantitative sensitivity analysis

4.15 Grants

The Group recognizes the government grants that cumulatively satisfy the following criteria: a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and b) it is probable that the amount of the grant will be received. They are booked at fair value and are systematically recognized as revenue according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenue over the useful life of the fixed asset.

4.16 Provisions

Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed during the reference date is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation.

Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

4.17 Recognition of income

Income: Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Construction Contracts:** The income from the execution of construction contracts is accounted for in the period the project is constructed, based on its completion stage.
- **Sale of goods:** Sales of goods are recognized when the Group transfers goods to customers, the goods are accepted by them and the collection of the resulting claim is reasonably assured.

- **Rendering of services:** Income from rendering of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service rendered in relation to the total services to be rendered.
- **Income Interest:** Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.
- **Dividends:** Dividends are accounted for as revenue when the right to receive payment is established.
- **Expenses:** Expenses are recognized in the results on an accrued basis. The payments made for operating leases
are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized
on an accrued basis.

4.18 Leases

Group company as Lessee: Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases.

These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved.

The relevant liabilities from leases, net of finance charges, are reported as liabilities. The part of the finance charge that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful lives and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognised in the income statement proportionately throughout the term of the lease.

Group Company as lessor: Fixed assets that are leased through operating leases are included in the balance sheet's tangible assets. They are depreciated during their expected useful life on a basis consistent with similar self-owned tangible assets. The income from the lease (net of possible incentives given to the lessees) is recognized using the constant method during the period of the lease. The Group does not act as a lessor through financial leasing.

4.19 Construction contracts

Construction contracts refer to the construction of assets or a group of affiliated assets specifically for customers according to the terms provided for in the relevant contracts and whose execution usually lasts for a period of over one fiscal year.

The expenses that refer to the contract are recognized when such are realized.

In the case where the result of one construction contract may not be reliably valued, and especially in the case where the project is at a premature stage, then the income must be recognized only to the extent that the contractual cost may be recovered, and the contractual cost must be recognized in the expenses of the period in which it was undertaken. Thus, for such contracts income is recognized in order for the profit from the specific project to equal zero.

When the result of a construction contract can be valued reliably, the contract's income and expenses are recognized throughout the contract's duration, respectively as income and expense. The Group uses the percentage completion method to define the appropriate income and expense amount that will be recognized in a specific period.

The completion stage is measured based on the contractual cost that has been realized up to the balance sheet date compared to the total estimated construction cost of each project. When it is likely for the total contract cost to exceed the total income, then the expected loss is directly recognized in the period's results as an expense.

For the calculation of the cost realized until the end of the period, any expenses related to future activities regarding the contract are excluded and appear as a project under construction. The total cost that was realized and the profit/loss that was recognized for each contract is compared with the progressive invoicing until the end of the period.

When the realized expenses plus the net profit (less the losses) that have been recognized, exceed the progressive invoicing, the difference appears as a receivable from construction contract customers in the account "Customers and other receivables". When the progressive invoicing exceed the realized expenses plus the net profit (less the losses) that have been recognized, the balance appears as a liability towards construction contract customers in the account "Suppliers and other liabilities".

4.20 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements at the date on which the distribution is approved by the General Meeting of the Shareholders.

4.21 Earnings per share

Basic earnings per share (Basic EPS) are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company with the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company after adjusting for the post tax interest expense of the convertible securities with the weighted average number of ordinary shares adjusted by the number of ordinary shares converted from the convertible bond issue.

The weighted average number of ordinary shares outstanding during the accounting period as well as during all presented accounting periods is adjusted in relation to the events that have altered the number of outstanding ordinary shares without the corresponding alteration of the resources.

5. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Judgments

In the process of applying the entity's accounting policies, judgments, apart from those involving estimations, made by the management that have the most significant effect on the amounts recognized in the financial statements mainly relate to:

- **Classification of investments**

Management decides on acquisition of an investment whether it should be classified as held to maturity, held for trading, carried at fair value through income statement, or available for sale. For those deemed to be held to maturity management ensures that the requirements of IAS 39 are met and in particular the Group has the intention and ability to hold these to maturity. The Group classifies investments as trading if they are acquired primarily for the purpose of making a short term profit. Classification of investments as fair value through income statement depends on how management monitors the performance of these investments. When they are not classified as held for trading but have readily available reliable fair values and the changes in fair values are reported as part of profit or loss in the management accounts, they are classified as fair value through income statement. All other investments are classified as available for sale.

5.2 Estimates and assumptions

Certain amounts included in or affecting our financial statements and related disclosure must be estimated, requiring us to make assumptions with respect to values or conditions which cannot be known with certainty at the time the financial statements are prepared. A "critical accounting estimate" is one which is both important to the portrayal of the company's financial condition and results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Group evaluates such estimates on an ongoing basis, based upon historical results and experience, consultation with experts, trends and other methods considered reasonable in the particular circumstances, as well as our forecasts as to how these might change in the future.

Recoverability of accounts receivable

Trade receivables initially, are recognized at fair value and subsequently are measured at amortized cost, using the method of effective interest method less provision for impairment. When the Company has the objective evidence that the Group will not be able to collect all of the due amounts, according to the terms of each agreement, makes provision for impairment of trade receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in other expenses in the Income Statement.

Obsolescence in inventory

Appropriate provisions are made for damage, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

Lease classification

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement over the period of the lease. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases.

Goodwill Impairment test and Intangible Assets with Indefinite useful life

The Group carries out the relevant impairment test on goodwill and intangible assets with indefinite useful life derived from subsidiaries and associates, at least on an annual basis or in case of an indication for impairment, according to IAS 36. In order to determine whether there is evidence leading to impairment, the value in use as well as the fair value of the cash generating unit less the sale cost should be calculated. Usually, methods such as net present value of estimated cash flows are used along with valuations based on similar transactions trading in active markets and stock quotation in case the subject item is traded on an organized market. For the application of these methods, Management is required to use information such as the subsidiary's forecasted future profitability, business plans as well as market data such as interest rates etc.

Budget of construction contracts

The handling of the earnings and the expenses of a construction contract, depends whether the final result, at the completion of contractual project can be estimated with credibility (and is expected to bring gain or loss). When the result of a contractual project can be estimated with credibility, then the earnings and the expenses of the contract are recognised, through the duration of the project, correspondingly as earning and expense. The Group uses the method of percentage of completion, to determine the appropriate amount of income and expense that will be recognised in a specific period. The percentage of completion is measured, according to the contractual expenses that have been realised until the date of the financial statements of the total expected contractual cost of every project.

As a result, the management is required to estimate the gross profit of every construction contract (estimated cost of completion).

Income taxes

The Group and the Company are subjects to income taxes in numerous jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Provisions

Doubtful accounts are reported at the amounts likely to be recoverable. As soon as it is learned that a particular account is subject to a risk over and above the normal credit risk (e.g., low creditworthiness of customer, dispute as to the existence or the amount of the claim, etc.), the account is analyzed and written down if circumstances indicate the receivable is uncollectible.

Contingent assets and contingent liabilities

The Group is involved in litigation and claims in the normal course of operations. Management is of the opinion that any resulting settlements would not materially affect the financial position of the Group as at December 31, 2014. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Changes in the judgments or interpretations may result in an increase or decrease in the Company's contingent liabilities in the future.

6. Group Structure and consolidation method

Group companies that are included in the consolidated financial statements with the method of full consolidation (unless stated otherwise below) are:

Company	Headquarters	Participation Percentage	Participation	Method of consolidation
GREEK STEEL INDUSTRY S.A. (SERVISTEEL)	VOLOS	99,98	Direct	Full consolidation
ELEMKA	MAROUSI, ATTIKIS	83,50	Direct	Full consolidation
Drosco Holdings Limited	NICOSIA, CYPRUS	83,50	Indirect	Full consolidation

Bridge Accessories & Construction Systems	MAROUSI, ATTIKIS	62,625	Indirect	Full consolidation
METKA BRAZI SRL	BUCHAREST, ROMANIA	100,00	Direct	Full consolidation
Joint Venture METKA – TERNA	ATHENS, ATTIKIS	10,00	Direct 10%	Equity Method
POWER PROJECTS	Istanbul Turkey	100,00	Direct 99% Indirect 1%	Full consolidation
Joint Venture ATERMON -EKME – TMUCB-METKA SA	MAROUSI, ATTIKIS	10,00	Direct	Equity Method
MYTILINEOS FINANCIAL PARTNERS SA	Luxembourg	25,00	Direct	Equity method

The unaudited fiscal years of the above mentioned companies are mentioned in detail in note 40.3 of the Financial Statements.

The consolidated financial statements of METKA Group are included in the consolidated financial statements of Mytilineos Group that is based in Greece and owns 50,00% of METKA Group as of 31/12/2014.

6.1 Changes in Group structure

On 25/08/2014, METKA sold its stake in the company «EKME S.A.». The stake (a total investment of 40%) was sold for a total of € 8 million which was fully paid on the date of sale.

EKME was included in METKA Group's consolidated financial statements with the method of full consolidation since, although the parent company possessed less than 50% voting rights, it was in control further to an agreement with the shareholders. In the annual Financial Statements of 31/12/2014 the Profit and Loss figures of this subsidiary (for the period 01/01-25/8/2014) as well as the result of the sale, have been included in the period's results and not separately as «Profit /(Loss) after taxes from discontinued operations», since the subsidiary does not fulfill the criteria of IFRS 5 in order to be considered as a discontinued operation for METKA Group.

From the above transaction, a loss of € 3.075 th. και € 1.510 th. resulted for the Group and Company respectively. This is included in the «Other Financial Results» account in the consolidated and company's statement of Profit and Loss.

The amount of loss was calculated as the difference between the amount of the stake's sale minus transaction expenses and the book value on the date of sale. The following table shows in detail the book value of EKME's net assets on the date of sale:

(Amounts in thousands €)	Book value of EKME S.A. at 25/08/2014
Non current assets	8,380
Current assets	14,335
Cash and cash equivalents	9,338
Assets	32,053
Non-Current Liabilities	1,348
Current Liabilities	3,015
LIABILITIES	4,363
EQUITY	27,690
Less : 'Non controlling Interests	16,615
Equity attributable to parent's shareholders	11,075

The result of the transaction is calculated as follows:

(Amounts in thousands €)	Result from the disposal
Book value of EKME S.A.	11,075
Net sale value	8,000
Losses from sale	3,075

The Group did not consolidate on 31/12/2014 the figures of EKME's Statement of Financial Position. However, it included the result of the above company in the consolidated Profit and Loss Statement – that is, a loss of €3.182 th. which is further analyzed into loss from the sale (€3.075 th.) plus loss from the company's activity in the period 01/01-25/08/2014 (€107 th.) More specifically, EKME's Statement of Profit and Loss for the period 01/01-25/08/2014 and the respective comparative period 01/01-31/12/2013 is as follows:

(Amounts in thousands €)	1/1- 25/08/2014	1/1- 31/12/2013
Sales	12,039	13,792
Cost of sales	(11,675)	(12,687)
Gross profit	364	1,105
Other operating income	170	44
Distribution expenses	(193)	(279)
Administrative expenses	(450)	(651)
Other operating expenses	(80)	(269)
Earnings before interest and income tax	(189)	(50)
Financial income	124	150
Financial expenses	(52)	(6)
Other financial results	86	50
Share of profit of associates	(50)	(123)
Profit before income tax	(81)	21
Income tax expense	(26)	(179)
Profit for the period	(107)	(158)

On 18/12/2014, METKA sold its 100% subsidiary «RODAX BRAZI SRL».

From this transaction there was no financial impact for the Group and the Company.

7. Operating Segments

The Group applies IFRS 8 "Operating Segments" under the provisions of which, the identification of operating segments based on the "management approach" and requires the information disclosed externally is that based on the internal reporting. The Board of Directors is the principal business decision maker of the Group.

In order to present the operating segments, it should be noted that the Group is active in the construction of complex electromechanical metal constructions. Each contract realized by the Group has its own special technical characteristics which differ to a greater or lesser extent from the other contracts. The company's projects are mainly differentiated by the use intended by the client, while the degree of business risk and returns remain the same.

Taking into account the above as well as the construction singularity of each project, for the purpose of segment information, the Group used the geographical area in which products and services are sold and which is subject to different risks and returns compared to other areas. Geographically, the Group is active in the Greek domain, in countries of the European Union (Germany, Romania), in Turkey, Syria, Algeria, Jordan, and Iraq.

In 2014, the Group's income from its activity in countries outside Greece (Syria, Algeria, Iraq, Jordan, Turkey and Other Countries) comprised a 92,70% of its total income and came mainly from Algeria, Syria and Iraq.

Income from other countries derived mainly from Germany. Based on those facts, the Group's geographical segments are Greece, Algeria, Turkey, Syria, Jordan and Other Countries. The financial results of 31st December 2014 and 2013 for the above mentioned geographical segments are presented below:

Amounts in '000 €	Greece	Algeria	Turkey	Syria	Other Countries	Iraq	Jordan	Total
01/01 - 31/12/2014								
Revenues from external customers	44,918	186,793	8,413	173,444	20,550	110,631	64,521	609,271
Intersegment revenues	2,209	12,133	4	1,450	-	515	1,970	18,282
Total Sales	47,128	198,926	8,417	174,894	20,550	111,146	66,491	627,553
Gross Profit	(731)	45,635	(3,409)	53,394	6,200	19,849	(5,040)	115,898
Financial revenues	11,492	-	2,414	-	35	-	-	13,942
Financial expenses	(7,400)	(4,707)	(1,738)	(686)	(433)	-	(858)	(15,821)
Net Financial profit / loss	4,092	(4,707)	676	(686)	(398)	-	(858)	(1,880)
Entity's Interest in the Profit of Joint Ventures	(50)	-	-	-	-	-	-	(50)
Profit before tax	1,128	39,261	(2,927)	46,986	4,813	17,119	(8,080)	98,300
Income Tax	(341)	(4,694)	1,801	(954)	(1,334)	(4,406)	1,946	(7,982)
Profit after tax	787	34,567	(1,126)	46,032	3,479	12,713	(6,134)	90,319
Depreciation / Amortization	3,294	448	56	-	11	-	-	3,809
31/12/2014								
Tangible assets	46,344	2,932	92	-	31	-	-	49,400
Other non- current assets	5,291	15,966	5,542	53,609	1	1,712	-	82,121
Other assets (less tangible assets)	452,813	60,138	126,507	16,470	21,422	51,213	21,498	750,062
Total assets	504,449	79,037	132,142	70,079	21,455	52,926	21,498	881,584
Total liabilities	53,869	67,205	6,772	195,749	7,148	37,406	5,645	373,793
Additions to non-current assets	4,059	3,286	3	-	-	-	-	7,348

Amounts in '000 €	Greece	Algeria	Turkey	Syria	Other Countries	Iraq	Jordan	Total
01/01 - 31/12/2013								
Revenues from external customers	71,590	145,134	42,960	115,219	472	147,921	83,195	606,491
Intersegment revenues	952	12,986	0	1,784	0	973	8,950	25,646
Total Sales	72,542	158,121	42,960	117,003	472	148,894	92,145	632,137
Gross Profit	6,454	60,094	(8,118)	40,888	(773)	14,865	10,350	123,760
Financial revenues	3,500	0	2,843	0	69	0	0	6,413
Financial expenses	(4,325)	(4,118)	(3,663)	(1,284)	(331)	0	(2,176)	-15,896
Net Financial profit / loss	(825)	(4,118)	(820)	(1,284)	(262)	0	(2,176)	-9,484
Entity's Interest in the Profit of Joint Ventures	(1,714)	-	-	-	-	-	-	-1,714
Profit before tax	(1,993)	57,920	(9,895)	30,675	(1,159)	6,320	4,658	86,527
Income Tax	316	300	807	3,300	162	0	152	5,037
Profit after tax	(1,676)	58,219	(9,088)	33,975	(996)	6,320	4,811	91,564
Depreciation / Amortization	4,089	0	81	0	23	0	0	4,193
31/12/2013								
Tangible assets	54,008	0	101	0	51	0.00	0	54,161
Other non- current assets	11,393	0	6,386	14,450	7	14,621	0	46,857
Other assets (less tangible assets)	301,609	23,012	132,610	154,817	10,147	30,256	46,820	699,272
Total assets	367,011	23,012	139,098	169,267	10,205	44,877	46,820	800,290
Total liabilities	52,120	25,311	35,221	161,177	7,709	40,076	28,808	350,423
Additions to non-current assets	1,179	0	29	0	0	0	0	1,208

The revenues from of the Group's external clients of the Group's for fiscal years 2014 and 2013 respectively, surpassing 10% of total income of the Group, are as follows:

01/01 - 31/12/2014		
Customers	Sector	Revenue
Customer 1	Algeria	186,793
Customer 2	Syria	173,294
Customer 3	Iraq	94,682
Customer 4	Jordan	64,575

01/01 - 31/12/2013		
Customers	Sector	Revenue
Customer 1	Iraq	147,917
Customer 2	Algeria	145,137
Customer 3	Syria	115,219
Customer 4	Jordan	83,407

8. Property, plant & equipment

Land, buildings and machinery were valued as at the transition date to IFRS (01/01/2004) at deemed cost, according to the provisions of IFRS 1. The “deemed cost” cost is considered as the fair value of the fixed assets as at the transition date to IFRS, which was defined after a study by an independent evaluator.

The Group’s tangible fixed assets are analyzed as follows:

(Amounts in thousands €)	Group METKA				
	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	42,164	49,679	8,974	1,727	102,544
Accumulated depreciation and/or impairment	(6,976)	(31,257)	(6,771)	-	(45,004)
Net Book value as at 01/01/2013	35,188	18,422	2,203	1,727	57,540
Gross Book Value	42,322	51,403	9,406	201	103,332
Accumulated depreciation and/or impairment	(7,801)	(34,074)	(7,296)	-	(49,171)
Net Book value as at 31/12/2013	34,521	17,329	2,110	201	54,161
Gross Book Value	38,014	48,199	9,561	111	95,885
Accumulated depreciation and/or impairment	(6,869)	(32,260)	(7,356)	-	(46,485)
Net Book value as at 31/12/2014	31,145	15,939	2,205	111	49,400

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
	Net Book value as at 01/01/2013	35,188	18,422	2,203	1,727
Additions	81	508	456	129	1,201
Sales - Reductions	-	(345)	(24)	-	(363)
Depreciation	(825)	(2,817)	(525)	-	(4,171)
Reclassifications	77	1,606	-	(1,655)	-
Net Foreign Exchange Differences	-	(45)	-	-	(47)
Merge Through Acquisition Of Subsidiary	-	-	-	-	-
Net Book value as at 31/12/2013	34,521	17,329	2,110	201	54,161
Additions	3,712	2,800	827	43	7,382
Sales - Reductions	-	13	39	(89)	(37)
Depreciation	(1,127)	(2,095)	(617)	-	(3,839)
Net Foreign Exchange Differences	-	-	5	-	5
Reduction of Gross Book Value due to the disposal of a Subsidiary	(7,805)	(5,103)	(552)	(44)	(13,504)
Reduction of accumulated depreciation due to the disposal of a Subsidiary	1,844	2,995	393	-	5,232
Net Book value as at 31/12/2014	31,145	15,939	2,205	111	49,400

The Company's tangible fixed assets are analyzed as follows:

METKA S.A.					
(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	26,514	36,382	7,504	1,508	71,907
Accumulated depreciation and/or impairment	(4,187)	(25,619)	(5,582)	-	(35,388)
Net Book value as at 01/01/2013	22,327	10,763	1,922	1,508	36,519
Gross Book Value	26,647	37,944	7,893	-	72,485
Accumulated depreciation and/or impairment	(4,674)	(27,275)	(6,059)	-	(38,009)
Net Book value as at 31/12/2013	21,973	10,669	1,834	-	34,476
Gross Book Value	30,130	40,596	8,657	-	79,383
Accumulated depreciation and/or impairment	(5,304)	(28,797)	(6,602)	-	(40,702)
Net Book value as at 31/12/2014	24,826	11,799	2,055	-	38,681

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book value as at 01/01/2013	22,327	10,763	1,922	1,508	36,519
Additions	76	433	425	116	1,049
Sales - Reductions	-	(200)	(24)	-	(224)
Depreciation	(486)	(1,893)	(489)	-	(2,868)
Reclassifications	58	1,565	-	(1,623)	-
Merge Through Acquisition Of Subsidiary	-	-	-	-	-
Net Book value as at 31/12/2013	21,973	10,669	1,834	-	34,476
Additions	3,697	2,680	770	-	7,147
Sales - Reductions	0	(2)	(1)	-	(3)
Depreciation	(845)	(1,548)	(547)	-	(2,939)
Merge Through Acquisition Of Subsidiary	-	-	-	-	-
Net Book value as at 31/12/2014	24,826	11,799	2,055	-	38,681

There are no mortgages or encumbrances on the fixed assets on 31/12/2014 both for the Group and the Company.

The Group did not hold tangible assets under finance lease on 31.12.2014 and 31.12.2013.

9. Goodwill

Both in the current and previous fiscal years there has been no change in this account of the consolidated financial statements. The total goodwill amount of € 1831 th. comes from subsidiary ELEMKA (€ 1830 th.) and DROSCO HOLDINGS (€ 2 th.). Additionally, there is no impairment on goodwill on 31/12/2014.

10. Intangible Assets

The intangible assets (Group / Company) on 31/12/2014 and 31/12/2013 are analyzed as follows:

(Amounts in thousands €)	Group METKA Software
Gross Book Value	262
Accumulated depreciation and/or impairment	(232)
Net Book value as at 01/01/2013	30
Gross Book Value	275
Accumulated depreciation and/or impairment	(252)
Net Book value as at 31/12/2013	23
Gross Book Value	133
Accumulated depreciation and/or impairment	(128)
Net Book value as at 31/12/2014	4

(Amounts in thousands €)	Group METKA Software
Net Book value as at 01/01/2013	30
Additions From Acquisition/Consolidation Of Subsidiaries	-
Additions	14
Sale Of Subsidiary	-
Depreciation	(21)
Net Foreign Exchange Differences	-
Merge Through Acquisition Of Subsidiary	-
Net Book value as at 31/12/2013	23
Additions From Acquisition/Consolidation Of Subsidiaries	-
Additions	3
Sales - Reductions	-
Sale Of Subsidiary	(13)
Depreciation	(9)
Net Foreign Exchange Differences	-
Merge Through Acquisition Of Subsidiary	-
Net Book value as at 31/12/2014	4

(Amounts in thousands €)	METKA S.A. Software
Gross Book Value	108
Accumulated depreciation and/or impairment	(95)
Net Book value as at 01/01/2013	13
Gross Book Value	108
Accumulated depreciation and/or impairment	(102)
Net Book value as at 31/12/2013	5
Gross Book Value	108
Accumulated depreciation and/or impairment	(107)
Net Book value as at 31/12/2014	1

(Amounts in thousands €)	METKA S.A. Software
Net Book value as at 01/01/2013	13
Additions	-
Depreciation	(7)
Net Book value as at 31/12/2013	5
Additions	-
Depreciation	(4)
Net Book value as at 31/12/2014	1

11. Investments in Subsidiaries

Investments in subsidiaries were valued at acquisition cost in the company's financial statements. Investments in subsidiaries during the current and previous fiscal years have as follows:

Amounts in thousands €	31/12/2014	31/12/2013
Opening carrying amount	16,302	16,303
Acquisition of Companies	-	-
Sale of companies	(9,510)	(1)
Closing carrying amount	6,792	16,302

During the year 2014, the Company proceeded with the disposal of subsidiaries EKME S.A. (40% stake, based in Thessaloniki-Greece), and RODAX BRAZI SRL (100% Metka OVERSEAS LTD (100% stake, based in Brazi-Romania) are not included compared to the corresponding annual comparative period of 2013. See details on note 6.1 of the Financial Statements.

There are no significant restrictions for capital transfer from the above businesses to the company in the form of cash dividends or loan payments or advance payments.

12. Investments in Associate Companies

The investments in Associate Companies of Metka and Metka’s subsidiaries are as follows:

Company	Headquarters	Participation %	Relation that dictated the consolidation
Joint venture METKA – TEPNA	ATHENS, ATTICA	10,00	Direct 10%
Joint venture ATERMON ATTEE-EKME SA- TMUCB SA-METKA SA	MAROUSI, ATTIKA	10,00	Direct 10%
MYTILINEOS FINANCIAL PARTNERS SA	Luxembourg	25,00	Direct

The remaining balance on 31/12/2014 amounts to € 501 th. During the year 2014 there were no material changes on the investments in Associate Companies.

13. Deferred tax receivables and liabilities

Deferred income tax results from the temporary differences between the book value and the tax base of assets or liabilities and are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled.

The deferred tax for receivables and liabilities are offset then an appropriate applicable legal right exist for the offset of current tax liabilities against current tax receivables and if deferred taxes concern the same fiscal principle. Tax losses are recognized as deferred tax receivables if there is a possibility to regain a relevant tax benefit through future tax profit.

The amounts offset for the Group and the Company are the following:

(Amounts in thousands €)	Group METKA						
	31/12/2014 At 1st January	31/12/2014 Recognised In Profit Or Loss	31/12/2014 Recognised In Other Comprehensive Income	31/12/2014 Deferred Tax Impact From Merge/ Disposal Of Subsidiary	31/12/2014 As At 31 December	31/12/2014 Deferred Tax Asset	31/12/2014 Deferred Tax Liability
Non - Current Assets							
Intangible Assets	475	(28)	-	(7)	440	440	-
Tangible Assets	(6,199)	411	-	818	(4,970)	-	(4,970)
Current Assets							
Construction Contracts	27,126	15,427	-	(418)	42,135	42,135	-
Receivables	(379)	2	-	504	127	127	-
Financial Assets at fair value	-	380	-	-	380	380	-
Reserves							
Reserves' defer tax liability	(56,336)	30	-	506	(55,800)	-	(55,800)
Long-term Liabilities							
Employee Benefits	217	18	36	(54)	217	217	-
Other Long-Term Liabilities	(42)	-	-	42	-	-	-
Short-Term Liabilities							
Provisions	14	(94)	-	-	(80)	14	(94)
Liabilities From Financing Leases	57	-	-	(57)	-	-	-
Other Short-Term Liabilities	249	(152)	-	-	97	97	-
Other Contingent Defer Taxes	73	-	-	(47)	26	26	-
Total	(34,745)	15,994	36	1,287	(17,428)	43,436	(60,864)
Offsetting	-	-	-	-	-	(41,937)	41,937
Deferreed tax from tax losses	5,738	(5,329)	-	(395)	14	14	-
Deferred Tax (Liability)/Receivables	(29,007)	10,665	36	892	(17,414)	1,513	(18,927)

(Amounts in thousands €)	Group METKA						
	31/12/2013 At 1st January	31/12/2013 Recognised In Profit Or Loss	31/12/2013 Recognised In Other Comprehensive Income	31/12/2013 Deferred Tax Impact From Exchange rate differences	31/12/2013 As At 31 December	31/12/2013 Deferred Tax Asset	31/12/2013 Deferred Tax Liability
Non - Current Assets							
Intangible Assets	410	65	-	-	475	475	-
Tangible Assets	(5,220)	(980)	-	-	(6,200)	-	(6,200)
Other Long-Term Assets	(546)	546	-	-	-	-	-
Current Assets							
Construction Contracts	23,654	3,472	-	-	27,126	33,226	(6,100)
Receivables	(87)	(339)	-	47	(379)	-	(379)
Financial Assets at fair value	-	-	-	-	-	-	-
Reserves							
Reserves' defer tax liability	(59,661)	3,325	-	-	(56,336)	-	(56,336)
Long-term Liabilities							
Employee Benefits	(581)	804	(6)	-	217	217	-
Other Long-Term Liabilities	-	(42)	-	-	(42)	-	(42)
Short-Term Liabilities							
Provisions	(600)	613	-	-	13	13	-
Liabilities From Financing Leases	-	57	-	-	57	57	-
Other Short-Term Liabilities	-	249	-	-	249	249	-
Other Contingent Defer Taxes	26	47	-	-	73	73	-
Total	(42,605)	7,817	(6)	47	(34,747)	34,310	(69,057)
Offsetting	-	-	-	-	-	(32,800)	32,800
Deferreed tax from tax losses	5,130	608	-	-	5,738	5,738	-
Deferred Tax (Liability)/Receivables	(37,475)	8,425	(6)	47	(29,009)	7,248	(36,257)

(Amounts in thousands €)	METKA S.A.					
	31/12/2014 At 1st January	31/12/2014 Recognised In Profit Or Loss	31/12/2014 Recognised In Other Comprehensive Income	31/12/2014 As At 31 December	31/12/2014 Deferred Tax Asset	31/12/2014 Deferred Tax Laibility
Non - Current Assets						
Intangible Assets	468	(27)	-	441	441	-
Tangible Assets	(4,825)	362	-	(4,463)	-	(4,463)
Current Assets						
Construction Contracts	31,441	10,076	-	41,517	41,517	-
Financial Assets at fair value	-	380	-	380	380	-
Reserves						
Reserves' defer tax liability	(55,726)	-	-	(55,726)	-	(55,726)
Long-term Liabilities						
Employee Benefits	161	18	29	208	208	-
Short-Term Liabilities						
Provisions	16	(16)	-	-	-	-
Other Short-Term Liabilities	114	(95)	-	19	19	-
Total	(28,352)	10,697	29	(17,626)	42,564	(60,190)
Offsetting	-	-	-	-	(42,516)	42,516
Deferreed tax from tax losses	5,315	(5,315)	-	-	-	-
Deferred Tax (Liability)/Receivables	(23,037)	5,382	29	(17,626)	48	(17,674)

(Amounts in thousands €)	METKA S.A.				
	31/12/2013 At 1st January	31/12/2013 Recognised In Profit Or Loss	31/12/2013 As At 31 December	31/12/2013 Deferred Tax Asset	31/12/2013 Deferred Tax Laibility
Non - Current Assets					
Intangible Assets	399	69	468	468	-
Tangible Assets	(4,087)	(738)	(4,825)	-	(4,825)
Current Assets					
Construction Contracts	31,640	(199)	31,441	31,441	-
Receivables	-	-	-	-	-
Reserves					
Reserves' defer tax liability	(59,061)	3,334	(55,727)	-	(55,727)
Long-term Liabilities					
Employee Benefits	(639)	800	161	161	-
Short-Term Liabilities					
Provisions	(599)	613	16	16	-
Other Short-Term Liabilities	-	113	113	113	-
Total	(32,347)	3,994	(28,353)	32,199	(60,552)
Offsetting	-	-	-	(31,989)	31,989
Deferreed tax from tax losses	5,102	213	5,315	5,315	-
Deferred Tax (Liability)/Receivables	(27,245)	4,207	(23,038)	5,525	(28,563)

14. Financial Assets available for sale

The Group has included in this account a financial asset of € 31 th. while the respective amount for the Company is € 22 th. During the current fiscal year there has been no change in the balance of this account.

The above financial instruments refer to investments in non-listed companies. There is no case of impairment of these investments and their fair value does not exceed substantially their acquisition cost.

15. Other long-term receivables

The Group's and Company's other long-term receivables are analyzed in the following table:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Customers - Withholding quarantees falling due after one year	72,142	30,115	72,142	30,115
Given Guarantees	560	591	508	511
Other long term receivables	5,539	6,381	-	-
Other Long-term Receivables	78,241	37,088	72,650	30,626

Other long-term receivables for the Group concern retained tax for subsidiary POWER PROJECTS which shall be offset when the relevant tax statement will be submitted with the completion of works and invoicing.

16. Inventories

The Group's and Company's inventories are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Raw materials	47,227	28,470	47,214	28,169
Finished products	-	31	-	31
Work in Progress	1,671	1,608	1,610	1,563
Merchandise	768	576	-	-
Others	1,897	1,947	1,790	1,669
Total	51,562	32,632	50,614	31,432
(Less)Provisions for scrap,slow moving and/or destroyed inventories:	(1,000)	(1,177)	(1,000)	(1,000)
Total Stock	50,562	31,456	49,614	30,432

The value of the Inventories that were acknowledged as expense in the income statement of the Group and the Company € 325.563 th. and € 292.695 th. accordingly (2013: € 322.942 th. and € 232.149 th. accordingly).

The Group had no pledged inventories on 31/12/2014 and 31/12/2013.

17. Customers and other trade receivables

The Group's and Company's customers and other trade receivables are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Customers	271,898	381,249	262,093	340,001
Notes receivable	-	4	-	-
Checks receivable	1,986	2,829	-	-
Less: Impairment Provisions	(2,019)	(2,322)	-	-
Net trade Receivables	271,865	381,759	262,093	340,001
Advances to trade creditors	33,821	51,500	32,835	50,601
Total	305,686	433,259	294,928	390,602

Uninvoiced receivables, amounted to € 63,130 th. for the Group and € 61,475 th. for the company (2013 € 27,179 th. for the Group and € 26,902 th. for the company) are included to the account customers respectively which have been recognized as receivables according to IAS 11.

All of the above receivables are concerned as short term. The fair value of that short term financial assets is not determined independently because the book value is considered to be equal to the fair value.

In addition some of the receivables are past due nor impaired. The management on a continuous basis reviews the commercial receivables with strict criteria and in this context it's not necessary to create any additional impairment provision. The following table shows the Group's and Company's trade receivables on 31/12/2014:

**Liquidity Risk Analysis - Trade Receivables
(Amounts in thousands €)**

	Group METKA			
	Past due but not impaired			
	0-3 months	3-6 months	6-12 months	> 1 year
2014	1,399	92	247	101,478
2013	2,986	781	365	104,496

**Liquidity Risk Analysis - Trade Receivables
(Amounts in thousands €)**

	METKA S.A.			
	Past due but not impaired			
	0-3 months	3-6 months	6-12 months	> 1 year
2014	101	-	-	100,783
2013	385	-	-	101,703

The following table shows the movement of provisions for doubtful trade receivables of the Group during the years ended 31/12/2014 and 31/12/2013. The Company has not made any provisioning for impairment of receivables.

METKA GROUP	
(amounts in thousands €)	Provisions for impairment losses
Balance at 1st January 2013	1,969
Additional provisions for the period 01/01/2013 - 31/12/2013	379
Unused provisions that have been reversed	-
Provisions used during the year	(26)
Balance at 31 December 2013	2,322
Additional provisions for the period 01/01/2014 - 31/12/2014	51
Unused provisions that have been reversed	(44)
Reduction of provisions due to disposal of a subsidiary	(310)
Balance at 31 December 2014	2,019

18. Other receivables – other current assets

The Group's and Company's other receivables on 31/12/2014 and on 31/12/2013 are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other Debtors	36,975	41,187	16,366	27,442
Receivables from the State	25,645	17,748	25,171	16,330
Receivables from Subsidiaries	33,297	34,695	28,587	29,804
Accrued income - Prepaid expenses	7,084	5,756	6,677	4,864
Less: Provision for Bad Debts	-	(537)	-	(537)
Total	103,001	98,848	76,801	77,903

The category "Sundry Debtors" includes pledged deposits of the Group and of the Company, amount € 17.884 th. and € 13.819 th. respectively (31/12/2013: € 31.639 th. and € 25.639 th.) as a security for letters of guarantee.

The receivables from connected parties concern investments through the affiliate MYTILINEOS FINANCIAL PARTNERS SA

As of 31/12/2014 no provisions were made for doubtful debtors while reversed provisions amounted to € 537thous. .

19. Financial assets at fair value through profit and loss

The analysis of the investments in financial assets is analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Banks and Bonds	-	281	-	-
Stocks	2,500	886	2,500	-
Total Financial Assets	2,500	1,167	2,500	0

The change in the allocation for the Group and the Company is as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Total Opening	1,167	1,967	-	-
Additions	18,676	0	16,974	-
Sales	(15,686)	(1,197)	(13,013)	-
Fair Value Adjustments	(1,461)	397	(1,461)	-
Exchange Rate Differences	85	-	-	-
Reduction due to the disposal of a subsidiary	(281)	-	-	-
Closing Balance	2,500	1,167	2,500	-

The change in fair value of the above financial assets is included in the account “Other Financial results” of the income statement. It is noted that the actual sales of the period, for the Group and the Company have benefited the results with gains amounting to € 5.894 thous. and € 5.666 thous. respectively.

20. Cash and cash equivalents

Group and company cash and cash equivalents are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Cash	135	107	109	70
Bank deposits	83,054	27,795	79,159	22,672
Time deposits & Repos	205,125	106,640	113,598	33,655
Total	288,314	134,542	192,866	56,398

Cash equivalents represent cash balances in Group and Company and time deposits available at first demand.

There were no overdrafts in the bank accounts on the above mentioned dates.

The effective interest rate of short term investments is 1,5%- 2,0% (2013: 2,5%-3,0%).

21. Construction contracts

The construction contracts concern properties’ construction especially for clients, according to terms provided in the contracts, whose execution usually extends more than one fiscal year.

Construction Contracts	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Realised Contractual Revenues	597,806	595,744	542,611	399,834
Realised Contractual Cost & Profits (minus realised losses)	3,481,076	3,253,185	2,969,703	2,618,063
Advances received	(47,303)	(27,291)	(46,462)	(25,316)
Clients holdings for good performance	120,018	175,440	118,282	168,011
Receivables for construction contracts according to the percentage of completion	63,130	27,179	61,475	26,902
Liabilities related to construction contracts according to percent. of completion	(182,691)	(134,150)	(175,606)	(122,846)

The above mentioned amounts represent the management's best possible estimation according to the results, and to the percentage of completion of the construction contracts on the balance-sheet date.

22. Total equity

22.1 Share capital

The Company's share capital consists of 51.950.600 nominal shares, of a nominal value of €0,32 per share. The total share capital amounts to €16.624.192. The company's shares are listed in the Athens Stock Exchange. There were no changes in the above accounts within 2014.

Amounts in thousands €	Number of shares	Ordinary Shares	Share Premium	Total
Balance at 01/1/2013	51,950,600	51,950,600	16,624	16,624
Increase of Share Capital				
Balance at 31/12/2013	51,950,600	51,950,600	16,624	16,624
Increase of Share Capital				
Balance at 31/12/2014	51,950,600	51,950,600	16,624	16,624

There are no shares of the company owned by the company itself or any other subsidiary or affiliate company.

MYTILINEOS S.A. possessed a 50,00 % of METKA on 31/12/2014 and applies the full consolidation method on its consolidated financial statements.

22.2 Other reserves

Other reserves for the Group are as follows:

(Amounts in thousands €)	Group METKA				Total
	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Actuarial Gain/Losses Reserve	
Opening Balance 1st January 2013, according to IFRS -as published-	6,942	4,114	17,428	(71)	28,413
Transfer To Reserves	16	-	-	-	16
Income Tax Relating To Components Of Other Comprehensive Income	-	-	-	-	-
Actuarial Gain / (Losses)	-	-	-	140	140
Closing Balance 31/12/2013	6,958	4,114	17,428	69	28,569
(Amounts in thousands €)	Group METKA				Total
	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Actuarial Gain/Losses Reserve	
Opening Balance 1st January 2014, according to IFRS -as published-	6,958	4,114	17,428	69	28,569
Transfer To Reserves	3	(552)	(1,918)	-	(2,467)
Impact From Transfer Of Subsidiary	(1,027)	(1,796)	-	(13)	(2,836)
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	36	36
Actuarial Gain / (Losses)	-	-	-	(135)	(135)
Closing Balance 31/12/2014	5,935	1,767	15,511	(44)	23,167

Other reserves for the Company are as follows:

(Amounts in thousands €)	METKA S.A.				Total
	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Actuarial Gain/Losses Reserve	
Opening Balance 1st January 2013, according to IFRS -as published-	5,542	827	17,287	80	23,736
Actuarial Gain / (Losses)	-	-	-	124	124
Closing Balance 31/12/2013	5,542	827	17,287	204	23,860

(Amounts in thousands €)	METKA S.A.				Total
	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Actuarial Gain/Losses Reserve	
Opening Balance 1st January 2014, according to IFRS -as published-	5,542	827	17,287	204	23,860
Transfer To Reserves	-	-	(1,852)	-	(1,852)
Deferred Tax From Actuarial Gain / (Losses)	-	-	-	29	29
Actuarial Gain / (Losses)	-	-	-	(113)	(113)
Closing Balance 31/12/2014	5,542	827	15,436	120	21,924

The ordinary reserve was formed according to the L.2190/1920.

22.3 Retained earnings

Amounts in thousands €	Group METKA		METKA SA	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Intended Dividend	25,975	15,585	25,975	15,585
Remaining Earnings	442,354	372,962	312,518	262,734
Total	468,329	388,547	338,493	278,319

The General Shareholders Meeting unanimously approved at 18/06/2014 the appropriation account for the fiscal year 2013 and the distribution of €15.585.180 out of the profit for the year 2013, which represents a dividend of €0,3000 per share. It is noted that according to the tax law, a 10% withholding tax is applicable to the distributed dividend. Therefore, the net dividend was €0,27 per share.

It is suggested to distribute € 25.975.300 as a dividend (€0,5000 gross dividend per share), out of the net profit € 73.908.141 of the year 2014.

The distribution of dividend has to be approved by the General Shareholders Meeting.

23. Liabilities for pension plans

According to the labor law, employees are entitled to compensation in case of dismissal or retirement, the amount of which varies depending on 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 under N.2112/1920. These programs are not funded and according

to IAS 19 are considered as defined benefit programs. The Group's obligations, according to IAS 19, were calculated by independent actuaries companies.

The change of this net liability is as follows :

(Amounts in thousands €)	Group METKA		METKA SA	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Liability for pension plans	932	988	802	734
Total	932	988	802	734
Recognized as:				
Long Term Liability	932	988	802	734
Short Term Liability	-	-	-	-

The amounts recognized in the Profit and Loss statement for the Group and the Company are as follows:

(Amounts in thousands €)	Group METKA		METKA SA	
	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans
Cost of current period employment	33	87	32	62
Interest on benefit obligation	30	46	26	35
Past employment cost	-	-	-	-
Total expenses recognized in the Income Statement	63	133	58	97

The amounts recognized in the Comprehensive Income statement of the Group and the Company are as follows:

(Amounts in thousands €)	Group METKA		METKA SA	
	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans
Actuarial gains / (losses) from changes in demographic assumptions	21	(101)	12	(77)
Actuarial gains / (losses) from changes in financial assumptions	117	(48)	101	(47)
Total income / (expense) recognized in other comprehensive income	138	(150)	113	(124)

Changes in the present value of the defined benefit plans are as follows:

	Group METKA		METKA SA	
	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans	31/12/2014 Defined Contributions Plans	31/12/2013 Defined Contributions Plans
(Amounts in thousands €)				
Total Opening	988	1.208	733	916
Current Employment Cost	33	87	32	62
Financial Cost	30	46	26	35
Reassessment - actuarial losses/(gains) on changes in demographic assumptions	21	(101)	12	(77)
Reassessment - actuarial losses/(gains) on changes in financial assumptions	117	(48)	101	(47)
Contributions Paid	156	351	156	306
Settlement	(274)	(553)	(259)	(462)
Changes from the disposal of subsidiaries	(140)	-	-	-
Closing Balance	932	988	801	733

The details and underlying assumptions of the actuarial valuation for the years ended 31/12/2014 and 31/12/2013 are as follows:

	31/12/2014	31/12/2013
Discount Rate	2.50%	3.60%
Future Wage increases	2.00%	2.00%
Percentage of retirement	2.00%	2.00%
Inflation	2.00%	2.00%

The above assumptions were developed by management in collaboration with an independent actuary who prepared the actuarial study. The following table shows a quantitative sensitivity analysis for key assumptions of 31/12/2014:

	Discount rate	
	0.5%	-0.5%
Increase / (decrease) in defined benefit obligation	(61)	67
	Future salary increases	
	0.5%	-0.5%
Increase / (decrease) in defined benefit obligation	67	(61)

These sensitivity analyzes have been determined based on a method that shows the effect on the defined benefit plan as a result of reasonable changes in key assumptions at the end of the period of the financial statements.

24. Other long-term liabilities

The analysis of the Group's and Company's other long-term liabilities is as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Advances of customers				
Total Opening	11,261	146	11,261	146
Additions	61,558	92,686	61,558	92,686
Transfer From / (To) Short - Term	6,054	8,159	6,054	8,159
Depreciation For The Period	(54,460)	(89,729)	(54,460)	(89,729)
Closing Balance	24,413	11,261	24,413	11,261
Other				
Total Opening	52,378	76,856	52,189	76,667
Transfer From / (To) Short - Term	(52,189)	-	(52,189)	-
Depreciation For The Period	-	(24,477)	-	(24,477)
Discont. Operations / Sales Of Subsidiary	(189)	-	-	-
Closing Balance	-	52,378	-	52,189
Suppliers holdings for good performance				
Additions	16,993	4,153	16,993	4,153
Transfer From / (To) Short - Term	(656)	562	(656)	562
Depreciation For The Period	(2,564)	(4,716)	(2,564)	(4,716)
Closing Balance	13,773	-	13,773	-
Total	38.186	63.640	38.186	63.451

The "Other" account mainly includes long-term liabilities to customers from project execution based on IAS 11.

25. Trade and other Payables

The analysis of the balance for the Group's and Company's trade and other liabilities is as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Suppliers	89,084	122,319	88,249	117,657
Customers' Advances	22,890	27,291	22,049	25,316
Liabilities to customers for project implementation	182,691	81,961	175,606	70,657
Total	294,665	231,571	285,904	213,630

All trade transactions have no interest and regularly settled.

26. Tax Payable

Tax payable of the Group and the Company are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Tax expense for the period	11,132	914	11,093	-
Tax audit differences	-	288	-	-
Tax liabilities	1,426	1,622	1,063	1,087
Total	12,559	2,824	12,156	1,087

For the unaudited fiscal years of the companies of the Group, please revert to Note 40.3 Contingent Liabilities – Receivables”.

27. Debt

The Group and the Company’s debt on 31/12/2014 and 31/12/2013 are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Long-term debt				
Bank loans	2,090	2,403	-	-
Total	2,090	2,403	-	-
Short-term debt				
Bank loans	2,350	7,252	-	4,840
Total	2,350	7,252	-	4,840
	4,440	9,655	-	4,840

The company liabilities refer to short term debt denominated in euros. The weighted average interest rate at the end of year amounts to 7,44% (in 2013: 6,95%). There are no mortgages relating to the group’s fixed assets as of 31/12/2014. There are no liabilities from financial leases for the Group and the Company.

The account «Financial Expenses» in the consolidated and corporate Income Statement includes the total financial cost of long- and short-term borrowing as well as financial leases for the period ended 31/12/2014 (see note 34).

28. Other short-term liabilities

The other short-term liabilities are analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Liabilities to Related Parties	125	125	125	8,628
Accrued expense	1,482	675	1,472	662
Social security insurance	598	739	537	476
Dividends payable	350	433	246	248
Others Liabilities	638	2,128	478	587
Total	3,193	4,101	2,857	10,600

29. Provisions

	Group METKA		
	Tax liabilities	Other	Total
(Amounts in thousands €)			
01/01/2013	1,880	7	1,886
Additional Provisions For The Period	-	4	4
Unrealised Reversed Provisions	(800)	(7)	(807)
Realised Provisions For The Period	(70)	-	(70)
31/12/2013	1,010	4	1,014
Long -Term	1,010	-	1,010
Short - Term	-	4	4
Sale Of Subsidiary	(120)	-	(120)
Unrealised Reversed Provisions	-	(4)	(4)
31/12/2014	890	-	890
Long -Term	890	-	890
Short - Term	-	-	-

	METKA S.A.		
	Tax liabilities	Other	Total
(Amounts in thousands €)			
01/01/2013	1,580	-	1,580
Unrealised Reversed Provisions	(800)	-	(800)
Realised Provisions For The Period	-	-	-
31/12/2013	780	-	780
Long -Term	780	-	780
Short - Term	-	-	-
Realised Provisions For The Period	-	-	-
31/12/2014	780	-	780
Long -Term	780	-	780
Short - Term	-	-	-

The provision for tax unaudited fiscal years relates to future obligations that may result from tax audits. Long-term forecasts do not appear in discounted amounts, as there is no accurate estimate of the time of payment.

The Group and Company did not conduct additional provisions within 2014.

30. Sales

The sales turnover analysis for the Company and the Group is as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	Total			
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Sale of commodities	3,729	3,638	-	-
Sales of goods produced	1,199	2,143	156	543
Sales of other inventory	5,841	1,162	5,153	355
Services	695	3,695	1,081	3,676
Constructions	597,806	595,852	542,611	399,834
Sales	609,271	606,491	549,001	404,408

31. Analysis of expenses by their nature

The expenses analysis by the nature of expense of the year 2014 and 2013 are as follows:

Cost of sales

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Retirement benefits	41	214	26	196
Other employee benefits	10,278	10,425	6,351	4,652
Cost of materials & inventories	325,563	322,942	292,695	232,149
Third party expenses	102,700	98,234	97,215	51,350
Third party benefits	5,266	10,846	4,620	3,939
Assets repair and maintenance cost	476	335	274	115
Operating leases rent	2,013	1,082	1,819	744
Taxes & Duties	497	420	439	100
Advertisement	17	23	17	14
Other expenses	43,411	34,718	40,309	29,179
Depreciation - Tangible Assets	3,112	3,492	2,294	2,250
Depreciation - Intangible Assets	-	1	-	-
Total	493,373	482,731	446,058	324,687

(Amounts in thousands €)

Distribution expenses

	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Retirement benefits	-	7	-	7
Other employee benefits	369	400	208	217
Inventory cost	1	1	1	1
Third party expenses	477	625	381	530
Third party benefits	61	103	53	85
Assets repair and maintenance cost	7	7	3	2
Operating leases rent	59	75	49	67
Taxes & Duties	13	5	9	1
Advertisement	56	34	56	33
Other expenses	881	778	799	682
Depreciation - Tangible Assets	25	21	10	7
Depreciation - Intangible Assets	-	3	-	-
Total	1,949	2,059	1,568	1,633

(Amounts in thousands €)

Administrative expenses

	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Retirement benefits	5	274	5	259
Other employee benefits	4,192	5,190	3,653	4,517
Third party expenses	8,478	6,184	7,490	5,599
Third party benefits	2,911	2,843	2,830	2,673
Assets repair and maintenance cost	394	298	379	288
Operating leases rent	1,469	1,541	1,282	1,237
Taxes & Duties	233	65	231	42
Advertisement	671	772	671	772
Other expenses	3,005	3,410	2,601	2,519
Depreciation - Tangible Assets	705	687	636	611
Depreciation - Intangible Assets	4	18	4	7
Total	22,069	21,283	19,782	18,526

32. Number of Employees

The number of employees for the Company and the Group as of 31/12/2014 and 31/12/2013 is analysed in the following table:

	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Full time employees	313	322	274	231
Part time employees	57	161	55	52
Total	370	483	329	283

33. Other operating income and expense

The operating income and expense of the Group is analysed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other operating income				
Income from Subsidies	6	105	4	30
Compensations	45	45	45	45
Profit from foreign exchange differences	39,167	17,351	30,725	6,907
Rent income	69	51	69	51
Profit from sale of fixed assets	165	23	34	23
Other	1,044	227	808	192
Total	40,496	17,803	31,685	7,248
Other operating expenses				
Losses from foreign exchange differences	25,316	13,192	21,226	8,846
Provision for bad debts	51	381	-	-
Loss from sale of fixed assets	44	75	-	25
Operating expenses from services	6,702	6,724	6,112	6,170
Other taxes	33	124	28	122
Total	32,146	20,496	27,366	15,163

34. Financial income / expenses

The financial income and expenses of the Group and the Company is analysed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Financial income				
Bank deposits	5.106	3.132	3.120	1.558
Customers	592	-	592	-
Other	2.087	2.036	1.719	1.666
Total	7.786	5.169	5.432	3.224
Financial expenses				
Discounts of Employees' benefits liability due to service termination	28	48	26	35
Bank Loans	422	2.730	62	2.359
Letter of Credit commissions	8.633	10.152	8.256	8.313
Other Banking Expenses	2.027	2.660	1.779	1.084
Total	11.109	15.590	10.123	11.791

The account «Other» in Financial Income concerns interest from bonds. (Details in note 18).

35. Other financial results

The financial results of the Group and the Company is analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other financial results				
Profit / (loss) from fair value of other financial instrument through profit/loss	(1,375)	119	(1,461)	-
Gain from disposal	(3,075)	17	(1,510)	-
Fair value profit	-	292	-	-
Fair value losses	-	(307)	-	(307)
Profit / (loss) from the sale of financial instruments	5,894	757	5,666	-
Income from dividends	-	59	841	153
Total	1,444	937	3,537	(154)

36. Income tax expense

The Income tax expense for the Group and the Company is analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Income Tax	18,640	3,578	16,232	3,247
Tax Audit differences	-	288	-	-
Deferred taxation	(10,665)	(8,467)	(5,382)	(4,208)
Other Taxes	7	(436)	-	(758)
Total	7,982	(5,037)	10,850	(1,718)
Earnings before tax	98,300	86,527	84,758	42,713
Tax calculated at the statutory tax rate of 26%	25,558	22,497	22,037	11,105
Nominal Tax Rate Adjustments - Change in Greek Tax Rate	-	(13,381)	-	(13,010)
Nominal Tax Rate Difference in foreign Subsidiary Companies	(1,236)	(2,432)	-	-
Non taxable income	(35,940)	(12,716)	(30,619)	-
Tax on Non taxable reserves	-	(2,953)	-	(2,862)
Dividends Tax	-	-	-	(40)
Non tax deductible expenses	12,707	642	12,690	413
Other taxes	-	241	-	186
Income tax coming from previous years	6,867	-	6,742	0
Other	26	3,063	-	2,490
Effective Tax Charge	7,982	(5,037)	10,850	(1,718)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies. Under current tax law, the tax rate applicable to Greek companies for the year 2014 is 26%.

37. Earnings per share

Basic earnings per share (in euro / share) of the Group/Company are as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Equity holders of the parent	90,199	91,656	73,908	44,432
Weighted average number of shares	51,951	51,951	51,951	51,951
Basic earnings per share	1.7362	1.7643	1.4227	0.8553

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

There are no diluted earnings per share for the fiscal years 2014 and 2013.

38. Analysis of Cash Flow Adjustments

Analysis of Cash Flow Adjustments for the Group and the Company is analysed as follows:

Amounts in thousands €

	Group METKA		METKA S.A.	
	12 months until 31 December 2014	12 months until 31 December 2013	12 months until 31 December 2014	12 months until 31 December 2013
Adjustments to Profit after Tax for:				
Depreciation of tangible assets	3,800	4,172	2,902	2,839
Depreciation of intangible assets	9	21	4	7
Provisions	(489)	241	(506)	62
Income from reverse of provisions	(118)	(174)	(103)	(155)
Profit / Loss from the Disposal of tangible assets	(121)	52	(34)	2
Profit / Loss from the fair value of embedded derivatives	-	307	-	307
Losses from the fair value recognition of financial assets through profit and loss	1,375	(588)	1,461	-
Losses from sale of subsidiaries	3,075	-	1,510	-
Profit from sales of financial assets at fair value through profit and loss	(5,894)	-	(5,666)	-
Credit interest and similar income	(7,751)	(5,168)	(5,432)	(3,224)
Debit interest and similar expenses	455	2,818	88	2,394
Proceeds from dividends	-	(59)	(841)	(153)
Gains from sale of subsidiaries	-	(17)	-	-
Share in net (profit) loss of subsidiaries	-	1,714	-	213
Unrealised foreign currency gains / (losses)	(16,675)	1,021	(12,341)	974
Total Adjustments to Profit after Tax	(22,334)	4,341	(18,957)	3,266

39. Related party transactions

Transactions with affiliated companies are carried out on an arm's length basis. The Group was not party to any transaction of an unusual nature or structure that was material to it or to companies or persons closely associated with it, nor does it intend to be party to such transactions in the future. None of the transactions incorporate special terms and conditions and no guarantee was given or received.

Amounts in thousands €

Income from execution of projects and other income

	Group METKA		METKA SA	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	2,384	16,101
Other Parent company's subsidiaries	7,235	2,795	5,190	2,654
Total	7,235	2,795	7,574	18,755

Other income

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other Parent company's subsidiaries	81	32	81	32
Total	81	32	81	32

Financial income

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other Parent company's subsidiaries	2,081	2,028	1,719	1,666
Total	2,081	2,028	1,719	1,666

Income from Dividends

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	841	153
Total	-	-	841	153

Purchases and compensations from the supply of services

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	17,240	7,045
Other Parent company's subsidiaries	9,188	8,907	8,860	8,614
Directors and key management of the Company	4,452	3,660	3,998	2,964
Total	13,640	12,567	30,098	18,623

Demands from customers and project under progress

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	2,982	5,908
Other Parent company's subsidiaries	111,614	114,316	110,952	114,264
Directors and key management of the Company	45	19	45	-
Total	111,659	114,336	113,979	120,172

Other Demands

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	3,210	3,036
Other Parent company's subsidiaries	37,840	37,228	29,514	29,264
Total	37,840	37,228	32,725	32,300

Obligation to suppliers and other liabilities

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidiaries	-	-	5,240	11,436
Other Parent company's subsidiaries	350	142	196	136
Directors and key management of the Company	4	202	-	131
Total	354	344	5,436	11,703

Obligation to customers and project under progress

	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Other Parent company's subsidiaries	111	-	-	-
Total	111	-	-	-

Transactions with other associated companies (income, receivables, and liabilities) mostly concern the construction of a power station on behalf of PROTERGIA S.A. and KORINTHOS POWER (subsidiaries of MYTILINEOS S.A). There are no conditions or terms in the contract which are out of the ordinary trade practice.

39.1 Transactions with key management personnel

The remuneration of the individual members of Management was as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Short term employee benefits				
- Wages and Salaries and BOD Fees	4,440	3,640	3,998	2,956
- Insurance service cost	9	20	-	9
	4,449	3,660	3,998	2,964
Pension Benefits:				
- Defined benefits scheme	3	-	-	-

There are no loans given to Directors or other key management personnel (including their families).

40. Commitments, Contingent liabilities and receivables

40.1 Encumbrances

There are no mortgages, pledges or any other encumbrances on the fixed assets due to borrowing.

40.2 Commitments

Group and Company's commitments are as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Commitments from construction contracts				
Value of pending construction contracts	1,292,605	2,242,374	1,261,804	2,209,080
Granted guarantees of good performance	340,310	372,437	324,768	331,733
Total	1,632,915	2,614,811	1,586,572	2,540,813

Leasings (the Group as lessee)

The Group leases motor vehicles, properties and other equipment under non-cancelable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Until 1 year	1,556	1,324	1,345	1,131
1 to 5 years	4,453	4,045	4,098	3,616
> 5 years	2,709	3,549	2,433	3,126
Total Operating Lease	8,718	8,918	7,876	7,872

40.3 Unaudited fiscal years

For the Group of companies, the unaudited fiscal years are as follows:

Company	unaudited fiscal years
METKA S.A.	: 2009-2010
SERVISTEEL S.A.	: 2010
RODAX S.A.	: 2010-30/6/2011
ELEMKA S.A.	: 2010
DROSCO HOLDINGS LIMITED	: 2003-2014
BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS	: 2010
METKA BRAZI SRL	: 2008-2014
POWER PROJECTS	: 2010-2014
Joint Venture METKA – TERNA	: 2009-2014
Joint Venture ATERMON -EKME –TMUCB-METKA SA	: 2010-2014

For the years 2011, 2012 και 2013, the Group companies operating in Greece and are subject to tax audits, are audited by statutory auditors or audit firm in accordance with paragraph 5 of Article 82 of Law 2238/1994 and received an Unqualified Certificate of Tax Compliance without to lead to significant differences .

The tax obligations of the Group are not final, since unaudited fiscal years exist, as analyzed above. There is a potential to impose additional taxes and surcharges for these unaudited fiscal years upon the year they become final

Regarding the Group companies operating in Greece, the tax audit for the year 2014 is underway and related tax certificates to be granted after the publication of the Financial Statements for the year 2014.

Management believes that apart from the provisions (see note 29), any tax that may arise, it will have a no significant impact on equity, profit and cash flows of the Group and the Company.

If at the completion of the tax audit incur additional tax liabilities is estimated that they will not have a material effect on the financial statements.

40.4 Court claims & arbitration proceedings

The Company and its subsidiaries are involved in (as a defendant or plaintiff) in various lawsuits and arbitration proceedings in their operation. Management and its legal advisors believe that the lawsuits will not have a material adverse effect on the financial position of the Group or the Company, or results of operations.

METKA's court claim against supplier

There is a pending legal claim of the parent company from a supplier of € 29,7 million amount which relates to compensation for poor performance. The defendant company has filed a declaratory action claiming that it has no obligation to pay the Company the above amount. The Company shall acknowledge in its results the amount that may be assigned to it at the time of a positive outcome and recovery. For the above case, the defendant company has also requested arbitration against the absorbed company RODAX S.A., the cases of which are automatically taken over by METKA.

41. Risk management objectives and policies.

The following Risk management policy is being applied :

- evaluating the risks related to the Group's activities and operations,
- design the methodology and choose the appropriate financial products to mitigate the risks and,
- execute/implement, according to the approved procedure by the management, the risk management strategy.

41.1 Financial Risk Factors

Based on its activities, our Group is exposed to a limited range of financial risks that emerge from changes in foreign exchange rates, interest rates as well as to credit risks, liquidity risks and cash flow risks.

The Group's general risk management primary deals with the good execution of works, the credibility and the good execution of procurement and afterwards comes the credit risk and the market risk.

The risks exposure is managed through the Group's two main Divisions: Financial & Administrative Division, and Projects Division.

Prior to their commitment, such transactions are approved by the executives entitled to do so.

41.2 Market Risk

Foreign Currency Risk

The Group's functional currency is Euro. Exchange rate risk arising from transactions with customers and suppliers in foreign currency

The Group is exposed to foreign currency risk due to transactions with customers and suppliers in foreign currency, the majority of which are in USD. Contracts in USD are the Iraq project as well as the new projects in Jordan and Algeria.

Foreign Currency financial assets and liabilities are translated into Euros, at the closing rate, as follows:

	2014								2013							
<i>Amounts in thousands €</i>																
Nominal Amounts	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Financial Assets	85.877	481	33	1.743	14.375	6.162	2.097	0	129.110	567	23	2.215	253	1.986	4.117	-
Financial Liabilities	(32.300)	(958)	(91)	0	(404)	(8.769)	(3.235)	(58)	(82.208)	(695)	(64)	-	(1.622)	-4.548	-2.513	(37)
Total	53.577	(477)	(58)	1.743	13.970	(2.608)	(1.138)	(58)	46.902	(128)	(40)	2.215	(1.369)	(2.562)	1.604	(37)
Short-term exposure	58.737	(477)	(58)	1.743	13.970	(2.608)	(1.138)	(58)	46.902	(128)	(40)	2.215	(1.369)	(2.562)	1.604	(37)

The table below represents the sensitivity of the result and equity in relation to assets and liabilities at the exchange rate

EUR/USD, EUR/GBP, EUR/RON, EUR/TRL, EUR/SYP, EUR/DZD , EUR/JOD , EUR/IQD.

Assuming that the said exchange rates deviate by 5% on 31/12/2014 (in 2013:5%), the effect in result and equity is as follows:

Increase by 5% :

	2014								2013							
<i>Amounts in thousands €</i>																
	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Earnings before tax	2,679	(24)	(3)	87	699	(130)	-57	(3)	2,345	(6)	(2)	111	(68)	(128)	80	(2)
Equity	2,021	(18)	(2)	70	559	(106)	(49)	(2)	1,821	(5)	(1)	89	(55)	(104)	69	(1)

Decrease by 5% :

	2014								2013							
<i>Amounts in thousands €</i>																
	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD	USD	SYP	GBP	RON	TRL	DZD	JOD	IQD
Earnings before tax	(2,679)	24	3	(87)	(699)	130	57	3	(2,345)	6	2	(111)	68	128	(80)	2
Equity	(2,021)	18	2	(70)	(559)	106	49	2	(1,821)	5	1	(89)	55	104	(69)	1

In order to minimize the exchange currency risk that occurs mainly by trading with countries outside the European union (mostly US \$), the treasury department of the Group enters into currency swaps on the behalf of each company, when is necessary.

Price Risk

The Group is exposed to the price fluctuation of raw materials and the stocks belonging to its portfolio as a financial instrument available for sale. Price risk regarding financial instruments available for sale is considered limited since the stocks represent a minimal part of the total Group Assets.

41.3 Credit Risk

The credit risk of the Group mainly consists from the customer's inability to pay in time partially or in total his liabilities.

The assets exposed to credit risk on the statement of Financial Position reporting date analyzed as follows:

(Amounts in thousands €)	Group METKA		METKA S.A.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Trade and other receivables	208,768	354,580	200,618	313,099
Cash and cash equivalents	288,314	134,542	192,866	56,398
	497,082	489,122	393,484	369,497

The Group's turnover mainly comes from transactions with public institutions and also with foreign companies of low risk rating. As a result, the credit risk is minimal. According to the above the Credit risk of the Group is estimated to be minimum. Receivables which are not impaired and are delayed, are not considered doubtful. The amounts included in the table above do not include non-invoiced receivables from construction contracts under IAS 11.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group.

Group management considers that all financial assets that are not impaired for each of the reporting dates under review are of good credit quality. None of Group's financial assets are secured by collateral or other credit enhancements.

There is a concentration of credit risk from clients, since a significant percentage of the consolidated turnover is formed by only a few clients. This credit risk is counterbalanced by the high credit ratings of those clients and the advance payments received by them.

41.4 Liquidity Risk

Liquidity risk is the risk that arises when illiquid assets are insufficient to meet the liabilities at the date of expiry.

The liquidity risk is kept at a low level, having sufficient cash equivalents and negotiable securities.

The Group is managing its cash requirements, due to close overview of its borrowings and daily payments.

A potential cash flow risk lies with the good execution and procurement of the projects, since there might be a cash elimination due to non-conformity to the terms and conditions of the contracts.

The table below analyzes the financial liabilities of the Company and of the Group into relevant maturity groupings based on the remaining period at the reporting date of the financial statements until the date of expiry of current liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant and does not include liabilities from construction contracts under the scope of IAS 11.

The maturity of the financial liabilities as of 31/12/2014 and as of 31/12/2013, for the Group and Company, are as follows:

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2014	Group METKA				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	1,268	822	2,090
Short Term Loans	2,194	156	-	-	2,350
Leasing liabilities	-	-	-	-	-
Trade and other payables	83,729	5,355	13,773	-	102,857
Other payables	5,950	8,320	-	-	14,270
Total	91,872	13,832	15,042	822	121,567

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2013	Group METKA				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	1,268	1,135	2,403
Short Term Loans	7,092	160	-	-	7,252
Leasing liabilities	-	-	-	-	-
Trade and other payables	116,888	5,432	-	-	122,319
Other payables	4,407	-	-	-	4,407
Total	128,387	5,591	1,268	1,135	136,381

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2014	METKA S.A.				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	-	-	-
Short Term Loans	-	-	-	-	-
Leasing liabilities	-	-	-	-	-
Trade and other payables	82,893	5,355	13,773	-	102,022
Other payables	5,222	8,320	-	-	13,542
Total	88,115	13,676	13,773	-	115,564

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2013	METKA S.A.				
	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	-	-	-	-	-
Short Term Loans	4,840	-	-	-	4,840
Leasing liabilities	-	-	-	-	-
Trade and other payables	110,406	7,251	-	-	117,657
Other payables	10,907	-	-	-	10,907
Total	126,153	7,251	-	-	133,404

41.5 Cash Flow Risk and fair value risk due to changes in Interest Rate

The operating income and cash flow of Group is essentially independent from changes at prices of interest rate. The Group does not possess short-term and long term debt, nor significant interest investment.

Group's borrowing in 31 December 2014 is € 4.440 th. and concerns short-term borrowing. (See note 27, for further information).

Group's policy is to continuously monitor interest rate trends and it's financing needs

The following table illustrates the sensitivity of net result for the year and Group's equity to a reasonable possible change in interest rate by + 3% or – 3% (2013: +/- 3%). These changes are considered to be reasonably possible based on observation of current market conditions.

<i>Amounts in thousands €</i>	31/12/2014		31/12/2013	
	3%	-3%	+0,5%	-0,5%
Net result of the year	(137)	137	(1,279)	1279
Equity	(101)	101	(946)	946

41.6 Market Risk

The Group's risk from changes in Group securities is considered immaterial.

41.7 Other risks and uncertainties

a) Project's performance and procurement risk

Possible risks which may arise from commercial transactions of Group is the delay in procurement of plant and equipment and the delay by subcontractors in the completion of construction work which may result in overall delay of the completion of the projects undertaken and therefore the imposition of penalties for breaching the contractual terms.

Due to the nature of its projects, the Group is exposed to risks related to the design, procurement, and commissioning of power plants. The risks are due to:

- Mechanical damages to equipment
- Unforeseen construction circumstances
- Delays due to bad weather
- Unforeseen cost increases of material and equipment

Due to the Group's long – standing experience, the strict selection of sub-contractors and suppliers, the Audit Division and the quality assurance of these, is not exposed to major risks regarding the proper implementation of works and supplies that assigns. In addition, guarantees are required from co-suppliers, in the form of bank assurance (performance, supply materials, etc.).

b) Insurance Risk

The insurance risk arises from the Company's activities and is associated with various events, including accidents, injuries, damage in equipment and force majeure events. All of the above events are most likely to cause delays and in worst-case cease of work. Any such developments would hinder the financial position and results of the Group.

In order to address the above risks, the Group proceeds to the 100% insurance against such risks to cover the total value of projects and activities with all-risk insurance policies (Erection All Risks & Construction All Risks), including civil liability, employer liability, machinery, vehicles etc to renowned international insurance firms.

However, the existing insurance policies cannot always fully cover possible damages from unexpected events such as natural disaster, war or terrorist attacks.

c) Risks arising from geopolitical factors

Apart from the Group's activity in Syria, there is no foreseeable risk for the Company due to geopolitical factors. Concerning the activity in Syria, it should be clear that METKA is not subjected into investor's risks but to the risks of a manufacturer with assured funding and confirmed credit. Nevertheless, the postponement of works for a certain period, the necessity for extremely high safety measures, our extended presence in the Project, the increased freight and insurance charges, and the extraordinary, in general, conditions under which the Project continues today, have increased significantly the cost although not to a degree which hinders its continuation, expecting of course a compensation from the client for all proven over-expenses which are imposed to us for reasons outside our responsibility.

42. Fair value of financial instruments

Analysis of financial assets and financial liabilities is as follows:

	Group METKA		METKA S.A.	
	2014	2013	2014	2013
(Amounts in thousands €)				
Non current assets				
Financial Assets Available for Sale	31	32	22	23
Other Long-term Receivables	78,241	37,088	72,650	30,626
Total	78,272	37,119	72,672	30,650
Current assets				
Financial assets at fair value through profit or loss	2,500	1,167	2,500	-
Trade and other receivables	401,603	526,351	365,052	463,641
Cash and cash equivalents	288,314	134,542	192,866	56,398
Total	692,416	662,060	560,417	520,039
Non-Current Liabilities				
Long-term debt	2,090	2,403	-	-
Other long-term liabilities	38,186	63,640	38,186	63,451
Total	40,277	66,043	38,186	63,451
Current Liabilities				
Short-term debt	2,350	7,252	-	4,840
Trade and other payables	297,857	235,671	288,761	224,230
Total	300,207	242,923	288,761	229,070

Fair Value Chain

The funds of each type of financial instruments of the balance sheet, valued at the fair value, for disclosure reasons, should be registered at the following three levels, depending on their data quality used for the evaluation of the fair value:

Level 1: Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Investments that are valued at fair value, using valuation techniques for which all inputs, which have a significant fair value, are based (either directly or indirectly) on observable market data.

Level 3: Investments that are valued at fair value, using valuation techniques, in which the data, significantly affecting the fair value, are not based on observable market data.

The financial instruments of the Group and the Company, valued at the fair value on a recurring basis, are registered at the following three levels:

	GROUP METKA			
	31/12/ 2014	Level 1	Level 2	Level 3
(Amounts in thousands €)				
Financial assets				
Financial assets at fair value through profit or loss				
Stock Shares	2,500	2,500	-	-
Bank Bonds	-	-	-	-
Financial assets investment portfolio				
Financial Assets Available For Sale	31	-	31	-
Foreign Exchange Contracts (Forward)	-	-	-	-
Total	2,531	2,500	31	-

	GROUP METKA			
	31/12/ 2013	Level 1	Level 2	Level 3
(Amounts in thousands €)				
Financial assets				
Financial assets at fair value through profit or loss				
Stock Shares	886	886	-	-
Bank Bonds	281	281	-	-
Financial assets investment portfolio				
Financial Assets Available For Sale	32	-	32	-
Total	1,199	1,167	32	-
Financial liabilities				
Foreign Exchange Contracts (Forward)	307	-	307	-
Total	307	-	307	-

(Amounts in thousands €)	METKA S.A.			
	31/12/ 2014	Level 1	Level 2	Level 3
Financial assets				
Financial assets at fair value through profit or loss				
Stock Shares	2,500	2,500	-	-
Financial assets investment portfolio				
Financial Assets Available For Sale	22	-	22	-
Foreign Exchange Contracts (Forward)	-	-	-	-
Total	2,522	2,500	22	-

(Amounts in thousands €)	METKA S.A.			
	31/12/ 2013	Level 1	Level 2	Level 3
Financial assets				
Financial assets at fair value through profit or loss				
Stock Shares	-	-	-	-
Financial assets investment portfolio				
Financial Assets Available For Sale	23	-	23	-
Total	23	-	23	-
Financial liabilities				
Foreign Exchange Contracts (Forward)	307	-	307	-
Total	307	-	307	-

In 2014 and 2013 there were no transfers between level 1 and 2. The Group and Company have not classified financial instruments in level 3.

The book value of the following financial data of assets and liabilities is considered to be a logical approach to their fair value:

- Trade and other receivables
- Cash and cash equivalents
- Suppliers and other liabilities.
- Borrowing

43. Capital management policies and procedures

Group's capital management objectives are to ensure its ability to continue as a going –concern. This is achieved through the assuring of preserving borrowing ability. Furthermore, other objective is to provide an adequate return to the shareholders and the achievement of its contractual obligations.

The Group monitors capital on a basis of net debt to equity. The ratio for the years 2014 and 2013 is as follows:

amounts in thousands €	METKA GROUP		METKA SA	
	2014	2013	2014	2013
Total Equity	507,790	449,867	377,042	318,803
Minus : Cash and cash equivalents	-288,314	-134,542	-192,866	-56,398
Net Debt	219,477	315,325	184,176	262,405
Total Equity	507,790	449,867	377,042	318,803
Plus : Bank Dept	4,440	9,655	0	4,840
Total Occupied Capital	512,231	459,522	377,042	323,643
Net Debt over Total Equity	4/10	7/10	5/10	8/10

Group policy is to keep borrowing at a low level. Furthermore, Group policy is to borrow only when it is necessary and for short-term.

The above ratio analysis shows the achievement of management goals as far as the capital management is concerned.

44. Subsequent events

There are no other significant events taking place after 2014, which concern either the Group or the Company and for which disclosure is required by International Financial Reporting Standards

Athens, the 16th of March 2015

CHAIRMAN AND MANAGING DIRECTOR of the Board of Directors	DEPUTY MANAGING DIRECTOR	CHIEF FINANCIAL AND ADMINISTRATION OFFICER	THE CHIEF ACCOUNTANT
IOANNIS G. MYTILINEOS	PANAYIOTIS A. GARDELINOS	SPYRIDON S. PETRATOS	STYLIANOS A. PALIKARAS
I.D. No AE044243/2007	I.D. No AE602368/2007	I.D. No AB263393/2006	I.D. No AK621204/2012

E) Figures and Information

METKA
METAL CONSTRUCTIONS OF GREECE S.A.

Number in the register of Societes anonymes :10357/06/B/86/113

8 Artemidos Str., 151 25 Maroussi-Attika

Financial data and information for the period from 1st January 2014 until 31th December 2014

(Confirming to C.L. 2190, article 135, for companies issuing annual financial statements, consolidated or not, according to the IAS)

The financial data and information presented below aim to give summary information about the financial position and results of METKA S.A. and its subsidiaries. We advise the reader, before making any investment decision or other transaction concerning the company, to visit the company's web site where the financial statements according to International Financial Reporting Standards together with the Auditor's Report, whenever is required, are presented.

GENERAL INFORMATION FOR THE COMPANY

Competent Authority - Prefecture:
Company's web address:
Board of Directors:

Ministry of Finance, Competitiveness & Shipping, General Secretariat of Commerce, Directorate of Joint-stock companies & Credit

www.metka.gr

IOANNIS MYTILINEOS Chairman & Managing Director, GEORGE ECONOMOU Vice President, PANAGIOTIS GARDELINOS Deputy Managing Director, CHRISTOS PANTZIKAS, EKATERINI DONTA, PAUL SMITH, ANTONIOS PAPANTONIOU, GEORGE PALLAS Non-executive Member, FILIPOS ZOTOS Non-Executive Member, NIKOLAOS BAKIRTZOULOU Member Independent, Non-executive, IOSIF AVAGIANOS Member Independent, Non-Executive

MARCH 16, 2015
Manolis Mivalios (A.M. SOEL:25131) - Dimitra Pagoni (A.M. SOEL:30821)
GRANT THORNTON (A.M. SOEL: 127)
Unqualified

Date of approval of the Financial Statements:
Name of the auditor:
Auditing Firm:
Report of the Auditors:

(Amounts in 000's Euro)	THE GROUP		THE COMPANY	
	31/12/14	31/12/13	31/12/14	31/12/13
ASSET				
Sell used fixed assets	49.400	54.161	38.681	34.476
Intangible assets	4	23	1	5
Other non current assets	82.117	46.835	80.012	52.978
Inventories	50.562	31.456	49.614	30.432
Trade receivables	305.686	433.259	294.926	390.620
Other current assets	393.814	234.557	272.166	134.301
TOTAL ASSETS	881.584	800.290	735.402	642.794
EQUITY & LIABILITIES				
Share Capital	16.624	16.624	16.624	16.624
Other Shareholders' Equity	493.929	416.402	360.418	302.179
Total Shareholders Equity (a)	507.554	433.026	377.042	318.803
Minority interests (b)	237	16.841	-	-
Total Equity (c)=(a)+(b)	507.790	449.867	377.042	318.803
Long-term borrowing liabilities	2.090	2.403	-	-
Provisions and other long-term liabilities	58.937	101.962	57.442	93.528
Short-term borrowings	2.350	7.252	-	4.840
Other short-term liabilities	310.416	238.806	300.917	225.624
Total liabilities (d)	373.793	350.423	358.359	323.992
TOTAL EQUITY AND LIABILITIES (c)+(d)	881.584	800.290	735.402	642.794

(Amounts in 000's Euro)	THE GROUP		THE COMPANY	
	1-1-31/12/14	1-1-31/12/13	1-1-31/12/14	1-1-31/12/13
Sales Turnover	609.271	606.491	549.001	404.408
Gross Profit / (loss)	115.898	123.760	102.943	79.721
Profit / (loss) before taxes, borrowings and investments results	100.109	97.777	85.879	51.650
Profit / (loss) before taxes	98.300	86.527	84.758	42.713
Less taxes	7.982	(5.097)	10.850	(1.718)
Profit after taxes (A)	90.319	91.565	73.908	44.432
Owners of the parent	90.199	91.656	73.908	44.432
Minority interests	(180)	(92)	-	-
Other comprehensive income after taxes (B)	(180)	1.537	(84)	124
Total comprehensive income for the period after taxes (A) + (B)	90.213	93.102	73.824	44.556
Owners of the parent	90.095	93.165	73.824	44.556
Minority interests	118	(64)	-	-
Earnings after taxes per share-basic (In €)	1,7362	1,7643	1,4227	0,8553
Proposed dividend	-	-	0.5000	0.3000
Profit / (loss) before taxes, borrowings investments and depreciation results	103.891	101.970	88.758	54.496

(Amounts in 000's Euro)	THE GROUP		THE COMPANY	
	31/12/14	31/12/13	31/12/14	31/12/13
Equity at the beginning of the period (01/01/2014 & 01/01/2013 respectively)	449.867	369.983	318.803	287.235
Total comprehensive income for the period after taxes (continued and discontinued operations)	90.213	93.101	73.824	44.556
Dividends paid	(15.629)	(13.217)	(15.585)	(12.968)
Impact From Transfer Of Subsidiary	(16.661)	-	-	-
Equity at the end of the period (31.12.2014 and 31.12.2013 respectively)	507.790	449.867	377.042	318.803

CASH FLOW STATEMENT- Indirect Method (consolidated & company)

(Amounts in 000's Euro)	THE GROUP		THE COMPANY	
	1-1-31/12/14	1-1-31/12/13	1-1-31/12/14	1-1-31/12/13
Operating Activities				
Profit / (loss) before taxes	98.300	86.527	84.758	42.713
Plus (Less) Adjustments for:				
Depreciations	3.809	4.193	2.906	2.846
Provisions	(607)	68	(609)	(93)
Exchange differences	(16.663)	1.021	(12.341)	974
Results (revenues, expenses, profit, loss) from Investment Activities	(9.328)	(3.760)	(9.001)	(2.855)
Debit interest and similar expenses	455	2.818	88	2.394
Operating profit before changes in working capital	75.966	90.867	65.801	45.979
Plus/less adjustments for changes in working capital or operating activities:				
Decrease / (Increase) in Inventories	(19.393)	5.902	(19.181)	5.972
Decrease / (Increase) in receivables	91.107	(20.843)	68.516	(30.763)
Decrease / (Increase) in other current assets	(297)	(1.074)	(1.813)	(2.292)
(Decrease) / Increase in short term liabilities (except for the banks)	29.669	12.160	41.585	13.850
Less:				
Debit interest and similar expenses paid	(567)	(3.359)	(202)	(2.965)
Taxation paid	(10.982)	(2.094)	(10.501)	(11.633)
Net cash flows from operating activities (a)	163.503	81.619	144.205	28.748
Investing Activities				
Purchase of subsidiary companies (less: subsidiary's cash)	-	-	-	-
Sales of subsidiary companies (less: subsidiary's cash)	(1.338)	1	8.000	1
Proceeds from the sale of tangible and intangible assets	168	285	36	222
Purchase of tangible and intangible assets	(7.347)	(1.208)	(7.109)	(1.019)
Investments in Joint Ventures	(6)	(251)	-	(250)
Sales of financial assets available for sale	5	69	1	28
Purchase of financial assets at fair value with changes in net results	(18.675)	-	(16.974)	-
Borrowings to/from affiliated parties	-	-	-	-
Proceeds from sale of financial assets at fair value with changes in net results	21.529	1.113	18.679	-
Interest received	5.472	4.194	3.591	2.249
Borrowings to/from affiliated parties	-	-	-	-
Proceeds from dividends	-	59	660	673
Purchase of bonds	(5.000)	(4.750)	(5.000)	(4.750)
Proceeds from bonds	6.398	11.321	6.398	11.321
Net cash flows from investing activities (b)	1.206	10.832	8.283	8.475
Financing Activities				
Proceeds from Borrowings	-	-	-	-
Payments of borrowings	(5.214)	(41.518)	(4.840)	(41.130)
Payments of finance lease Liabilities (capital)	-	-	-	-
Dividends paid	(15.758)	(13.831)	(15.587)	(13.050)
Financing cash flows from discontinued operations	-	-	-	-
Net cash flows from financing activities (c)	(20.972)	(55.349)	(20.427)	(54.180)
Net increase in cash and cash equivalents (a) + (b) + (c)	143.737	37.101	132.060	(16.957)
Cash and cash equivalents at the beginning of the period	134.542	100.045	56.398	75.525
Effects of exchange rate changes	8.039	(2.869)	4.407	(2.170)
Cash and cash equivalents at the end of the period	286.314	134.542	132.855	56.397

- ADDITIONAL DATA AND INFORMATION**
- Group companies with the participation percentage and consolidation method are listed in note 6 of the annual financial report for 2014. Not included in the 2014 financial statements compared to those of 2013 are the companies EKME S.A. (sold on 25/08/2014, see details in note 6 of the annual financial report) and RODAX BRAZI SRL (sold on 18/12/2014). The non-inclusion of the above companies to the consolidated financial statements of METKA Group did not affect in total more than 25% the turnover, the profit after taxes and minority rights, and the shareholders' equity of the parent company.
 - The consolidated financial statements of METKA Group are incorporated in the consolidated financial statements of Mytilineos Group, that is based in Greece and owns 50.00% of METKA Group.
 - In the above Financial Statements, the Group adopted the basic accounting principles, which were employed for issuing the financial statements of FY 2013 except from the changes in IAS standards and Interpretations that are effective from 1st of January 2014, as described in note 3.5 of the annual Financial Statements.
 - There are no encumbrances to the company's and Group's assets.
 - There are no outstanding litigation or any court or arbitration decision, which could have a significant impact on the financial standing or operation of the Company and the Group. The litigation provision balance as of 31.12.2014 amounts to € 650 thou for the Group. Other provisions balance as of 31.12.2014 amounts to € 3.260 thou, for the Group and € 1.802 thou, for the Company. The tax provision balance for fiscal years unaudited by tax authorities as of 31.12.2014 amounts to € 890 thou, for the Group and € 780 thou, for the Company.
 - The tax unaudited fiscal years of the Company and the Group are presented in detail in note 40.3 of the interim financial statements of the Group.
 - The number of employees at the end of the reporting period are as follows:

	THE GROUP		THE COMPANY	
	31/12/14	31/12/13	31/12/14	31/12/13
FULL TIME EMPLOYEES	313	322	274	231
DAILY - WAGE EMPLOYEES	57	161	55	52
	370	483	329	283
 - Investments in tangible and intangible fixed assets for the period which ended at 2014 amounted to € 7.347 thou, for the Group and 7.109 thou, for the Company.
 - The earnings per share were calculated according to the earnings after tax and minorities on the weighted average number of shares of the parent company.
 - Intercompany transactions for the period from 31/12/2014 according to I.A.S. 24 are as follows:

Amounts in 000's Euro	THE GROUP	THE COMPANY
a) Income	9.397	10.215
b) Expenses	9.188	26.100
c) Receivables	149.455	146.659
d) Liabilities	461	5.436
e) Transaction and remuneration with top management and BoD members	4.452	3.998
f) Payables to top management and BoD members	4	-
g) Receivables from top management and BoD members	45	45
 - Consolidated other total income after taxes is related to foreign exchange differences (€ 4 thou) from the consolidation of foreign firms and € (102) thou from the revision of IAS 19. Due to the revision of IAS 19 an amount of € (84) thous. concerns remeasurements of defined benefit obligations/ net comprehensive income after taxes of the company.
 - At the end of the current period the mother company or subsidiary firms do not possess shares of the mother company.
 - There has been no discontinuance of operations of the Company or of the Group.
 - Any differences in totals are due to rounding.

Maroussi, the 16th of March 2015

THE PRESIDENT OF THE BOARD & MANAGING DIRECTOR
IOANNIS MYTILINEOS
I.D. No: AE944243/2007

THE DEPUTY MANAGING DIRECTOR
PANAGIOTIS A. GARDELINOS
I.D. No: AE692368/2007

THE CHIEF FINANCIAL AND ADMINISTRATION OFFICER
SPYRIDON S. PETRATOS
I.D. No: AB263393/2006

THE CHIEF ACCOUNTANT
STYLIANOS A. PALIKARAS
I.D. No: AK621204/2012

F. Information of the article 10 of the Law 3401/2005

The following Announcements/Disclosures have been sent to the Daily Price Bulletin and are uploaded both in the official web site of Athens Stock Exchange (ASE) www.ase.gr and the company's web site www.metka.gr.

Wednesday, 26 November 2014	Financial Results for the First Nine Months of 2014
Monday, 15 September 2014	Contract Signed For The Kiato-Rododafni Railway Line Project
Monday, 15 September 2014	Announcement - Compliance on the Registration of Shares, in accordance with law 3310/2005
Tuesday, 26 August 2014	Announcement - Sale and Transfer of the Shares issued by EKME
Wednesday, 06 August 2014	Financial Results for the First Semester of 2014
Tuesday, 05 August 2014	New EPC Contract for the Shat Al Basra Power Plant in Iraq
Friday, 20 June 2014	Announcement- Participation to the process of undertaking projects
Friday, 20 June 2014	Announcement - Reschedule of the Annual Presentation in the Association of Greek Institutional Investors
Wednesday, 18 June 2014	Notification of the resolutions of the Annual General Meeting of the Shareholders of 18 June 2014
Wednesday, 18 June 2014	Announcement of ex-dividend date / dividend payment date
Wednesday, 18 June 2014	New Board of Directors
Wednesday, 18 June 2014	Announcement of Company's Audit Committee
Tuesday, 27 May 2014	METKA - Invitation of the Shareholders to the Annual General Meeting
Wednesday, 21 May 2014	Financial Results for the 1st Quarter of 2014 - Strong Performance set to Drive Further Expansion Abroad and Growth for MYTILINEOS Group
Tuesday, 24 April 2014	Successful Completion of the RWE/TURCAS 800MW Power Plant in Turkey
Wednesday, 16 April 2014	Financial Calendar Year 2014
Wednesday, 26 March 2014	2013 Full-Year Financial Results - Strong performance driven by international expansion, operational profitability and liquidity
Tuesday, 11 March 2014	Press Release Ergose Kiato-Rododafni
Thursday, 13 February 2014	New EPC contract for METKA in Algeria

G. Availability of Financial Statements (WEBSITE)

The Annual Financial Statements of the Group and the Company as well as the financial statements of the companies that are consolidated, the auditor's report and the report of the Board of Directors for the year ended December 31st 2014 have been posted on the web site of the company www.metka.gr.