SFAKIANAKIS

Commercial & Industrial Societe Anonyme for Cars,
Constructions, Hotels & Tourism Business

G.C. Registry 240501000
(Companies Reg. No. 483/06/B/86/10)

ANNUAL FINANCIAL REPORT for the period: 01/01/2016 to 31/12/2016

(TRANSLATED FROM THE GREEK ORIGINAL)

in accordance with article 4 of Law 3556/2007
and the Decisions of the BoD of the Hellenic Capital Market Commission

The attached Annual Financial Report has been approved by the Board of Directors of SFAKIANAKIS S.A. on 11th April 2017 and has been posted with the Independent Auditor's Report and the Report of the Board of Directors on the website www.sfakianakis.gr

SFAKIANAKIS S.A.
G.C. Registy 240501000
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Athens, GR-11855

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STATEMENTS BY THE MEMBERS OF THE BOARD OF DIRECTORS
(In accordance with article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors,

1. Stavros Taki, President of the Board & Chief Executive Officer
2. George C. Koukoumelis, Vice-President of the BoD
3. George J. Taniskidis, Member of the BoD.

under their aforementioned capacity as Members of the Board, declare that to the best of their knowledge:

a) the Annual Financial Statements of the Company and the Group of SFAKIANAKIS S.A. for the period 1st January 2016 till 31st December 2016, which were compiled according to the International Accounting Standards, present in a truthful manner the figures pertaining to assets, liabilities, shareholders equity and financial results of the Company, as well as the companies' which are included in the consolidation as total, and

b) the Board of Directors Annual Report truly reflects the development, performance and the financial position of SFAKIANAKIS S.A. and its affiliates included in the consolidation as a whole, along with the description of the main uncertainties and risks they are faced with.

Athens, 11 April 2017

The President of the BoD & Chief Executive Officer	The Vice-President of the BoD	The Member of the BoD
Stavros P. Taki ID No. AE-046850	George C. Koukoumelis ID No. AK-101669	George J. Taniskidis ID No. X-606444

ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS OF THE FISCAL YEAR 1st January 2016 till 31st December 2016

To the Ordinary General Meeting of the Shareholders

Dear Shareholders,

On behalf of the Board of Directors of the SFAKIANAKIS S.A., we submit for approval the Annual Individual and Consolidated Financial Statements of the fiscal year from 1st January till 31st of December 2016. The fiscal year expired on the 31st of December 2016 is the fifty-sixth for the company and the twenty-sixth in the order for the consolidated financial statements.

The present Financial Statements, as the one of the previous fiscal year, are drawn up according to the International Financial Reporting Standards – IFRS, as adopted by EU.

The Consolidated Financial Statements include:

A) the subsidiary companies consolidated with the complete consolidation method:

1. SFAKIANAKIS S.A.
2. EXECUTIVE INSURANCE BROKERS S.A.
3. MIRKAT OOD (situated in Bulgaria)
4. MIRKAT DOOEL SKOPJE (situated in Skopje)
5. ERGOTRAK S.A.
6. ERGOTRAK BULGARIA LTD (situated in Bulgaria)
7. ERGOTRAK ROM LTD (situated in Romania)
8. AGANDI LTD (situated in Cyprus)

B) the subsidiary companies consolidated with the equity method:

1. SPEEDEX S.A.
2. ALPAN ELECTROLINE LTD (situated in Cyprus)

The present Annual Report of the Board of Directors has been compiled in accordance with the relevant provisions of Article 107 of par.3 C.L. 2190/1920, the provisions of Article 4 of Law 3556/2007 and authorized by the same law decisions of the Hellenic Capital Market Commission.

A) PERFORMANCE AND FINANCIAL POSITION

The automotive market in 2016 presents an increase with the positive trend stabilized. Specifically, total car registrations in 2016 amounted to 78,873 units, recording an increase of 4.0% compared with the respective registrations of the previous year 2015 which amounted to 75,805 units.

SUZUKI in 2016 made 4,137 car registrations (compared to 4,044 in 2015) which represent a market share of 5.2% occupying the 8th position among car importers. The retail sector continues its impressive course gaining market share in passenger cars 12.5% (from 12.4% in 2015).

Total motorcycle registrations in 2016 amounted to 41,520 units, recording an increase of 20.4% compared with the respective registrations of the previous year 2015 which amounted to 34,485 units. SUZUKI in 2016 made 581 motorcycle registrations which represent a market share of 1.4%.

Referring to the Group and the Company their financial figures for fiscal year 2016 are as follows:

Group’s turnover for 2016 amounted to € 274.5 mil. presenting an increase of 8.9% compared with the sales of € 252.1 mil. of 2015. Respectively, Company’s turnover for 2016 amounted to € 257.1 mil., presenting an increase of 23.8% compared with the sales of 207.6 mil. of 2015.

Gross profit for 2016 amounted to € 70.4 mil. for the Group and € 66.0 mil. for the Company compared with the corresponding figures of 2015 which amounted to € 64.9 mil. for the Group and to € 22.6 mil. for the Company.

Operating profit (EBITDA) of 2016 for the Group amounted to € 25.4 mil. while operating profit (EBITDA) for the Company amounted to € 26.9 mil. against € 17.4 mil. and € -0.8 mil. the relevant period of 2015.

Results (loss) before tax of 2016 for the Group presented significant amelioration and were formed to € 7.4 mil. against € 18.5 mil. of 2015. Results (loss) before tax of 2016 for the Company were formed to € 5.7 mil. against € 27.0 mil. of 2015.

It should be noted that the results of both Group and the Company have incurred investment loss amounting to € 3,9 mil. deriving from the divestment of Athoniki Techniki S.A.

On 12.27.2016 with No. 139610/27.12.2016 decisions of the Ministry of Economy and Development the merger of Sfakianakis S.A. and Executive Lease S.A. was approved by absorption of the second by the first in accordance with Articles 69-78 of C.L. 2190/1920 and Articles 1-5 of L.2166/1993. All transactions made after the Transformation Balance Sheet date 31.12.2015 accounted for the account of the acquiring company and for this reason the financial statements for the year 2016 are not comparable. It should be noted that consolidated results of the Group were not affected as the absorbed company was a 100% subsidiary and was incorporated in the consolidated financial statements using the full consolidation method.

For more comprehensive information on fiscal year 2016, basic ratios are presented concerning the development of economic figures of the Company.

BASIC RATIO 2016				
	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
A. Evaluation ratios				
Turnover	8,89%	13,52%	23,82%	19,30%
The above ratios show the increase of turnover and earnings before and after tax of the current year year against previous year.				
B. Profitability Ratios				
Net earnings before tax / Turnover	-2,70%	-7,32%	2,20%	-13,00%
Net earnings after tax / Turnover	-2,77%	-8,36%	-2,31%	-13,90%
The above ratios present the final net profit before and after tax as a percentage tax as a percentage of turnover.				
Return on Equity	-9,66%	-26,67%	-2,20%	-2970,19%
This ratio reflects the net earnings before tx as a percentage of equity.				
Gross profit / Turnover	25,64%	25,75%	25,66%	10,88%
This ratio reflects the gross profit as percentage of turnover.				
C. Financial Leverage Ratios				
Debt / Equity (excluding minority rights)	-4,92	-5,40	-69,53	305,31
Bank Loans / Equity	-3,87	-4,22	-52,08	211,46
These ratios present dept and bank loans as a percentage of total shareholders equity.				
D. Financial Leverage Ratios				
Current Assets / Total Assets	34,85%	39,77%	22,25%	24,,3%
This ratio shows the percentage of current assets over total assets.				
Total Liabilities / Equity	-4,92	-5,40	-69,53	305,31
This ratio shows the unit's financial self-sufficiency.				
Tangible and Intangible Assets / Equity	-2,41	-2,48	-32,44	99,63
This ratio shows what percentage of company's own capital has been converted to assets.				
Current Assets / Short Term Liabilities	0,30	1,12	0,25	0,90
This ratio reflects company's general liquitidy ratio.				

B) IMPORTANT EVENTS

The Ordinary General Meeting of SFAKIANAKIS S.A. held on 02.06.2016, approved the Annual Financial Statements (Parent and Consolidated) for fiscal year 2015, accompanied by the reports of the Board of Directors and the Chartered Auditor-Accountant, the discharge of the Members of the Board of Directors and the Chartered Auditor- Accountant from any liability and compensation for the Financial Statements (Parent and Consolidated) for fiscal year 2015, the election of Ordinary and substitute Certified Public Accountant Auditor for fiscal year 2016, the remuneration and compensation of the members of the Board of Directors for fiscal year 2015 the amount of their remunerations and compensations for fiscal year 2015 was decided, the allowance to the members of company's Board of Directors to participate in the Board of Directors and the management of the subsidiary and associates, pursuant to article 23, par 1 Law 2190/1920, the election of new BoD and new members of the Audit Committee in accordance with Article 37 of Law 3693/2008 as well as the allowance on providing guarantee on affiliated with SFAKIANAKIS S.A. companies or subsidiaries or companies in which it participates.

On 12.27.2016 with No. 139610/27.12.2016 decisions of the Ministry of Economy and Development the merger of Sfakianakis S.A. and Executive Lease S.A. was approved by absorption of the second by the first in accordance with Articles 69-78 of C.L. 2190/1920 and Articles 1-5 of L.2166/1993. All transactions made after the Transformation Balance Sheet date 31.12.2015 accounted for the account of the acquiring company.

Company's BoD decided the restructuring of retail shops (sale points) and car rental stations, as follows:

- The following stores opened:
  1. 23 Kallirois Str., N. Kosmos
  2. 57 Kifissias Avenue, Marousi
  3. 5th klm. Kalamata Messina, Position Stroggili, Kalamata
  4. National Airport of Kefallinia Argostoli
  5. NR Heraklion Airport Location Roussa, N. Alikarnassos
  6. Pazinos Municipality of Akrotiri, Chania.
- The following store closed:
  1. 7th klm. Trikala-Kalambaka, Trikala.

Finally, there are no other important events both for the Parent Company and its subsidiaries which took place since the end of fiscal year 2016 till the date of writing this report.

C) RISK MANAGEMENT

α) Foreign exchange risk

Group's companies are active mainly within the Greek borders and thus their sales are made in Euro.

Purchases of goods (cars, motorcycles, spare parts) during 2016 were made at a percentage of 97% in Euro and 3% in JPY (imports from Japan).

Bank loans are entirely in Euro, so the foreign exchange risk for the Group is estimated as low.

In addition, Group's management constantly monitors the fluctuations and the tendency of foreign currencies, evaluates each case individually and takes the necessary measures if the risk is real and remarkable.

β) Credit Risk

Due to the economic crisis in the Greek market, Group's management in order to manage potential credit risks of the customers, has established specific credit policy for its operations.

Specifically, each type of transaction is covered:

- With letters of guarantee or other kind of collaterals
- With retention of ownership of the sold goods
- With sales through financial institutions, banks, leasing companies etc., which undertake the credit risk deriving from the customer

However, the unfavourable economic situation of the domestic market since the advent of the economic crisis poses risks for any bad debts and the creation of negative cash flow for the Group companies. Against the specific risks the management implements a series of measures, such as the exclusion of clients with clear indications of poverty, strict maintenance of the agreed credit time and the limiting of the credit amounts above the permitted limits set by the client.

c) Interest rate fluctuation risk

Group companies in order to cover their borrowing needs have signed bond loans which provide predetermined fixed margins. Any change in current interest rates will affect respectively the financial costs of the Group companies.

For Bond Loans restructureded margins have been agreed until 2017.

d) Liquidity risk

Liquidity risk for Group companies in the unstable economic environment is counterbalanced with the continuous effort of reducing the operating expenses, closing unprofitable selling points, reduction of inventories, reduction of receivables by collecting more intensively amounts due and credit policy (reduction of days of credit), change in the trade policy of payments to the suppliers and restruction of the paying terms of the current bank loans.

e) Other risks and uncertainties

The Company continues to follow the business plan of reducing its operating cost and estimates that it will not face any other specific risks beyond those faced by the automotive market in the present difficult economic situation.

f) Personnel

Group's companies have always been staffed with experienced and qualified manpower with full knowledge of the subject of its job. During the present economic situation despite the fact that there were several reductions in manpower all other employees in Group companies have demonstrated such professionalism and sensitivity that gives to the Company the optimism that they will support every effort in order to come out of the crisis.

The relations between the members of the Board of Directors and the managers of the Group companies with the personnel are excellent and no labour problems exist. The consequence of these relations is that there are no court cases involving labour issues.

In any case the infrastructure of the Company allows the immediate replacement of manpower, wherever necessary, with no impact on the continuation of the trade and business activities.

g) Social Responsibility

Group companies, reflecting the vision of the Management whose members are always innovative and with great sensitivity to environmental protection issues, believing that recycling is a key indicator for the culture of a country have introduced into the system of collective alternative management of waste electrical and electronic equipment and to the system of alternative recycling of packaging in order to prevent the creation of waste electrical equipment and their reuse and recycling and material recovery of packaging waste.

D) Information according to par. 7 of article 4 of Law 3556/2007 and Explanatory Report to the Annual General Meeting of the Shareholders

1. Structure of Company's share capital.

Company's share capital amounts to € 2,374,344.00 divided into 7,914,480 shares of a nominal value of € 0.30 each. Company's shares are listed for trading in the Securities Market of the Athens Stock Exchange, under the "Main Market" classification (Retail-Specialty Retailers). Company's shares are common registered with voting rights. The rights and obligations deriving from the shares are those stipulated by the Law 2190/1920 in conjunction with Law 3556/2007.

Company's shares are free for transfer and there are no restrictions pursuant to the Company's Articles of association and the Law concerning their transfer or possession.

Each share carries all the rights and obligations set out in law and in the Articles of Association of the Company which does not include stipulations more restricting than the Law. The possession of every share by each shareholder means de jure the acceptance of company's Articles of Association and the official decisions of shareholders' the General Meetings.

The liability of the shareholders is limited to the nominal value of the shares they hold. Shareholders participate to company's administration and earnings according to the law and the Articles of Association. The privileges and liabilities deriving from each share follow it to every universal or special successor of the shareholder. The shareholders exercise their rights in relation to the management of the company only by participating in the General Meetings.

2. Restrictions on the transfer of Company's shares.

The transfer of Company's shares is affected in accordance with the Law and there are no restrictions on their transfer pursuant to Company's Articles of association.

3. Significant direct or indirect participations in the sense of articles 9 till 11 of Law 3556/2007.

On 31.12.2016 the following shareholders possessed a percentage greater than 5% of total Company's voting rights:

1. SFAKIANAKIS HOLDING S.A. 49.39%,
2. Stavros Taki 19.56%,
3. Athanasios Platias 10.56%,

4. Holders of any type of shares providing special auditing rights.

There are no shares of the Company that provide to their holders special rights of audit.

5. Restrictions on voting rights.

No restrictions on the voting rights deriving from the Company's shares are provided in its Articles.

6. Company Shareholders' agreements.

There are no agreements between Company's shareholders.

7. Rules of appointment and replacement of Board members and amendment of Articles of association that deviate from those provided for in C.L. 2190/1920.

The rules provided in Company's Articles regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not deviate from those provided for in Codified Law 2190/1920.

8. Competency of the Board of Directors or some of its members to issue new shares or purchase owned shares.

According to the provisions of the article 5 of the Articles of the Company, and the decision of the General Meeting, which is subject to the publication requirements of article 7b of Codified Law 2190/1920 and within five years from its relevant decision, the Board of Directors of the Company is entitled by virtue of a decision adopted by a majority of at least two thirds (2/3) of the total number of its members a) to increase the share capital of the Company through the issuance of new shares. In such case, the share capital may be increased only up to the amount of the capital which is paid-up on the date of adoption of the decision by the General Meeting and b) to issue syndicated bond loan for amount that cannot exceed half of the capital which is paid-up on the date of adoption of the decision by the General Meeting through the issuance of bonds convertible to shares. In that case provisions of paragraphs 2 and 3 of article 3a of Codified Law 2190/1920 are applied.

9. Important agreements contracted by the Company, which will enter into effect, will be amended or will expire in case of change in the Company's control following a public offer and the results of this agreement.

There is no such an existing agreement apart from agreements of Syndicated Bonds that include usual terms for possible change of property control.

10. There are no agreements of the Company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or release without substantiated reason or in case of termination of their term or employment due to a public offer. In case of termination of employment contracts of persons working in the company under contract labour employed, the compensation provided by law is applied.

E) STATEMENT OF CORPORATE GOVERNANCE (article 2, par. 2 of Law 3878/2010)

1. Code of Corporate Governance

The Company has adopted the Principles of Corporate Governance, as defined by the current Greek legislation and international practice, insofar as applicable based on its size and organization. Corporate Governance as a set of rules, principles and mechanisms by which organized and managed the Company aims at transparency to investors, as well as to safeguard the interests of shareholders and all those associated with the operation.

After the publication of Law 3873/2010 and the Code of Corporate Governance developed by the Association of Enterprises (SEV), the company to fully comply with the requirements of the Law, decided to apply this code for issues that concern it, as amended in its first revision of the Greek Council of Corporate Governance (ESED) in October 2013.

The ESED was founded in 2012 and is the result of collaboration between Greek Exchange and the SEV, commonly acknowledging the contribution of Corporate Governance in the continuous improvement of the competitiveness of Greek businesses and the continued growth of the credibility of the Greek market. This joint initiative is reflected in the Code which hereafter is called Greek Code of Corporate Governance and is hung on the website of the Greek Council of Corporate Governance: http://www.esed.org.gr.

An important addition to the new Code of Corporate Governance is the adoption of the standard explanation of non-compliance of the Company with certain specific practices of the Code. This means that the new Code follows the approach of 'comply or explain' and requiring listed companies choose to apply it to disclose their intention and either comply with all the specific practices of the Code, or explain why not compliance with certain specific practices.

The Company states that it implements the Corporate Governance Code (CGC) formed by the Greek Council of Corporate Governance (ESEDA) (available at http://www.helex.gr/el/esed), in which the Code states that is subject to the following deviations and exceptions.

Part A - The Board of Directors and its members

I. Role and responsibilities of the Board of Directors

The Board of Directors has not made a recommendation of a separate committee to be in head of the process of nominations for election to the Board of Directors and to prepare proposals to the Board of Directors regarding the remuneration of executive directors and basic executives given that Company's policy in relation to these fees is fixed and formed.

II. Size and Composition of the Board

The current Board of Directors consists at this time exclusively by men. This deviation from the policy of diversity, including gender balance on the Board members is justified by the impossibility of finding at this time that women executives that respond to the increased demands associated with this capacity due to the specific characteristics presented by the industry in which the Company operates.

Main concern of the Company in the future is the finding and adding representatives of the female sex among the members of the Board, not being able to determine with absolute accuracy the time the Company's compliance with the above practice established by the CGC, since this is a combination of relevant interest and of finding individuals who meet the above requirements.

III. Role and qualities required of the President of the BoD

The activities of the President are not distinguished from those of the CEO. The discrepancy is due to the fact that it is not necessary this distinction in view of the organizational structure and operation of the Company. If and when the needs of the company are differentiated it be will re-evaluated the need to establish clear distinction between the responsibilities of the Chairman and Chief Executive Officer.

IV. Duties and behaviour of members of the BoD

The BoD has not adopted, as part of the internal rules of the company policies, for managing conflicts of interest among members of the BoD or to persons to whom the Board has delegated some of its powers and the Company and its subsidiaries.

There is no process of analytical reporting of any business obligations of the members of the BoD (including executive or major commitments to companies and non-profit institutions) prior to their appointment to the BoD. The discrepancy is explained by the fact that the members of the Board are known for their professionalism, their high level of education and practical commitment to the Company and therefore despite the lack of statutory liability of any disclosure professional commitments of board members before the election at this, would proceed to give notice if they considered that there is any conflict of interest.

It is not required Board approval for the appointment of an executive member to a company that is not affiliated or associated.

V. Nomination of Board members

There is no committee for selecting candidates for the BoD. The deviation is justified by the size, structure and operation of Company's Board of Directors that at this time, no committee is required in order to be nominated. Besides, whenever a question of electing a new Board or a member is raised, Company's management ensures the existence and implementation of a transparent process, assesses the size and composition of the Election Board or member, examines the qualifications, knowledge, attitudes, skills, experience, ethics and integrity of character of candidates for membership and thus fully meets the work which plays the committee to nominate if it existed.

VI. Operation of the BoD

There is no specific regulation for the operation of the BoD, as the provisions of the Company are assessed as sufficient for its organization and operation. The Board of Directors in the beginning of each calendar year does not adopt calendar for meetings. When a need arises to call its members is easy, as all members are residents of Attica.

There is no provision for support of the Board by a competent, qualified and experienced corporate Secretary. This deviation is justified by the fact that there is potential for faithful recording of meetings of the Board. The Company will consider in the future if they need to appoint a position of corporate secretary.

The President does not have regular meetings with non-executive directors without the presence of executive members, to discuss the performance and remuneration of the latter, and other related issues as any matter is discussed in the presence of all members.

There is no provision for introductory information programs and professional training of board members as members of the Board have proven experience in matters relating to the purposes of the Company and have the appropriate organizational and administrative skills. Moreover, the training, the continuing education and updating of staff and managers at all levels through training seminars govern the philosophy of the Company and is not restricted within the membership of the Board.

There is no provision for providing adequate resources to the committees of the Board in order to fulfill their duties and engage external advisors to the extent needed. The hiring of external consultants is approved by the Board of Directors, which includes the amount of their fees in that case when business needs require.

VII. Assessment of the BoD

There is no institutionalized process for evaluating the effectiveness of the Board committees, nor is the performance of the President evaluated as the process is not considered necessary based on the organizational structure of the Company.

Also, members and non-executive directors do not convene without the presence of executive members, in order to assess the performance of executive directors and set their wages and the Governing Council outlines the annual corporate governance statement in the evaluation process itself and its committees as well there are no related evaluation.

Part B – Internal Audit

I. Internal audit system

There is no specific regulation for the assessment of the Audit Committee. The discrepancy is due to the fact that the essential functions and responsibilities of the Audit Committee are described adequately in current laws provisions and therefore the Company does not consider it necessary at this point in time the training more specific rules of operation of that committee, since what matters is the strict adherence and implementation of the existing regulatory framework.

No funds are available for use by the Audit Committee of external consultants as well as the composition of the Commission and specialized knowledge and experience of its members to ensure efficient operation. If deemed appropriate and necessary to use external consultants to improve the structure and functioning of the Commission, it is understood that the Company will make available all the necessary funds.

Part C – Remunerations

I. Level and structure of remunerations

There is no remuneration committee consisting solely of non-executive members, the majority of which independent, which has as its object the fixing of the remuneration of executive and non-executive directors and thus there are no settings for the functions of this committee, the frequency of its meetings and other matters relating to its operation. The recommendation of this committee, given the structure and function of the Company has not been considered necessary.

The contracts of executive directors not provide that the Board may require repayment of all or part of the bonus that is awarded because of misconduct or inaccurate financial statements from previous years or in general on the basis of incorrect financial data used for the calculation of this bonus.

The remuneration of each executive director is not approved by the BoD after proposal from the Remuneration Committee, without the presence of executive members. The discrepancy is due to the fact that there is no remuneration committee as referred to above. The nature of any compensation and benefits for the executive members of the Board shall be decided by the Board and in accordance with what is provided in the Law 2190/1920.

Part D –Relations with shareholders

I. Communication with shareholders

The Company has not adopted specific practices regarding communication with shareholders, which includes the Company's policy on interrogation by the shareholders to the Board. At the present time there is no specific statutory procedure for submitting questions from shareholders to the Board , since any of the shareholders has the ability to apply to the Shareholder submitting requests and questions, which, if considered as necessary, grouped transmitted to the Board for further processing and response update or forwarded without delay to the party concerned.

Furthermore, the provisions of article 39 of Codified Law 2190/1920 describe in detail the process of participation of minority shareholders in the General Meetings of shareholders, a process strictly adhered to each Ordinary or Extraordinary General Meeting, to ensure in this way adequate, accurate and timely information to shareholders regarding the state of corporate affairs.

Corporate governance practices in addition to the provisions of Law

The Company, concerning the Corporate Governance, implements faithfully the rules set by the relevant legislation and does not follow other practices beyond the provisions of the Law.

2. Operation of the BoD and other Committees

2.1 Board of Directors

The Company is managed by a Board of Directors which, in accordance with Article 11 of the Articles of Association shall consist of seven (7) at least up to eleven (11) Maximum members , who are elected by the General Meeting of shareholders and either outside. The members of the Board distinguished between executive and non-executive accordance with Law 3016/2002 as applicable. The term of office is three years starting from the day after the Annual General Meeting of the year of their election and ending on the day of entering in of the new members, which may not exceed four years. The election shall take place by a roll call vote and an absolute majority of the General Assembly votes represented. The outgoing members are eligible, always and at any time and freely revocable.

If, for any reason, seat is vacated by death, resignation or loss of membership in any other way, the remaining members may continue the management and representation of the Company, without replacing the missing members, provided that the number exceeds half of the members, as they had before the above events. In any case, these members may not be less than three (3).

In any event, the Board may elect a replacement result since the remaining members are at least three. The above election will be announced by the Board at the next General Meeting of shareholders, which may replace the elected, even if it is not relevant item on the agenda. The instruments currently elected councillors of the Board, and shall be deemed valid even if not ratified the election of these by the assembly of shareholders. As duty of those elected new Directors considered the remaining period of service of that which was called n replace. Filling vacancy Advisor is mandatory for the Board when the number of directors falls below five (5).

The Board of Directors was elected by the Extraordinary Annual General Meeting of Shareholders on 30th March 2017 for three years and expires on 30.03.2017. It consists of eight (8) members, of whom five (5) are non-executive and independent and one (1) is non-executive and was constituted as follows:

Members of the BoD

1. Stavros Taki, Rodopolis resident, Marcou Botsari impasse, with ID Num. AE-046850, President & CEO, Executive Member
2. George Koukoumelis, Ag. Paraskevi resident, 4 Kontopoulou, with ID Num. AK-101669, Executive Member
3. Nicolaos Sfakianakis, Rodopolis resident, Marcou Botsari impasse, with ID Num. A-554012, Non-executive Member

4. Vlasios Georgatos, Athens resident, 6 Dikaiarchou Str., with ID Num. AM-084359, Independent Non-executive Member
5. Christophoros Katsambas, Psichico resident, 6 Vitsi Str., with ID Num. Ξ-317762, Independent Non-executive Member
6. George Taniskidis, P. Psichico resident, Kisavou 6 Str. with ID Num. X-606444, Independent Non-executive Member
7. Alexandros Makridis, Kifisia resident, 2 Gounari Str., with ID Num. AE-046526, Independent Non-executive Member
8. Efstathios Ventouris, Nea Erithrea resident, 8b Romiliaw Str., with ID Num. AE-063331, Independent Non-executive Member.

Brief CV's of BoD members are as follows:

1. Stavros Taki is a graduate of B.Sc.Economics/Accounting, London City University, holds a MBA Marketing, London City University, Business School and works to the Company since 1992, has many years of experience and knowledgeable of the market and the scope of the company. He holds the Administration and the Direction of the Company.
2. George Koukoumelis is a graduate of Mechanical Engineering from the National Technical University of Athens, holds degree from the Rotterdam School of Management and works in the Company as Group's Chief Financial Officer since January 2012.
3. Nicolaos Sfakianakis, the person who founded and established SFAKIANAKIS S.A.
4. Vlasios Georgatos President and CEO of Grigiris Microgeumata S.A.
5. Christophoros Katsambas, Engineering - Mechanical, General Manager of TEOFERT S.A.
6. George Taniskidis, Lawyer, former CEO of MILLENNIUM BANK
7. Alexandros Makridis, President and CEO of M.G. Chryssafidis S.A.
8. Efstathios Ventouris, economist CEO of Core Capital Partners S.A.

5.2 Audit Committee

The Company is fully compliant with the requirements of Article 37 of Law 3693/2008, has elected a three-member Audit Committee consisting of the following members of the Board of Directors:

a. Vlasios Georgatos, Independent Non-executive Member
b. Christophoros Katsambas, Independent Non-executive Member
c. George Taniskidis, Independent Non-executive Member

Without changing or reducing the obligations of members of the management appointed by the General Meeting of the shareholders, the audit committee has the following obligations:

1. The monitoring of the process of financial reporting.
2. The monitoring of the effective operation of internal control and risk management system and monitoring of the proper functioning of the internal auditors of the company.
3. The monitoring of the progress of the statutory control of the individual and consolidated financial statements. Specifically, to examine the interim and final financial statements and ensure the proper application of accounting principles as well as the compliance of the company with the laws and the regulations of the ASE and the Hellenic Market Exchange Commission, before their adoption by the BoD.
4. The confirmation of the independence and objectivity of the auditors of the company.
5. The company's compliance with the Code of Conduct.
6. The recommendation to the General Meeting for the election of auditor.

7. The information from the nominal auditor on any matter relating to the progress and the outcome of the statutory audit on the service of a special report on any weaknesses in internal control, particularly the weaknesses of procedures for financial reporting and the preparation of financial statements.

3. General Meeting

The General Meeting of Shareholders of the Company is its supreme institution and is entitled to decide for every case involving the Company. Its legal decisions bind both the shareholders who are absent or disagree.

The General Meeting of the shareholders is convened by the Board of Directors and meets regularly at time and place designated by the BoD during the first six months from the end of each fiscal year. The convening of the General Meeting is made at least 20 days prior to its implementation with invitation which states clearly the location and the time of convening, the items of the agenda and the procedure followed by the shareholders in order to be entitled to participate and vote. The Invitation is published as required by law and posted on the website of the Company.

The General Meeting is in quorum and convenes validly on the agenda when it is represented with at least 1/5 of the outstanding share capital, except as provided quorum of 2/3 of share capital under the statute.

The General Assembly shall chair temporarily the Chairman of the Board, or when he prevented his legal deputy, and defines it as a Secretary of the shareholders or their representatives who are present, to be ratified by the General Assembly of the list of shareholders entitled to participate therein and elected the tactical officers. The Bureau consists of the President and the Secretary, who shall also act as scrutineer.

The discussions and decisions of the General Assembly limited to agenda items. The agenda is set by the Board and includes the recommendations of the Board to the Convention and any recommendations of the auditors or shareholders representing one twentieth (1/20) of the paid up share capital. The discussions and decisions of the General Meetings are recorded in a special book (practice) and the minutes signed by the Chairman and Secretary of the Meeting. At the beginning of practice recognized the list of shareholders present or represented at the General Assembly, which has been prepared in accordance with Article 23 of the Statute. Copies or extracts of the minutes of the General Meeting shall be certified by the Chairman of the Board or the lawful deputy. Summary of the decisions of the General Assembly made public immediately and posted on the Company's website.

The General Assembly is the only competent authority to be decided: a) Increase or decrease of share capital, other than increases of paragraph 2 of Article 5 of the Articles of Association, b) Approval of the annual financial statements and distribution of annual profits, c) Election of Board members, except in the case of Article 12 of the Articles of Association, d) Election of auditors, e) for the approval of the submitted questions on the activities and management of the Board, f) merge, split, convert, revival, extension of duration or dissolution of the company, g) Appointment of liquidators.

4. Rights of Shareholders

The shareholders exercise their rights in relation to management of the Company only in the General Assembly and in accordance with the provisions of the law and the Statute. Each share is entitled to one vote.

At the General Meeting are entitled to attend and vote any natural or legal persons shown as owners at the beginning of the fifth (5th) day before the date of the General Meeting (Record Date) on record shareholders of the Company held electronically in company" Greek Exchanges SA Holding, Clearing, Settlement & Registry" without having to block their shares. Proof of shareholder status is done by presenting the Company, on receipt, the relevant certification of the EHEA or, alternatively, through direct electronic connection of the Company files with the EHEA , as long as this is requested by the shareholders concerned. The relevant written certification or the electronic verification of shareholder status must be received by the Company no later than the third (3rd) day before the meeting of the General Assembly.

For the Company entitled to attend and vote at the General Assembly only those who qualify as shareholders on the Record Date. In case of non-compliance with the provisions of article 28a of Codified Law 2190/1920, such shareholder may participate in the General Meeting only after permission. The Articles of Association do not provide for procedures for the participation and the exercise of voting rights in the General Assembly by correspondence or by electronic means.

Each shareholder entitled to attend the above, attend the General Meeting and voting in person or by proxy. Each shareholder may appoint up to three (3) representatives. However, if a shareholder holds shares of the Company, appearing in more than one securities account, such limitation shall not prevent the shareholder from appointing separate proxies for the shares appearing in each Account in relation to the General Assembly. Legal entities may participate in the General Meeting by appointing up to three (3) persons. Representative acting on behalf of several shareholders may cast votes differently for each shareholder. The proxy holder must disclose to the Company, before the commencement of the General Meeting, any fact which may be useful to the shareholders in assessing the risk of the proxy serving interests other than the interests of the shareholder. For the purposes of this paragraph , may be a conflict of interests, especially when the proxy: a) a shareholder who controls the Company or any other legal person or entity controlled by such shareholder, b) is a member of the board or of administration of the company or shareholder controls the Company or other legal person or entity controlled by a shareholder who controls the Company, c) is an employee or an auditor of the company or shareholder 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 natural persons referred to in subparagraphs (a) to (c). The appointment or revocation of a proxy shall be in writing and notified to the Company in the same form, at least three (3) days before the date of the General Meeting. The Company does not accept electronic notifications of appointment and revocation.

Shareholders representing at least one twentieth (1/20) of the share capital may request, which must be received by the Board fifteen (15) days before the General Assembly to request the Board to enter the agenda of the General Assembly, additional subjects. The application must be accompanied by a justification or a draft resolution to be adopted at the General Assembly. The revised agenda in the same manner as the previous agenda thirteen (13) days before the date of the General Meeting and will also be made available to shareholders at the Company's website, along with the justification or the draft decision has submitted by shareholders as provided in Article 27 paragraph 3 of CL 2190/1920, as amended and in force.

Shareholders representing at least one twentieth (1/20) of the share capital may request, which must be received by the Board seven (7) days before the General Assembly to request the Board to make available to shareholders by posting on the Company's website at least six (6) days before the date of the General Assembly, draft resolutions for items included in the initial or revised agenda. Noted that the Board is not obliged to include items on the agenda or the publication or disclosure thereof together with justification and draft resolutions submitted by shareholders during the above in (a) and (b) cases, respectively, if the content is obviously contrary to the law and morality.

At the request of any shareholder to the Company five (5) full days before the General Meeting , any shareholder may request the Board to provide the General Assembly requested specific information regarding the affairs of the Company , to the extent they are useful for the assessment of the items on the agenda. The Board may refuse to provide such information citing sufficient material grounds, which are recorded in the minutes. The Board may respond to requests of shareholders with the same content. Obligation to provide information does not apply when the information is already available on the Company's website.

The full text of documents, draft resolutions and other information provided for in paragraph 3 of Article 27 of CL2190/20 (including the convocation of the General Meeting, the proxy appointment form) are available in electronic form the Company's website. Interested shareholders may obtain copies of documents of paragraph 3 of Article 27 of the Law 2190/1920, as amended, the arriving at the offices of the Company.

Shareholders representing one fifth (1/5) of the paid up share capital may request, submitted to the Company at least five (5) full days before the General Assembly to request the Board to provide the General Assembly information on the state of corporate affairs and financial condition of the Company. The Board may refuse to provide such information citing sufficient material grounds, which are recorded in the minutes. In all the above mentioned cases the requesting shareholders must prove their shareholder status and the number of shares held by the exercise of the right. Such proof includes the attestation of the organization which keeps the securities or verification of shareholder status through direct electronic connection between the body and the Company, as long as this is requested by the shareholders concerned.

5. Internal audit and risk management

5.1 Main features of the internal control system

The Company, in accordance with the provisions of law 3016/2002, as it stands today, as well as the provisions of the Decision 5/204/2000 of the BoD of the Hellenic Capital Market Commission, as applicable after its amendment by decision No. 3/348/2005 of the Hellenic Capital Market Commission, audits by the Internal Audit Division of the company. The management of internal audit is an independent department, addressed to the Board of Directors.

During the exercise of its supervisory duties, the internal audit department has the cooperation of both the Management and the Executives of the company and has available all the information referring to books, to accounting records, bank accounts of the company, as well as in its portfolio so as to be able to prepare objective reports for each controlled area. The audit may propose changes to existing procedures and policies, if it finds that during the implementation of the project, these are outdated and pose risks for the company.

The object of control is to assess the general level and the operating procedures of the internal control system. In each test period selected certain areas - control fields, while a solid and permanent basis checked and examined firstly the function and organization of the Board of Directors of the Company and the other function of two basic services operating under the provisions of Law 3016 / 2002 of the Shareholder and Corporate Disclosure.

Noted , however, that the systems of internal control and risk management systems provide reasonable and not absolute safety, because it is designed to limit although the probability of realization of the risks involved, but they can ban them completely.

5.2. Risk management for the company in relation to the process of preparing financial statements

Company's management has invested in the application development and maintenance of computer systems, which in conjunction with internal operating procedures ensure the proper display of financial data at the company's books. Every month analysis of financial results for all activities is made by the senior executives of the Group, with a thorough comparison between the actual and budgeted financial data. An analytical and detailed processing and interpretation of significant differences is made and immediate measures are taken for the further progress of each activity.

6. Other managerial or supervisory bodies or committees of the Company

There are at the present time no other management or supervisory bodies or committees of the Company. In full conformity with the Greek Code of Corporate Governance is an ongoing process of establishing such a committee, which will help substantially and not typically the work of the Board

E) TRANSACTIONS WITH RELATED PARTIES

As related parties according to I.A.S. 24 are, subsidiaries, companies with common property arrangement and/or administration with the company, related companies as well as the members of the Board of Directors and the senior executives of the Group's companies. It is noted that all commercial transactions between the Group companies are made according to the price lists that are in effect for the non connected parties, and include revenue from sale of merchandises, purchase of assets, services and rents.

The parent company made transactions with related companies for fiscal year 2016 as presented in the following tables in aggregate and analytically by type of transaction:

Parent Company's transactions with related parties: 01/01/2016 - 31/12/2016				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
ERGOTRAK S.A.	155.844	13.642	106.727	769
EXEC. INS. BROKERS S.A.	175.943	0	154.612	104.919
MIRKAT OOD	4.584.134	35.521	5.902.740	0
MIRKAT DOOEL SKOPJE	1.576.317	3.247	928.692	3.247
Total of Subsidiaries	**6.492.240**	**52.410**	**7.092.770**	**108.935**
Affiliates				
SPEEDEX S.A.	305.192	97.969	7.877	40.689
Total of Affiliates	**305.192**	**97.969**	**7.877**	**40.689**
Grand Total	**6.797.432**	**150.379**	**7.100.648**	**149.624**

Parent Company's revenues from related parties: 01/01/2016 - 31/12/2016					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
ERGOTRAK S.A.	35.758	1.993	7.903	110.190	155.844
EXECUTIVE INS. BROKERS S.A.	1.069	1.728	153.861	19.285	175.943
MIRKAT OOD	4.584.134	0	0	0	4.584.134
MIRKAT DOOEL SKOPJE	1.576.317	0	0	0	1.576.317
Total of Subsidiaries	**6.197.279**	**3.721**	**161.765**	**129.475**	**6.492.240**
Affiliates					
SPEEDEX S.A.	37.419	577	51.196	216.000	305.193
Total of Affiliates	**37.419**	**577**	**51.196**	**216.000**	**305.193**
Grand Total	**6.234.699**	**4.298**	**212.961**	**345.475**	**6.797.432**

Parent Company's expenses from related parties: 01/01/2016 - 31/12/2016				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
ERGOTRAK S.A.	5.023	8.620	0	13.642
EX. INSURANCE BROKERS S.A.	0	0	0	0
MIRKATOOD	0	35.521	0	35.521
MIRKAT DOOEL SKOJE	0	3.247	0	3.247
Total of Subsidiaries	**5.023**	**47.388**	**0**	**52.410**
Affiliates				
SPEEDEX S.A.	0	97.969	0	97.969
Total of Affiliates	**0**	**97.969**	**0**	**97.969**
Grand Total	**5.023**	**145.357**	**0**	**150.379**

Fees and benefits of the members of the Board of Directors and the senior executives for the Group and the Company are as follows:

BENEFITS	Group		Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Other short-term benefits (salaries and fees, car expenses, travel expenses, etc.)	2.009.420	1.970.404	1.598.990	1.590.809
Provisions of the year for post-employment benefits	40.188	39.408	31.980	31.816
TOTAL	**2.049.608**	**2.009.812**	**1.630.970**	**1.622.625**

Athens, 11 April 2017

Stavros P. Taki
President of the BoD
and CEO

It is certify that the above report of the Board of Directors consisting of 18 pages is the one mentioned in the audit report issued dated 12.04.2017.

Athens, 12 April 2017

KONSTANTINOS EVANGELINOS
Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 13151
SOL S.A. – Certified Public Accountants Auditors
Member of Crowe Horwath International
3, Fok. Negri Street – Athens 11257, Greece
Institute of CPA (SOEL) Reg. No. 125

INFORMATION OF ARTICLE 10 OF LAW 3401/2005

The Announcements published by the company during the fiscal year 2016, as part of the information investors and in accordance with applicable law, are presented in the tables below and are posted on the company's website (www.sfakianakis.gr) as well as at the Athens Stock Exchange website (www.ase.gr).

DATE	SUBJECT	WEBSITE
28/12/2016	Completion of absorption of subsidiary company	www.sfakianakis.gr - www.ase.gr
30/11/2016	Press Release - Comments on Financial Results for the nine month period of 2016	www.sfakianakis.gr - www.ase.gr
4/11/2016	Announcement of change of senior management	www.sfakianakis.gr - www.ase.gr
5/10/2016	Absorption of affiliated company	www.sfakianakis.gr - www.ase.gr
4/10/2016	Tax audit certificate for fiscal year 2016	www.sfakianakis.gr - www.ase.gr
30/9/2016	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
30/9/2016	Press Release - Comments on Financial Results for first semester 2016	www.sfakianakis.gr - www.ase.gr
30/9/2016	**Q2 2016 Financial Results**	www.sfakianakis.gr - www.ase.gr
29/9/2016	Announcement of publish Q2 2016 Financial Results	www.sfakianakis.gr - www.ase.gr
29/7/2016	Redefinition of Board of Directors Responsibilities	www.sfakianakis.gr - www.ase.gr
2/6/2016	Composition of Board of Directors	www.sfakianakis.gr - www.ase.gr
2/6/2016	Decisions of the Annual Ordinary General Meeting of 2nd June 2016	www.sfakianakis.gr - www.ase.gr
31/5/2016	Participation of the company in the competition of the Independent Transmission Operator S.A.	www.sfakianakis.gr - www.ase.gr
31/5/2016	Press Release - Comments on Financial Results for the three month period of 2016	www.sfakianakis.gr - www.ase.gr
12/5/2016	Invitation to the Annual General Meeting of the Shareholders	www.sfakianakis.gr - www.ase.gr
27/4/2016	Participation of the company in the competition of the Public Power Corporation S.A.	www.sfakianakis.gr - www.ase.gr
22/4/2016	Notification of Home Member State	www.sfakianakis.gr - www.ase.gr
27/4/2016	Amendment of the Financial Calendar 2016	www.sfakianakis.gr - www.ase.gr
4/4/2016	Organizational Changes in Sfakianakis S.A.	www.sfakianakis.gr - www.ase.gr
31/3/2016	Announcement according to paragraph 4.1.4.4 of ATHEX Regulation	www.sfakianakis.gr - www.ase.gr
31/3/2016	Press Release - Comments on Financial Results for fiscal year 2015	www.sfakianakis.gr - www.ase.gr
31/3/2016	**2015 Annual Financial Statements**	www.sfakianakis.gr - www.ase.gr
28/3/2016	Financial calendar 2016	www.sfakianakis.gr - www.ase.gr
3/3/2016	Announcement - Sale of Athoniki Techniki S.A.	www.sfakianakis.gr - www.ase.gr
29/2/2016	Denial of publication	www.sfakianakis.gr - www.ase.gr
11/1/2016	Organizational Changes in Sfakianakis S.A.	www.sfakianakis.gr - www.ase.gr

THIS REPORT IS A FREE TRANSLATION OF THE GREEK ORIGINAL

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SFAKIANAKIS S.A.

Report on the Separate and Consolidated Financial Statements

We have reviewed the accompanying separate and consolidated financial statements of SFAKIANAKIS S.A. which comprise the separate and consolidated statement of financial position as of 31 December 2016, 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, as adopted by the European Union, and for such internal controls as management determines is necessary to enable 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 accordance with International Financial Reporting Standards, which have been incorporated into Greek Law (FEK/B/2848/10.23.2012). 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 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 system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company SFAKIANAKIS S.A. and its subsidiaries as of 31 December 2016 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Emphasis of Matter

We draw your attention to Note 2.2 “Going concern assumption” of the annual financial statements, where reference is made to the financial position of the Company and, in particular, to the increase in the turnover and the significant amelioration of operating results while Company’s and Group’s equity is negative, as well as to the process of restructuring of the existing loans, conditions which indicate the existence of material uncertainty that may cast significant doubt upon Company’s ability to continue as a going concern.
Our opinion is not qualified in respect of this matter.

Report to Other Legal and Regulatory Requirements

Considering that management is responsible for preparing the Report of the Directors and the Corporate Governance Statement included in this report, pursuant to paragraph 5 of Article 2 (Part B) of Law. 4336/2015, we note that: a) in the Directors' Report a corporate governance statement is included which provides the information set out in Article 43bb CL 2190/1920, b) in our opinion, the Directors' Report has been prepared in accordance with the legal requirements of Articles 43a and 107A and paragraph 1 (cases c and d) of Article 43vv of Ref. Law. 2190/1920 and its content corresponds with the accompanying separate and consolidated financial statements for the year ended 31/12/2016 and c) based on the knowledge we gained during our audit, to Sfakianakis S.A. and its environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

Athens, 12 April 2017

SOL
CERTIFIED PUBLIC ACCOUNTANTS
Crowe Horwath

KONSTANTINOS EVANGELINOS
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SFAKIANAKIS

Annual Financial Statements

For the period 01.01.2016 - 31.12.2016
prepared in accordance with
the International Financial Reporting Standards (IFRS)

SFAKIANAKIS S.A.
G.C. Registy 240501000
5-7 Sidirokastrou St. & Pydnas St.,
Athens, GR-11855

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FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (Amounts in Euro)	Note	GROUP 31.12.2016	GROUP 31.12.2015	COMPANY 31.12.2016	COMPANY 31.12.2015
ASSETS					
Non-current assets					
Tangible Assets (Property, plant & equipment)	6	185.412.114	171.662.345	178.690.066	96.834.897
Intangible assets	7	493.644	429.790	353.246	245.576
Goodwill	8	6.134.000	6.134.000	79.352.270	6.134.000
Investments in subsidiaries	9.1	0	0	28.802.142	117.039.365
Investments in affiliates	9.3	2.319.898	2.480.005	5.511.738	4.066.721
Customers and other receivables	11.1	2.033.129	2.886.171	1.354.270	1.041.090
Total non-current assets		**196.392.785**	**183.592.311**	**294.063.732**	**225.361.650**
Current assets					
Inventories	10	34.019.962	33.466.953	26.352.901	26.897.774
Customers and other receivables	11.2	65.564.305	70.050.201	53.202.569	39.822.909
Available-for-sale financial assets	11.3	169.470	692.362	169.470	692.362
Cash and cash equivalents	12	5.315.493	17.037.873	4.431.026	4.933.084
		105.069.229	**121.247.390**	**84.155.966**	**72.346.130**
Total assets		**301.462.014**	**304.839.701**	**378.219.698**	**297.707.780**
EQUITY					
Capital and reserves attributed to parent company shareholders					
Share Capital	13.1	2.374.344	2.374.344	2.374.344	2.374.344
Premium on capital stock	13.1	10.601.614	10.601.614	10.601.614	10.601.614
Fair value reserves	13.2	0	0	3.360.955	52.582.056
Other reserves	13.3	10.090.008	10.088.595	10.165.822	9.853.818
Results carried forward	13.4	(99.905.558)	(92.275.471)	(32.021.376)	(74.439.903)
		(76.839.592)	**(69.210.918)**	**(5.518.641)**	**971.930**
Non controlling interest		52	63	0	0
Total equity		**(76.839.540)**	**(69.210.855)**	**(5.518.641)**	**971.930**
LIABILITIES					
Long-term liabilities					
Loans	14.1	5.266.787	247.877.387	4.332.788	179.986.663
Deferred income tax	15	13.720.819	13.486.524	38.088.176	34.201.495
Provisions for employee benefits	16	2.270.535	2.163.127	1.816.849	1.512.164
Other long-term liabilities	17	1.728.855	1.557.527	1.574.995	0
Other provisions	18	240.000	240.000	240.000	240.000
		23.226.995	**265.324.566**	**46.052.808**	**215.940.322**
Short-term liabilities					
Suppliers and other liabilities	19	63.196.220	64.769.624	54.619.909	55.258.760
Current Income tax	19.1	0	52.661	0	0
Short-term loans	14.2	291.878.338	43.903.705	283.065.622	25.536.769
		355.074.559	**108.725.989**	**337.685.531**	**80.795.529**
Total liabilities		**378.301.554**	**374.050.556**	**383.738.339**	**296.735.851**
Total Liabilities and Equity		**301.462.014**	**304.839.701**	**378.219.698**	**297.707.780**

TOTAL COMPREHENSIVE INCOME			
		GROUP	
	NOTE	1.1-31.12.2016	1.1-31.12.2015
Sales		**274.546.675**	**252.137.499**
Cost of sales		(204.146.685)	(187.222.964)
Gross Profit		**70.399.990**	**64.914.535**
Selling expenses	20.1	(68.705.029)	(66.224.659)
Administrative expenses	20.1	(17.176.257)	(16.556.165)
Other operating income	20.2	23.358.389	17.712.725
Operating income		**7.877.092**	**(153.564)**
Financial expenses	20.3	(13.091.439)	(14.580.527)
Financial income	20.3	248.709	337.629
Investing result	20.4	(2.457.650)	(4.060.084)
Profit/(Loss) before tax		**(7.423.288)**	**(18.456.546)**
Income tax	21.0	(185.341)	(2.614.044)
Profit/(Loss) for the period after tax (A)		**(7.608.629)**	**(21.070.590)**
Actuarial gains / losses		(20.056)	123.309
Other Comprehensive Income after tax (A)+(B)		**(20.056)**	**123.309**
Total Comprehensive Income (A)+(B)		**(7.628.685)**	**(20.947.281)**
Profit/(Loss) is attributable to:			
Company's Shareholders		**(7.608.618)**	**(21.070.576)**
Non controlling interest		(11)	(13)
		(7.608.629)	**(21.070.590)**
Other Comprehensive Income is attributable to:			
Company's Shareholders		**(7.628.674)**	**(20.947.267)**
Non controlling interest		(11)	(13)
		(7.628.685)	**(20.947.281)**
Profit/(Loss) per share after tax (in €)		(0,9614)	(2,6623)
Average weighted No. of shares		7.914.480	7.914.480

TOTAL COMPREHENSIVE INCOME			
		COMPANY	
	NOTE	1.1-31.12.2016	1.1-31.12.2015
Sales		**257.086.214**	**207.623.368**
Cost of sales		(191.123.471)	(185.030.058)
Gross Profit		**65.962.742**	**22.593.310**
Selling expenses	19.1	(59.257.521)	(31.947.849)
Administrative expenses	19.1	(14.814.380)	(7.986.962)
Other operating income	19.2	18.051.977	12.541.284
Operating income		**9.942.818**	**(4.800.217)**
Financial expenses	19.3	(12.468.308)	(10.404.789)
Financial income	19.3	216.057	47.270
Investing result	19.4	(3.343.178)	(11.830.019)
Profit/(Loss) before tax		**(5.652.612)**	**(26.987.754)**
Income tax	20.00	(293.328)	(1.880.428)
Profit/(Loss) for the period after tax (A)		**(5.945.939)**	**(28.868.182)**
Difference in fair value of affiliates consolidated		(900.257)	21.594.885
Difference in fair value of related consolidated		1.445.017	6.322.910
Actuarial gains / losses		(22.914)	89.312
Other Comprehensive Income after tax (A)+(B)		**521.846**	**28.007.107**
Total Comprehensive Income (A)+(B)		**(5.424.094)**	**(861.075)**
Profit/(Loss) is attributable to:			
Company's Shareholders		**(5.945.939)**	**(28.868.182)**
Non controlling interest			
		(5.945.939)	**(28.868.182)**
Other Comprehensive Income is attributable to:			
Company's Shareholders		**(5.424.094)**	**(861.075)**
Non controlling interest		(0)	(0)
		(5.424.094)	**(861.075)**
Profit/(Loss) per share after tax (in €)		(0,7513)	(3,6475)
Average weighted No. of shares		7.914.480	7.914.480

STATEMENT OF CHANGES IN EQUITY

GROUP

2016	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	**12.975.958**	**10.088.595**	**(92.275.471)**	**63**	**(69.210.855)**
Net profit after tax (A)	**0**	**0**	**(7.608.618)**	**(11)**	**(7.608.629)**
Other comprehensive income (B)	**0**	**1.413**	**(21.469)**		**(20.056)**
Total comprehensive income (A)+(B)	**0**	**1.413**	**(7.630.087)**	**(11)**	**(7.628.685)**
Less : Dividends	**0**	**0**	**0**	**0**	**0**
Balance on 31 December	**12.975.958**	**10.090.008**	**(99.905.558)**	**52**	**(76.839.540)**

2015	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	**12.975.958**	**10.088.595**	**(71.328.204)**	**77**	**(48.263.574)**
Net profit after tax (A)	**0**	**0**	**(21.070.576)**	**(13)**	**(21.070.590)**
Other comprehensive income (B)	**0**	**0**	**123.309**	**0**	**123.309**
Total comprehensive income (A)+(B)	**0**	**0**	**(20.947.267)**	**(13)**	**(20.947.281)**
Less : Dividends	**0**	**0**	**0**	**0**	**0**
Balance on 31 December	**12.975.958**	**10.088.595**	**(92.275.471)**	**63**	**(69.210.855)**

COMPANY

2016	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	**12.975.958**	**62.435.874**	**(74.439.903)**	**0**	**971.930**
Net profit after tax (A)	**0**	**0**	**(5.945.939)**	**0**	**(5.945.939)**
Other comprehensive income (B)	**0**	**544.760**	**(22.914)**	**0**	**521.846**
Total comprehensive income (A)+(B)	**0**	**544.760**	**(5.968.854)**	**0**	**(5.424.094)**
Other changes	**0**	**0**	**(1.066.477)**	**0**	**(1.066.477)**
Balance on 31 December	**12.975.958**	**62.980.635**	**(81.475.234)**	**0**	**(5.518.641)**

2015	Share capital & premium on capital stock	Reserves	Results carried forward	Non controlling interest	Total equity
Balance on 1 January	**12.975.958**	**34.518.079**	**(45.661.033)**	**0**	**1.833.005**
Net profit after tax (A)	**0**	**0**	**(28.868.182)**	**0**	**(28.868.182)**
Other comprehensive income (B)	**0**	**27.917.795**	**89.312**	**0**	**28.007.107**
Total comprehensive income (A)+(B)	**12.975.958**	**34.518.079**	**(74.529.215)**	**0**	**(861.075)**
Less : Dividends	**0**	**0**	**0**	0	**0**
Balance on 31 December	**25.951.916**	**69.036.159**	**(120.190.248)**	**0**	**971.930**

CASH FLOW STATEMENT (Amounts in €)				
	GROUP		COMPANY	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Operating activities				
Profit/Loss before tax (Continuing operations)	**(7.423.288)**	**(18.456.546)**	**(5.652.612)**	**(26.987.754)**
Plus/Minus adjustments for:				
Depreciation	17.564.426	17.554.235	16.907.344	4.029.889
Provisions	3.802.380	5.360.904	1.108.762	978.401
Revenue from unused provisions	(203.570)	0	(203.570)	0
Exchange rate results	36.023	(11.079)	36.023	(11.079)
Results (income, expenses, profits & losses) from investing activities	2.208.942	3.722.455	3.127.121	11.782.748
Interest charges and related expenses	13.091.439	14.580.527	12.468.308	10.404.789
Plus / minus adjustments for changes in working capital accounts or related to operating activities :				
Decrease/ (increase) in stocks	(8.868.663)	(11.419.589)	(7.701.622)	(2.592.789)
Decrease/ (increase) in receivables	(7.532.532)	(4.735.811)	466.791	(4.487.204)
(Decrease)/Increase in liabilities (save banks)	12.590.708	21.141.447	4.254.288	18.840.206
Less:				
Interest charges and related expenses paid	(12.479.220)	(13.144.024)	(11.856.542)	(9.414.666)
Tax paid	0	(52.506)	0	0
Total input/(output) from operating activities (a)	**12.786.646**	**14.540.012**	**12.954.293**	**2.542.541**
Investing Activities:				
Purchase of intangible and tangible assets	(27.067.922)	(19.095.388)	(25.230.960)	(4.565.259)
Proceeds on sale of intangible and tangible assets	5.694.572	4.211.061	4.049.413	3.654.108
Proceeds/(payments) from purchases/(sales) of investments	(3.358.404)	0	(3.358.404)	0
Interest received	189.091	214.693	156.439	48.281
Total input/(output) from investing activities (b)	**(24.542.663)**	**(14.669.634)**	**(24.383.511)**	**(862.870)**
Financing Activities				
Proceeds from issued loans	9.367.744	6.000.000	9.367.744	5.000.000
Loan repayment	(9.007.213)	(6.428.416)	(8.284.849)	(5.248.407)
Leasing arrangement liabilities paid (instalments)	(326.894)	(400.068)	(326.894)	0
Total input/ (output) from financing activities (c)	**33.637**	**(828.484)**	**756.001**	**(248.407)**
Cash and cash equivalents at the beginning of the period	**(11.722.380)**	**(958.106)**	**(10.673.218)**	**1.431.264**
Cash and cash equivalents at the beginning of the period	**17.037.873**	**17.995.979**	**4.933.084**	**3.501.820**
Cash and cash equivalents at the beginning of the period Executive Lease	**0**	**0**	**10.171.160**	**0**
Cash and cash equivalents at the end of the period	**5.315.493**	**17.037.873**	**4.431.026**	**4.933.084**

NOTES ON THE FINANCIAL STATEMENTS

1. General Information

These financial statements include the corporate financial statements of SFAKIANAKIS S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group).

The Group's main activities are:

1. The import and trade of
    - cars, motorcycles and spare parts for Suzuki,
    - Daf trucks and Temsa busses,
    - lifting and handling equipment LINDE,
    - engines and generator sets Cummins

2. The retail trade of Suzuki, Opel, Ford, Volvo, BMW, Mini, Fiat, Alfa Romeo, Abarth, Cadillac, Renault Dacia, Nissan and Skoda cars as well as Suzuki and BMW motorcycles.

3. The financing, leasing, rental and car insurance.

Moreover, the Group is involved in car hire, insurance brokerage, trade of electronic and telecommunications materials and IT products construction and, engines and industrial equipment. Additionally, the Group provides courier services and is also active in real estate sector.

The Group operates in Greece, Cyprus, Bulgaria, FYROM, Servia and Romania. Parent Company's shares are traded on the Athens Stock Exchange.

The company's registered offices are in Greece in the Municipality of Athens, Attica at the junction of 5-7 Sidirokastrou St. & Pydnas St. The company's website is www.sfakianakis.gr.

The attached Annual Financial Statements for the period from 1st January to 31st December 2016 have been approved by the Board of Directors of SFAKIANAKIS S.A. on April 11th, 2017.

The current Board of Directors of the parent company is as follows:

1. Stavros Taki	President & CEO, Executive Member
2. Georgios Koukoumelis	Vice-president, Executive Member
3. Nicolaos Sfakianakis	Non-executive Member
4. Vlasios Georgatos	Independent Non-executive Member
5. Christophoros Katsambas	Independent Non-executive Member
6. Georgios Taniskidis	Independent Non-executive Member
7. Alexandros Makridis	Independent Non-executive Member
8. Efstathios Ventouris	Independent Non-executive Member

1.1 Structure of the Group

SFAKIANAKIS group consist of the following companies:

A) Consolidation with total integration method (subsidiaries companies):

COMPANY	Country	PARTICIPATION	(%)
SFAKIANAKIS S.A.	**Greece**		**Parent Company**
EXECUTIVE INSURANCE BROKERS S.A.	Greece	DIRECT	100,00%
ERGOTRAK S.A.	Greece	DIRECT	100,00%
ERGOTRAK BULGARIA LTD	Bulgaria	DIRECT/INDIRECT	100,00%
ERGOTRAK ROM	Romania	DIRECT/INDIRECT	100,00%
MIRKAT OOD	Bulgaria	DIRECT	100,00%
MIRKAT DOOEL SKOPJE	FYROM	DIRECT	100,00%
AGANDI LTD	Cyprus	INDIRECT	100,00%

The company Agandi Ltd, 100% subsidiary of Executive Insurance Brokers S.A. is consolidated for first time in the fiscal year 2016.

B) Consolidation with equity method (affiliated companies):

COMPANY	Country	Participation	(%)
SPEEDEX S.A.	Greece	DIRECT	49,55%
ALPAN ELECTROLINE LTD	Cyprus	DIRECT	40,00%

On 12.27.2016 with No. 139610/27.12.2016 decisions of the Ministry of Economy and Development the merger of Sfakianakis S.A. and Executive Lease S.A. was approved by absorption of the second by the first in accordance with Articles 69-78 of C.L. 2190/1920 and Articles 1-5 of L.2166/1993. All transactions made after the Transformation Balance Sheet date 31.12.2015 accounted for the account of the acquiring company and for this reason the financial statements for the year 2016 are not comparable. It should be noted that consolidated results of the Group were not affected as the absorbed company was a 100% subsidiary and was incorporated in the consolidated financial statements using the full consolidation method.

2. Major accounting principles used by the Group

2.1 Context within which the financial statements are drawn up

These financial statements of Sfakianakis S.A. relate to the period 01.01.2016 to 31.12.2016 and are complete. They have been prepared in accordance with the IFRS adopted by the European Union.

The accounting principles which are outlined below have been applied to all periods presented.

Preparation of the financial statements in accordance with the IFRS requires the use of accounting estimates and the exercise of judgement on how the accounting principles followed apply. These cases are outlined in Note 4.

The financial statements have been prepared on the basis of the historic cost principle amended by the adjustment in the value of real estate property to their fair (market) value in line with the exemption granted in IFRS 1, the valuation of investments in subsidiaries, affiliates and assets available for sale at fair value, and financial assets and liabilities at fair value in the income statement.

All revised or new published standards and interpretations that apply to the group and were in force on 31 December 2016, were considered to the extent they were applicable.

There are no changes to the accounting principles used compared to those used in the preparation of financial reports for 31 December 2015, apart from the case described in paragraph 27.

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable according to the current circumstances.

2.1.1 New standards, interpretations and amendments to existing standards.

New standards, amendments to standards and interpretations have been issued and are mandatory for annual periods beginning on January 1, 2016 or later. The effect of these new standards and interpretations is set out below.

Standards and Interpretations effective for the current financial year 2016

Annual Improvements to IFRSs 2012-2014 Cycle
The amendments to the 2012-2014 Cycle, issued by the Council on September 25, 2014, applicable to periods beginning on or after January 1, 2016 and adopted by the European Union on December 15, 2015 Regulation (EU) No. 2343/2015. The following amendments relating to International Financial Reporting Standards 5 and 7 and the International Accounting Standards 19 and 34 are not expected to have a material effect on the financial statements of the Company and the Group.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" The amendment clarifies that the change from a disposal method to another (eg sale or distribution to owners) should not be considered as a new sales plan but a continuation of the original project . Therefore, there is no interruption to the application of requirements of IFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification. Not materially affect the Group and the Company.

IFRS 7 "Financial Instruments: Disclosures" Service contracts following the transfer of financial assets. If an entity transfers a financial asset on terms that allow the originators to derecognition of the asset, IFRS 7 requires disclosure of all forms of continuing involvement that may have an originator over the transferred assets. IFRS 7 provides guidance on what is meant by "continuing involvement". The amendment added specific instructions to assist administrations to determine whether the terms of a service contract for financial assets that have been transferred constitutes 'continuing involvement'. The amendment gives the right (but not the obligation) retroactive application.

Interim financial statements. The amendment clarifies that the additional disclosure required by IFRS 7 "Disclosure - Offsetting financial assets and liabilities" are not specifically required for all interim periods, unless required by IAS 34. retrospectively. Not materially affect the Group and the Company.

IAS 19 "Employee Benefits-Employee Contributions" The amendment is effective for annual periods beginning on or after 1 February 2015. The amendment clarifies that the assessment of the existence of active investment grade corporate bond market is evaluated based on the currency denomination obligation and not by the country that there is an obligation. When there is no active market for high quality corporate bonds in that currency, interest rates on government bonds are used. Not materially affect the Group and the Company.

IAS 34 "Interim Financial Reporting" The amendment clarifies that disclosure requirements for interim financial statements should be located either in the financial statements or incorporated by cross-reference between the interim financial statements and the point where included in the interim financial report (eg Management report). It is clarified that the other information in the interim financial report should be available to users on the same terms and at the same time as the interim financial statements. If users do not have access to the other information in this way, the interim financial report is incomplete. Not materially affect the Group and the Company.

IFRS 10, IFRS 12 and IAS 28 (Amendments) -Company Investment: Application of consolidation exemptions. On December 18, 2014 the Board issued Amendments to IFRS 10, IFRS 12 and IAS 28 on issues that have arisen in the implementation of integration exemptions for Investment Companies. The amendments are effective for annual periods beginning on or after January 1, 2016, with earlier application be allowed, and have not been adopted by the European Union. Not materially affect the Group and the Company.

IAS 1 (Revised) "Presentation of Financial Statements" - Notification. The amendments to IAS 1 adopted by the Council on December 18, 2014, clarify that materiality applies to all financial statements and that the inclusion in such trivial information can inhibit the usefulness of disclosures. In addition, the amendments clarify that companies should use their professional judgment, determining where and in what order the information presented in the disclosures to the financial statements. issues also specified on the subsets and presentation of items of other comprehensive income resulting from investments accounted for under the equity method The amendment is effective for annual periods beginning on or after January 1, 2016 and adopted by the European Union on 18 December 2015. No material impact on the Group and the Company.

IAS 16 and IAS 38 (Amended) - Clarifications for permissible damping methods. The amendment clarifies that the use of depreciation methods based on revenues is not appropriate to calculate the depreciation of an asset as revenue is not considered an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The above position does not apply if the intangible asset is expressed as revenue calculation measure or where it can be shown that the income and consumption of economic benefits flowing from an intangible asset are closely related. The amendment is effective for annual periods beginning on or after January 1, 2016 and adopted by the European Union on 2 December 2015. No material impact on the Group and the Company.

IAS 16 and IAS 41 (Amendments) - Agriculture: Fruiting Plants. The amendments bring fruiting plants (bearer plants), which shall only be used to increase production, the scope of IAS 16 in order to be accounted for in the same way as fixed assets. The amendments are effective for annual periods beginning on or after January 1, 2016, with earlier application permitted to, and adopted by the European Union on 23 November 2015. No material impact on the Group and the Company. Not materially affect the Group and the Company.

IAS 27 (Amendment) "Separate Financial Statements" A process of Equity in Financial Statements. The amendment to IAS 27 adopted by the Council on 12 August 2014, permits an entity to use the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements. This is one option accounting policy for each category of investments. The amendment is effective for annual periods beginning on or after January 1, 2016 and adopted by the European Union on December 18, 2015. Not materially affect the Group and the Company. Not materially affect the Group and the Company.

IFRS 11 (Amendment) "Figures under common control" -Accounting treatment of share acquisition in a joint activity. The amendment clarifies that an investor applies the method of "acquisition" when acquires a holding in a joint venture. The amendment is effective for annual periods beginning on or after January 1, 2016 and adopted by the European Union on 24 November 2015. No material impact on the Group and the Company. Not materially affect the Group and the Company.

IAS 19 (Amendment) "Employee-contributions by employees" The amendment is effective for annual periods beginning on or after 1 February 2015. The amendments apply to contributions by employees or third parties to defined benefit plans. The aim of the amendment is to simplify the accounting treatment of contributions which are independent of the number of years of service of the employees, for example, the contributions of employees are calculated according to a fixed percentage of salary. Not materially affect the Group and the Company.

Standards and interpretations applicable for subsequent periods have not been early adopted by the Company and the Group

The following new standards, amendments to standards and interpretations have been issued but are mandatory for subsequent periods. The Company and the Group has not early applied the following standards and examines their impact on the financial statements.

IFRS 9 "Financial Instruments". On 24 July 2014 the Council adopted the final version of IFRS 9, which includes the classification and measurement, impairment and hedge accounting. This standard will replace IAS 39 and all previous versions of IFRS 9. Financial assets carried at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income, based on the entity's business model for management of financial assets and the contractual cash flows of financial assets. Besides the credit risk of the entity, the classification and measurement of financial liabilities has not changed in comparison with the existing requirements. The Company is investigating the impact of IFRS 9 on its financial statements. IFRS 9 is mandatory for annual periods beginning on or after January 1, 2018 and adopted by the European Union on 22 November 2016. It will not have a material effect on the Group and the Company.

IFRS 15 "Revenue from contracts with customers." On May 28, 2014 IASB issued IFRS 15, "Revenue from Contracts with Customers" and including amendments to the standard issued on September 11, 2015 is mandatory for annual periods beginning on or after January 1, 2018 and is the new standard for the recognition of revenue. IFRS 15 replaces IAS 18, IAS 11 and interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31. The new standard establishes a five-step model to be applied to income arising from a contract with a customer (with limited exceptions), regardless of the type of money transaction or branch. These requirements will also apply to the recognition and measurement of gains and losses from the sale of certain non-financial assets that do not constitute production from ordinary operations of the entity (eg, property, plant and equipment or intangible assets). Will extensive disclosures, including total revenue analysis required information on the performance requirements, changes in balances of assets contract data and contract obligations between periods and key judgments and estimates. IFRS 15 was adopted by the European Union on 22 September 2016. No material impact on the Group and the Company.

IFRS 14 "Accruals Regulated Activities". On January 30, 2014, the IASB issued the object model of which is to specify the financial reporting requirements for the rest of the "Transitional accounts Regulated Activities" that arise when an entity supplies goods or services to customers at a price or rate that is subject to special regulation by the state. IFRS 14 permits an entity that first applies IFRS continue to account, with minor changes, the rest of "transitional accounts regulated activity 'under the previous accounting standards, both during the initial application of IFRS and in subsequent financial statements. Balances and movements of these accounts are presented separately in the statements of financial position, income and other comprehensive income and certain disclosures required. The new standard is effective for annual periods beginning on or after January 1, 2016 and has not been adopted by the European Union. It will not have a material effect on the Group and the Company.

IFRS 16 "Leases". On January 13, 2016, the IASB issued IFRS 16 and replaces IAS 17. The purpose of the standard is to ensure that lessees and lessors provide useful information that fairly presents the substance of transactions involving leases. IFRS 16 introduces a single model in accounting on the part of the lessee, which the lessee is required to recognize assets and liabilities for all leases lasting more than 12 months, unless the underlying asset is not of significant value. On the accounting side of the lessor IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor still categorizes the leases into operating and finance leases, and follow different accounting treatment for each type of contract. The new standard is effective for annual periods beginning on or after January 1, 2019 and has not been adopted by the European Union. It will not have a material effect on the Group and the Company.

IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 (Amendment) "Investments in Associates and Joint Ventures" - Sale or Contribution of assets between the Investor and its Affiliate or the Consortium. The main consequence of the amendment adopted by the Council on 11 September 2014, is that the entire gain or loss is recognized when a transaction involves a company (whether housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that are not business even if these assets are housed in a subsidiary. The amendment is effective for annual periods beginning on or after January 1, 2016 and has not been adopted by the European Union. It will not have a material effect on the Group and the Company.

IAS 12 (Amendment) "Recognition of deferred tax assets in unrealized losses." The amendment clarifies the accounting treatment of the recognition of deferred tax assets in unrealized losses arising from debt securities measured at fair value. The amendment is effective for annual periods beginning on or after January 1, 2017 and not yet adopted by the European Union. It will not have a material effect on the Group and the Company.

IAS 7 Statement of cash flows (Amendment) "Disclosures". The amendment introduces mandatory disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments require entities to provide disclosures to enable investors to evaluate the changes in liabilities arising from financial activities, including changes resulting from cash flows and changes in non-cash nature. The amendment is effective for annual periods beginning on or after January 1, 2017 and not yet adopted by the European Union. Not materially affect the Group and the Company.

IFRS 2 depending on the value of the shares (Amendment) "Classification and measurement of transactions of benefits depending on the value of the shares" The amendment provides clarifications on the basis of measurement regarding benefits depend on the value of shares and settled in cash and the accounting for changes in conditions alter a benefit that is settled in cash or delivery settled equity. Moreover introduce an exception to the principles of IFRS 2 on the basis of which a provision should be treated as if it were settled entirely in equity instruments in cases where the employer is required to withhold an amount to cover the tax liabilities of employees resulting from benefits depend on the value of shares and attributes to the tax authorities. The amendment is effective for annual periods beginning on or after January 1, 2018 and not yet adopted by the European Union.

IFRS 4 (Amendment) "Application of the new IFRS 9 IFRS 4" The Council adopted on 12 September amendments to IFRS 4 to address the concerns arising from the application of the new financial instruments standard (IFRS 9), before application of the new modified by the council IFRS 4. The amendments introduce two approaches: coating and postponement. The amended standard will:

• enables companies that issue insurance policies to recognize in other comprehensive income and not in profit or loss, the instability can occur when IFRS 9 is applied before the new insurance contracts.

• provides businesses whose activities primarily associated with insurance, an optional temporary exemption from the application of IFRS 9 by 2021.

The amendment is effective for annual periods beginning on or after January 1, 2018 and not yet adopted by the European Union.

Clarifications to IFRS 15 "Revenue from Contracts with Customers" In April 2016, the IASB issued clarifications to IFRS 15. The amendments to IFRS 15 does not change the fundamentals of the Standard but provide clarifications on the application of these principles. The amendments clarify the way in which a performance obligation is recognized on a contract, how to determine whether an entity is the principal or his representative, and how to determine whether the income from the granting of a license should be recognized in a specific time or over time. The company (the Group) will examine the impact of all these on the Financial (his) statements, although not expected to have any. The amendment is effective for annual periods beginning on or after 01/01/2018 and has not been adopted by the European Union.

Annual Improvements to IFRSs 2014-2016 Cycle

The amendments to the 2014-2016 Cycle, issued by the Council on 8 December 2016, applicable to periods beginning on or after January 1, 2018 and have not been adopted by the European Union. The following amendments are not expected to have a material effect on the financial statements of the Company (or the Group) unless otherwise stated.

IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment deletes the "Short-term exemptions from IFRSs" foreseen by Appendix E of IFRS 1 on the grounds that they have now served their purpose and are no longer necessary.

IAS 28 (Amendment) "Measurement associates or joint ventures at fair value" The amendment clarifies that the choice investment is given in relative or in joint ventures held by an entity is a venture capital organization, or other entity that qualifies be measured at fair value through profit or loss are available for each investment in an associate or joint venture separately upon initial recognition.

IFRS 12 Disclosures of Interests in other entities: Clarify the scope of the standard. The amendment clarified the scope of the standard specifying that the disclosure requirements of the standard, except those of paragraphs B10-B16 are effective for the entity's holdings referred to in paragraph 5 which have been classified as held for sale as held for distribution or discontinued operations according to IFRS 5 "Non-current assets held for sale and discontinued operations".

IAS 40 "Investment Property" Transportation Investment property. The amendments to IAS 40 issued by the Council on December 8, 2016 clarifies that an entity may transfer a property to or from investment property when, and only when there are signs of change in use. A change of use occurs if the property meets or no longer meets the definition of investment property. A change in the intentions of the administration for the use of the property itself is not an indication of a change in use.

The amendment is effective for annual periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

IFRIC Interpretation 22 "Transactions in foreign currency and Advances" IFRIC 22 clarifies the accounting for transactions that involve the receipt or payment of foreign currency deposits. In particular, it applies to foreign currency transactions when the entity recognizes a non-monetary asset or non-monetary liability arising from the payment or collection of advances before the entity recognizes the asset, expense or income. According to the interpretation, the date of the transaction for the purposes of determining the exchange rate shall be the date of initial recognition of non-monetary advances the asset or liability by taking advance. If there are multiple payments or receipts in advance, the transaction date fixed for each payment or recovery. The interpretation is effective for annual periods beginning on or after January 1, 2018 and has not been adopted by the European Union.

2.2 Going concern assumption

The Financial Statements of the Group and Company for the period 01.01.2016-31.12.2016 are prepared under the going concern assumption.

During the period 01.01.2016-31.12.2016 both the Company and the Group present increase in turnover and significant amelioration in operating results while they continue to present losses in results. However, losses present a significant decrease compared to the relevant period of 2015 as a result of the maturing of the benefits of the reorganization plan of the Company and the gradual improvement occurred in the automotive market. Group's and Company's equity on 31.12.2016 are negative.

It should be noted that operating result (EBIT) of the Group amounted to € 7.9 mil. in 2016 presenting a significant increase compared to € -0.1 mil. of 2015 and EBITDA for the Group the current period amounted to € 24.4 mil. compared to € 17.4 mil. in the previous period presenting an increase of 46.2%.

Group finances its needs for working capital only through positive cash flow from operating activities and complies in full with the new terms of the loan agreements.

The faithful execution of the restructuring plan agreed with bondholders, makes Company more competitive and substantially viable.

In addition, the Company is in advanced negotiations with banks in order to restructure the existing loans the major part of which relates to Bond and bilateral loans maturing in August 2017.

Management is confident for the smooth implementation of Group's business plan and therefore the going concern assumption, used for the preparation of the Interim Financial Statements for the period 01.01-31.12.2016, is considered correct.

2.3 Consolidation

Subsidiaries
The consolidated financial statements include the financial statements of the Company and the business units controlled by the Company (its subsidiaries) on 31.12.2016.

Control is achieved where the Company has the power to determine financial and operating decisions of a business unit so as to acquire benefits from its activities.

The results, the assets and the liabilities of the subsidiaries are included in the consolidated financial statements with the full consolidation method.

The financial statements of the subsidiaries are prepared based on Parent Company's accounting principles. Intragroup transactions and intragroup balances are crossed out during consolidation.

The participations in subsidies in the separate balance sheet of the Parent Company are valued at fair value with the changes posted to equity.

Goodwill coming from the purchase of enterprises, if positive is recognized as non-depreciable asset, subject to annual check of value depreciation. If negative, it is recognized as revenue in Group's Income Statement. Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of the company.

Investments in affiliates

Affiliates are business units over which the Group can exercise substantive influence but not control or joint control. Substantive control is exercised via participation in financial and operational decisions of the business unit.

Investments in affiliates are presented in the group balance sheet at cost, adjusted to the later changes in the Group's holding in the net assets of the affiliates, taking into account any impairment to the value of individual investments. Losses of associates other than Group rights in them are not posted.

The cost of acquisition of an affiliate, to the extent that it exceeds the fair value of the net assets acquired (assets – liabilities – contingent liabilities) is posted as goodwill to the accounting period in which the acquisition occurred in the account 'Investments in affiliates'.

In the parent company's separate balance sheet investments in affiliates are valued at fair value with the changes posted to equity.

2.4 Segmental Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a geographical area engaged in providing products or services that are subject to risks and returns that are different from those of other areas.

Sales made in Greece are treated as one geographical segment.

The Group is divided into three business/ geographical segments:

1. Domestic trade which is the main segment of activity for the parent Company and Group which operate in Greece. The greatest part relates to wholesale and retail sale of cars and spare parts. There is also industrial activity which is minimal and this is not monitored separately.
2. Domestic services, which relates to the activity of SFAKIANAKIS (car hire) and Executive Insurance Brokers (insurance brokerage).
3. Foreign trade, which relates to the activities of the subsidiary Mirkat OOD (dealer for Suzuki in Bulgaria) and Mirkat Dooel Skopje (dealer for Suzuki in Skopje), as well as the activity of the subsidiaries Ergotrak Bulgaria Ltd and Ergotrak Romania which trade manufactured equipment in Bulgaria and Romania respectively.

2.5 Foreign Exchange differences from conversion

(a) Functional and presentation currency
The financial statements of the Group's entities are valued in the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Euro, which is parent Company's functional currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Profits and losses from foreign exchange differences arising from conversion of currency units expressed in foreign currency during the period and on the balance sheet date at current exchange rates are posted to the results.

Foreign exchange differences from non-currency units valued at fair value are considered part of the fair value and thus are posted wherever fair value differences are posted.

(c) Companies of the Group
The conversion of the financial statements of the Group companies which have a different functional currency than that of the parent company is done as follows:

Assets and liabilities are converted at the exchange rate at the date of that balance sheet.

Equity is converted at the exchange rate at the date on which it arose.

The foreign exchange differences arising are posted to an equity reserve and are recognised in the income statement when the businesses are sold.

Goodwill and adjustments in fair value generated during the acquisition of business units abroad are translated using exchange rates on the balance sheet date.

2.6 Tangible Assets

a) Property, plant and equipment (tangible assets) used by company itself

Tangible assets (property, plant and equipment), apart from production-related property, are valued at acquisition cost less accumulated depreciation and impairment losses. The cost of acquisition includes all directly payable expenses for acquiring assets.

Expenses incurred in later periods increase the book value of tangible assets only where it is likely that in the future they will generate financial benefits for the Group and their cost can be reliably estimated. The cost of repairs and maintenance is posted to the results when incurred.

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date.

When the book value of property, plant and equipment exceeds the recoverable value the differences (impairment) are posted as expenses to the results (Note 2.7).

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight line method over their useful life as follows:

Buildings	25-40	YEARS
Machinery & equipment	12-15	YEARS
Cars	4-6	YEARS
Other equipment	5-7	YEARS

The residual values are not recognized. When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement.

b) Investments in Property

Investments in property are valued at acquisition cost less depreciation and impairment losses.

2.7 Intangible Assets

(a) Goodwill

Goodwill represents the difference between the cost and fair value of individual assets and liabilities upon acquisition of subsidiaries, associates or jointly controlled companies. Goodwill upon acquisition of associates includes the cost of investment.

Goodwill in a business combination represents the difference between the fair value, as recognized in the financial statements of the parent and the fair value of the individual assets and liabilities.

Goodwill is posted as an asset and is audited at least annually for impairment.

To check goodwill, in order to ascertain if there is impairment, goodwill is allocated to the cash-generating units which represent the primary segmental reporting.

(b) Trademarks and licences

Trademarks and licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 10 to 15 years.

(c) Software

Software licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which ranges from 3 to 5 years.

(d) Goodwill (customers)

Goodwill was valued by the method of multi period excess earning, which determines the present value of future economic benefit, based on discount rate that reflects the potential risk and assumptions of management. It is being amortized within 8 years.

Goodwill is recorded as asset on Assets and is reviewed at least annually for impairment.

For purposes of controlling goodwill and in order to determine whether there is impairment, it is distributed in cash-generating units, which represent the primary type of information in the field.

2.8 Impairment testing of tangible and intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets subject to depreciation are tested for impairment, when there are indications that their book value cannot be recovered.

The recoverable value is either the fair value less the amount required for the cost of sale or the usage value of the asset whichever is higher. The usage value is determined using discounted future cash flows with a suitable discount rate.

If the recoverable value is less than the carried value, then the carried value is reduced to the level of the recoverable value.

Impairment losses are posted as expenses in the income statement for the accounting period in which they were incurred.

When the impairment loss in a later period has to be reversed, the carried value of the asset is increased up to the level of the revised assessment of recoverable value to the extent that the new carried value does not exceed the carried value which would have been determined had the impairment loss not been posted in previous periods.

Reversal of the impairment loss is posted to income. To assess impairment losses assets are placed in the smallest possible cash-generating units.

2.9 Financial assets

The Group classifies financial assets in the following categories:

a) Receivables from customers

Receivables from customers are posted initially at fair value and later valued at carried cost using the actual interest rate less impairment losses. Impairment losses (losses from bad debt) are recognised when there are objective indications that the Group is not in a position to collect the amounts due based on contractual terms. The amount of the impairment loss is the difference between the book value of receivables and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of impairment loss is recognised in the income statement as an expense.

b) Loans and other receivables

This includes non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are created when the Group provides money or goods and services and there is no intention to sell these assets.

c) Held-to-maturity investments

This includes non-derivative financial assets with fixed or determinable payments and a specific maturity date which the Group intends to and is capable of holding to maturity.

d) Available-for-sale financial assets

This includes non-derivative financial assets which cannot be included in any of the foregoing categories. They are included in non-current assets unless Management intends to dispose of them within 12 months of the balance sheet date.

Financial assets held for sale are valued at fair value and the relevant profits or losses are posted to Other Comprehensive Income (B) till the assets are sold or recognised as impaired. Upon sale or when recognised as impaired, the profits or losses are transferred to the results.

Fair value determination

The fair values of investments quoted on active markets are designated based on current prices. In the case of non-quoted assets, fair value is determined using valuation techniques such as discounted future cash flows and option valuation models.

On each balance sheet date the Group ascertains if there are objective indications which lead to the conclusion that the financial assets are impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indication of impairment. If impairment is identified, the cumulative loss, which is the difference between the acquisition cost and fair value, is recognised in the income statement.

2.10 Hedging activities

Cash flow hedges

The effective proportion of change in the fair value of derivatives defined as cash flow change hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to equity remain as a reserve and are carried forward to the results when the hedge affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to equity are carried forward to the income statement.

2.11 Inventories

Inventory on Balance Sheet date is valued at acquisition cost or net realisable value which is lower. Acquisition cost is determined using the average weighted cost method. The stock of cars, which are depicted in the warehouse book by frame circulation number are valued at the individual cost.

Net realisable value is assessed based on current sale prices of stocks in the context of normal activity less any sale expenses which apply in the case.

The amounts of stock devaluations are recorded in the expenses of the year.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in sight deposits and short-term investments of up to 3 months which are highly-realisable and low risk.

2.13 Share capital

Ordinary shares are posted as equity.

Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce the proceeds of the issue. Direct costs related to the issuing of shares to acquire businesses are included in the cost of acquiring the business acquired. There were no own share transactions.

2.14 Borrowings

Accounting principles
The cost of borrowing arising from the construction of production-related assets is capitalized during the period required to complete and prepare the asset for the use for which it is intended. Other borrowing costs are posted as expenses.

Net financial cost
Loans are posted initially at fair value less any direct costs for entering into the transaction. Later they are valued at carried cost using the effective interest rate. The Group has not liabilities from convertible corporate bonds.

2.15 Deferred income tax

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities.

Deferred tax is calculated at the tax rates applicable on the balance sheet date or those which will apply in the accounting periods in which the assets are expected to be acquired or the liabilities settled.

Deferred tax assets are posted to the extent that there will be a future taxable profit for use of the temporary difference generated by the deferred tax assets.

2.16 Employee benefits

Short-term benefits
Short-term benefits to staff in cash and kind are posted as expenses when accrued.

Staff leaving indemnity benefits
Leaving indemnity benefits are paid when employees depart before their retirement date. The Group posts these benefits when it undertakes either to terminate the employment of current employees in line with a detailed plan which is not likely to be withdrawn or when these benefits are offered as an incentive for voluntary redundancy. Leaving indemnity benefits due 12 months after the balance sheet date are discounted.

Provisions for post-employment benefits
The liability which is posted on the financial statements in order to define benefit plans is the current value of the commitment for the defined benefit.

The freezing of defined benefit (compensation under Law 2112/20 during the year of retirement) is calculated by an independent actuary using the method of the affected credits (Projected unit credit method).

2.17 Provisions

Provisions are recognised when the Group has current legal or presumed commitments as a result of incidents in the past, their clearance is likely via outputs and the level of the liability can be reliably estimated. Provisions are valued on the balance sheet date and are adjusted in order to reflect the current value of the expense which is expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless there is likelihood of a resource output incorporating financial benefits. Contingent assets are not recognised in the financial statements but are disclosed where the input of financial benefits is likely.

2.18 Income recognition

Income is recognised at fair value of the sale of goods and services, before VAT and other taxes and net of discounts and returns. Intra-group revenue is completely crossed out. Revenue is recognised as follows:

a) Sales of goods
Sales of goods are recognised where the Group delivers goods to customers, the goods are accepted by them and the collection of the receivables is reasonably secured.

b) Services
Income from services is booked based on the service completion stage compared to the total estimated cost.

c) Income from interest
Interest income is recognised on a time proportion basis using the effective or presumed interest method. When there is an indication of impairment of the receivable the book value is reduced to the recoverable amount which is the net value of expected future cash flows discounted using the initial effective interest rate.

d) Income from royalties
Income from royalties is booked based on accrued income arising from the substantive terms of the relevant contracts.

e) Dividends
Dividends are recognised as income when the right to receive payment is established.

2.19 Leasing

Leasing arrangements, where in effect the risk and rights of ownership remain with the lessor, are posted as operational leasing arrangements. Other leasing arrangements are classified as finance leases.

Lessor
The group does not function as a lessor for financial leases.

Lessee
The lease payments made for operating leases are posted as expenses to the results on a systematic basis during the lease.

Assets held under finance leases are posted as Group assets valued upon signing of the lease at fair value or, where lower, at the present value of the minimum payable lease payments. The relevant liability to the lessor is posted to the balance sheet as a finance lease liability. Lease payments are allocated to financial expenses and to payment of liability in a manner which generates a fixed interest rate from time to time. Financial cost is posted to expenses.

2.20 Dividend Distribution

Dividend distribution to shareholders is posted as liability to the consolidated financial statements when the dividend distribution is approved by the General Meeting of the Shareholders.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to financial risks such as market risk (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. Group’s general risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential negative impacts on Group’s financial performance.

Risk management is effected by the Group’s central financial services which operate on the basis of specific rules that have been approved by the Board of Directors. The Board of Directors provides guidelines and instructions on general risk management and special instructions on managing specific risks such as exchange rate risk, interest rate risk and credit risk.

(a) Market Risk

The fact that the company holds a leading position in its field and has also organizational and operational structures that ensure its smooth and seamless operation, gives the assurance that it will not encounter any other specific risks beyond those facing the global economy in the current economic situation.

(b)Credit Risk

Due to the economic crisis in the Greek market, Group's management in order to manage potential credit risks of the customers, has established specific credit policy for its operations.

Specifically, each type of transaction is covered:

- With letters of guarantee or other kind of collaterals
- With retention of ownership of the sold goods
- With sales through financial institutions, banks, leasing companies etc., which undertake the credit risk deriving from the customer

However, the unfavourable economic situation of the domestic market since the advent of the economic crisis poses risks for any bad debts and the creation of negative cash flow for the Group companies.

Against the specific risks the management implements a series of measures, such as the exclusion of clients with clear indications of poverty, strict maintenance of the agreed credit time and the limiting of the credit amounts above the permitted limits set by the client.

(c) Liquidity risk

Liquidity risk for Group companies in the unstable economic environment is visible and Group's management as counterbalance continuously reduces the operating expenses, closes unprofitable stores, reduces the inventories, the receivables by collecting more intensively amounts due and credit policy (reduction of days of credit), changes the trade policy of payment to the suppliers and the restructuring of the terms of repayment of the current bank loans.

(d) Interest rate fluctuation risk

The cost of borrowing for Group's companies is based on a floating rate that is month or quarter Euribor plus a margin (spread). Any change in current interest rates will affect respectively Group's financial costs. The Company does not use tools in order to hedge interest rate fluctuation risk.

For Bond Loans restructured margins have been agreed until 2017.

4. Major accounting estimates & judgements made by Management

The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances.

The Group makes estimates and assumptions concerning the development of future events. Estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities in the following 12 months are significantly bounded.

Group's judgement is required in order to calculate:

a) The provision for income tax for fiscal years till 2010. There are many transactions and calculations for which the final level of tax is uncertain. If the final tax is different from that initially recognised the difference will affect income tax and the provision for deferred taxation for that period.

b) The useful life of assets, change in which will affect depreciation and the results of the following accounting periods.

c) Interest rate levels

d) Provisions for devaluation of inventories, with a reassessment of the realizable value of inventories

e) Provision for devaluation of receivables, with revised collecting requirements of receivables.

f) Provision for devaluation of assets.

g) Provision for devaluation of goodwill. For purposes of controlling the devaluation, intangible assets are allocated to cash-generating units, which represent the primary type of information in the field.

5. Segmental Reporting

Primary information sector - business segments

The Group is divided into the following three business, geographical segments:
a) Domestic trade
b) Domestic service provision and
c) Foreign trade.

The results per segment on 31.12.2015 and 31.12.2014 are as follows:

01/01 - 31/12/2016	Domestic Tdade	Domestic Service Provision	Foreign Trade	Deletions	Consolidated data of Financial Statements
Gross sales	218.406.147	55.231.931	7.339.816	(6.431.218)	**274.546.675**
Other Income	19.538.036	3.062.697	1.108.374	(350.718)	**23.358.389**
Depreciation	(3.759.461)	(13.369.841)	(435.124)		**(17.564.426)**
Other Expenses	(43.243.785)	(19.877.221)	(1.822.443)	466.084	**(64.477.364)**
Financial Expenses	(11.051.654)	(1.784.461)	(255.324)		**(13.091.439)**
Financial Income	160.699	58.319	29.690		**248.709**
Investing Result	(3.457.903)	(3.421)	1.003.673		**(2.457.650)**
Exchange rate differences	(36.023)	(1.094)	0		**(37.117)**
Other non cash items	(895.097)	(556.617)	(2.350.666)		**(3.802.380)**
Net Result (Loss) before tax	**(15.405.678)**	**9.355.369**	**(1.372.978)**		**(7.423.288)**
Income tax					**(185.341)**
Net Result (Loss) after tax					**(7.608.629)**

01/01 - 31/12/2015	Domestic Tdade	Domestic Service Provision	Foreign Trade	Deletions	Consolidated data of Financial Statements
Gross sales	223.959.965	46.219.578	7.177.791	(25.219.836)	**252.137.499**
Other Income	14.709.903	2.781.028	1.196.012	(985.297)	**17.701.646**
Depreciation	(4.310.902)	(12.846.300)	(397.033)	0	**(17.554.235)**
Other Expenses	(41.030.807)	(18.245.338)	(1.934.763)	1.345.222	**(59.865.685)**
Financial Expenses	(12.763.770)	(1.527.114)	(289.643)		**(14.580.527)**
Financial Income	214.562	60.995	62.071		**337.629**
Investing Result	(4.099.288)	(163)	39.367		**(4.060.084)**
Exchange rate differences	11.079	0	0		**11.079**
Other non cash items	(1.189.150)	(3.273.036)	(898.718)		**(5.360.904)**
Net Result (Loss) before tax	**(20.134.316)**	**3.021.863**	**(1.344.092)**		**(18.456.546)**
Income tax					**(2.614.044)**
Net Result (Loss) after tax					**(21.070.590)**

Transfers and transactions between segments (internal sales) are made at arm's length subject to the same terms applying to transactions with third parties.

Assets and liabilities of the segments on 31.12.2016 and 31.12.2015 are as follows:

Assets and liabilities per segment on 31 December 2016					
Amounts in €	**Domestic trade**	**Domestic service provision**	**Foreign trade**	**Deletions**	**Total**
Total Assets	209.256.924	81.484.371	19.013.486	(8.292.767)	**301.462.014**
Total Liabilities	316.150.297	57.555.625	12.888.399	(8.292.767)	**378.301.554**

Assets and liabilities per segment on 31 December 2015					
Amounts in €	**Domestic trade**	**Domestic service provision**	**Foreign trade**	**Deletions**	**Total**
Total Assets	225.719.565	75.401.827	19.339.559	(15.621.250)	**304.839.701**
Total Liabilities	324.557.074	53.030.365	12.084.366	(15.621.250)	**374.050.556**

Assets of these segments primarily include tangible assets, intangible assets, inventories, receivables and cash. Segment liabilities include operating liabilities.

6. Tangible Assets

The acquisition cost of plots and land is the presumed cost of 01.01.2004 reduced by the losses of impairment.

The movement of tangible fixed assets for the year 2016 was as follows:

Group

	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2015 Cost	64.696.318	67.886.986	6.099.665	101.152.574	10.019.176	0	249.854.719
Accumulated depreciation	0	(23.682.121)	(4.894.388)	(40.353.246)	(9.262.619)	0	(78.192.374)
Net book value 31/12/2015	**64.696.318**	**44.204.865**	**1.205.276**	**60.799.328**	**756.557**	**0**	**171.662.345**
Year 2016 Additions	0	1.410.760	685.902	24.079.393	806.284	0	26.982.339
Reductions/Transfers of Cost	(411.876)	(343.689)	(487.683)	(8.793.172)	(1.621.498)	0	(11.657.919)
Depreciation of the year	0	2.259.981	245.756	14.588.269	266.541	0	17.360.547
Reductions of depreciation	0	(235.444)	(191.193)	(13.734.700)	(1.624.559)	0	(15.785.896)
31/12/2016 Cost	64.284.442	68.954.058	6.297.883	116.438.796	9.203.962	0	265.179.140
Accumulated depreciation	0	(25.706.658)	(4.948.951)	(41.206.815)	(7.904.602)	0	(79.767.026)
Net book value 31/12/2016	**64.284.442**	**43.247.399**	**1.348.932**	**75.231.981**	**1.299.360**	**0**	**185.412.114**

Parent Company

	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2015 Cost	51.317.885	62.304.036	4.111.583	6.041.422	6.631.649	0	130.406.576
Accumulated depreciation	0	(21.702.093)	(3.793.272)	(2.057.329)	(6.018.985)	0	(33.571.679)
Net book value 31/12/2015	**51.317.885**	**40.601.944**	**318.312**	**3.984.093**	**612.664**	**0**	**96.834.897**
Executive Lease 31/12/2015 Cost	**10.796.390**	**3.729.118**	**156.487**	**95.160.846**	**2.070.845**		**111.913.685**
Year 2015 Additions	0	1.410.760	101.209	22.694.055	747.305	0	24.953.329
Reductions/Transfers of Cost	(300.000)	0	(110.335)	(10.450.570)	(1.621.199)	0	(12.482.103)
Depreciation of the year	0	2.219.691	113.059	14.188.060	216.573	0	16.737.383
Reductions of depreciation	0	3.000	(109.555)	(14.422.062)	(1.612.852)	0	(16.141.470)
31/12/2015 Cost	61.814.275	67.443.915	4.258.945	113.445.752	7.828.600	0	254.791.487
Accumulated depreciation Executive Lease 31/12/2015	0	1.194.400	155.215	38.551.504	2.032.710	0	41.933.829
Accumulated depreciation	0	(25.119.184)	(3.951.991)	(40.374.831)	(6.655.417)	0	(76.101.422)
Net book value 31/12/2015	**61.814.275**	**42.324.731**	**306.954**	**73.070.922**	**1.173.184**	**0**	**178.690.066**

The respective movement of tangible fixed assets for the year 2015 was as follows:

Group	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2014 Cost	64.751.818	67.771.510	7.915.793	90.033.284	15.055.656	0	245.528.061
Accumulated depreciation	0	(21.596.532)	(6.784.423)	(39.544.645)	(14.503.983)	0	(82.429.584)
Net book value 31/12/2014	**64.751.818**	**46.174.978**	**1.131.369**	**50.488.639**	**551.673**	**0**	**163.098.477**
Year 2014 Additions	0	155.477	554.460	17.769.044	557.441	0	19.036.422
Reductions/Transfers of Cost	(55.500)	(40.000)	(2.370.588)	(6.649.754)	(5.593.921)	0	(14.709.763)
Depreciation of the year	0	2.249.961	314.655	14.069.549	303.127	0	16.937.292
Reductions of depreciation	0	(164.371)	(2.204.690)	(13.260.948)	(5.544.491)	0	(21.174.501)
31/12/2015 Cost	64.696.318	67.886.986	6.099.665	101.152.574	10.019.176	0	249.854.719
Accumulated depreciation	0	(23.682.121)	(4.894.388)	(40.353.246)	(9.262.619)	0	(78.192.374)
Net book value 31/12/2015	**64.696.318**	**44.204.865**	**1.205.276**	**60.799.328**	**756.557**	**0**	**171.662.345**

Parent Company	Land	Buildings & installations	Machinery-Installations-Miscellaneous Equipment	Motor vehicles	Furniture and Miscellaneous Equipment	Tangible assets in course of construction	Total
31/12/2014 Cost	51.373.385	62.188.560	6.160.900	6.777.447	11.730.952	0	138.231.244
Accumulated depreciation	0	(19.773.483)	(5.696.972)	(2.264.174)	(11.290.257)	0	(39.024.885)
Net book value 31/12/2014	**51.373.385**	**42.415.077**	**463.928**	**4.513.273**	**440.695**	**0**	**99.206.359**
Year 2015 Additions	0	155.477	49.304	3.739.181	466.005	0	4.409.966
Reductions/Transfers of Cost	(55.500)	(40.000)	(2.098.620)	(4.475.206)	(5.565.308)	0	(12.234.634)
Depreciation of the year	0	2.093.073	190.808	903.398	255.576	0	3.442.854
Reductions of depreciation	0	(164.463)	(2.094.508)	(1.110.242)	(5.526.847)	0	(8.896.060)
31/12/2015 Cost	51.317.885	62.304.036	4.111.583	6.041.422	6.631.649	0	130.406.576
Accumulated depreciation	0	(21.702.093)	(3.793.272)	(2.057.329)	(6.018.985)	0	(33.571.679)
Net book value 31/12/2015	**51.317.885**	**40.601.944**	**318.312**	**3.984.093**	**612.664**	**0**	**96.834.897**

Land and buildings were adjusted to fair value on 01.01.2004 by independent assessors. The adjustment was based on the fair market values of the properties.

Company carried out impairment test for the value of property resulting in impairment of € 0,3 mil., which was recorded as an expense in results.

On 31.12.2016 there are mortgages and mortgage liens registered on the company's property in securing bank loans (bonds) worth a total of to € 218.75 mil. for the Company and € 224.43 for the Group.

7. Intangible assets

Group's Intangible Assets transactions for the period 01.01.2016 – 31.12.2016 can be broken down as follows:

Group	ACQUISITION COST				DEPRECIATION				CARRIED VALUE
	Total on 31.12.2015	Additions & Purchases in 2016	Reductions in 2016	Total on 31.12.2016	Depreciation up to 2015	Depreciation Recorded in 2016	Reduction of depreciations 2016	Total Depreciation 31.12.2016	31.12.2016
Software Applications	2.778.479	295.657	(118.513)	2.955.623	2.431.189	121.378	(90.587)	2.461.980	493.644
Customers	4.560.000	0	0	4.560.000	4.477.500	82.500	0	4.560.000	0
Total	**7.338.479**	**295.657**	**(118.513)**	**7.515.623**	**6.908.689**	**203.878**	**(90.587)**	**7.021.980**	**493.644**

Company's Intangible Assets transactions for the period 01.01.2016 – 31.12.2016 can be broken down as follows:

Company	ACQUISITION COST				DEPRECIATION				CARRIED VALUE
	Total on 31.12.2015	Additions & Purchases in 2016	Reductions in 2016	Total on 31.12.2016	Depreciation up to 2015	Depreciation Recorded in 2016	Reduction of depreciations 2016	Total Depreciation 31.12.2016	31.12.2016
Software Applications	1.935.672	184.250	(1.407)	2.118.515	1.772.596	85.126	(1.407)	1.856.315	262.200
Software Applications Executive Lease	84.326	93.380	(84.326)	93.380	84.319	2.335	(84.319)	2.335	91.046
Customers	4.560.000	0	0	4.560.000	4.477.500	82.500	0	4.560.000	0
Total	**6.579.998**	**277.630**	**(85.733)**	**6.771.895**	**6.334.415**	**169.961**	**(85.726)**	**6.418.650**	**353.246**

Software is depreciated over 3 to 5 years. Customers are depreciated within 8 years.

8. Goodwill

GOODWILL	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
KONTELLIS S.A.	4.850.000	4.850.000	4.850.000	4.850.000
KOULOURIS S.A.	1.284.000	1.284.000	1.284.000	1.284.000
EXECUTIVE LEASE S.A.	0	0	73.218.270	0
Total	**6.134.000**	**6.134.000**	**79.352.270**	**6.134.000**

For Kontellis and Koulouris activities according to the impairment test, par. 90 of IAS 36, the recoverable amount of the cash-generating unit exceeds the carrying amount including goodwill and there was no need for impairment of their goodwill.

Goodwill arose in fiscal year 2016 and refer to the subsidiary Executive Lease S.A., is described in paragraph 9.2 and is subject, like other goodwill, to annual impairment test.

The acquired activity recorded EBITDA margin for fiscal year 2016 € 25.9 mil., while for fiscal year 2015 € 19.1 mil.

The goodwill for each case has been divided into units to create cash flow.

9. Investments in subsidiaries and affiliates

Group investments are classified into two categories, those consolidated using total consolidation method and those consolidated using the equity method.

9.1. Investments in subsidiaries

The valuation of investments in subsidiaries on 31.12.2016 is as follows:

TOTAL CONSOLIDATION METHOD	ACQUISITION COST	DIFFERENCE IN FAIR VALUE	FAIR VALUE 31.12.2016
EXECUTIVE INSURANCE BROKERS S.A.	154.072	4.177.650	4.331.722
MIRKAT OOD	14.175.273	(4.452.198)	9.723.075
MIRKAT DOOEL SKOPJE	655.000	733.698	1.388.698
ERGOTRAK S.A.	7.494.478	5.863.050	13.357.528
ERGOTRAK BULGARIA LTD	822	(678)	144
ERGOTRAK ROMANIA	975	0	975
TOTAL	**22.480.620**	**6.321.522**	**28.802.142**

The determination of fair value was based on a 5-year business plan. Free cash flows were discounted with WACC 9% and a forecast growth of 2% in perpetuity. Business plans are prepared on an annual basis and adjusted in any significant change of the data.

Apart from the merger of Executive Lease and its delisting from investments in subsidiaries, as presented in detail in paragraph 9.2, there were no changes in the cost of acquisition of subsidiaries during the period 01.01-31.12.2016 as the impairment test conducted revealed that their value is recoverable.

9.2 Combination of Executive Lease

On 27.12.2016 with No. 139610/27.12.2016 of the Ministry of Economy and Development the merger of Sfakianakis S.A. and Executive Lease S.A. was approved by absorption of the second by the first in accordance with Articles 69-78 of C.L. 2190/1920 and Articles 1-5 of L.2166/1993. All transactions made after the Transformation Balance Sheet date 31.12.2015 were accounted for the account of the acquiring company. The combination procedures were completed in December 2016.

Company's management for the above combination has chosen to apply accounting principles and methods in accordance with IAS 8 par. 10 as combination of entities or businesses under common control are excluded from the application of IFRS 3 and there is no guidance from the International Accounting standards for the handling of such cases. The accounting principles and methods used are relevant to the economic decision-making needs of users and trusted so that the financial statements present fairly i) the financial position, financial performance and cash flows of the company, ii) reflect the economic substance of the transactions and not merely their legal form, iii) are neutral, iv) conservative and v) complete in all material respects. Company's management with the method used covers all the requirements of par. 10 of IAS 8.

The parent company presents its investments at fair value as well as the available for sale financial assets and records their changes (less deferred tax) directly in equity. The method used to combine Executive Lease S.A. is through fair value (fair value) whereby the fair value of the investment in the subsidiary, as appeared in the separate financial statements of 31.12.2015, was replaced with the fair values of assets and liabilities of the subsidiary including intangibles presenting the difference as goodwill.

This combination did not affect the financial situation of the parent company and the Group at 31.12.2015, since the activity of the subsidiary as well as its ability to generate positive cash flow did not change on the same date.

After the settlement of accounts of deferred liabilities, investments, assets and the deletion of fair value reserves, parent Company's equity on 31.12.2015 remained unchanged.

In particular, the value of assets and liabilities of Executive Lease S.A. and the recognition of goodwill is presented in the following table:

Fair value of subsidiary as presented in financial statement of the parent company 31.12.2015		86.895.886
Less:	Fair value of assets of the subsidiary 31.12.2015	104.828.937
	Fair value of liabilities of the subsidiary 31.12.2015	(90.244.923)
	Deffered tax difference	(906.397)
Total		13.677.617
GOODWILL FROM THE COMBINATION OF EXECUTIVE LEASE		**73.218.270**

For purposes of comparison, if the above merger had taken place in the period 01.01-31.12.2015, Company's turnover would have amounted to € 234.0 mil. against € 207.6 mil. and results before tax to € -24.4 mil. compared to € -27,0 mil.

In preparing the consolidated financial statements all the above adjustments in the individual financial statements of the parent have been deleted and are not shown in the consolidated balance statement and financial figures of the Group were not affected by the combination of the subsidiary with the Parent.

9.3 Investments in affiliates

Investments in affiliated companies presented on the parent company's balance sheet are as follows:

AFFILIATES	ACQUISITION COST LESS IMPAIRMENTS	PREVIOUS CHANGES IN EQUITY	CHANGES 2015 IN EQUITY	FAIR VALLUE 31.12.2016
SPEEDEX A.E.	0	0	0	0
ALPAN ELECTROLINE LTD	5.560.502	(1.493.781)	1.445.017	5.511.738
ΣΥΝΟΛΟ	**5.560.502**	**(1.493.781)**	**1.445.017**	**5.511.738**

There were no changes in acquisition cost of other affiliated companies for the period 01.01-31.12.2016.

Investments in Affiliates presented in the consolidated balance sheet were changed by the proportion of profits or losses up to 31.12.2016 as presented in the following table.

AFFILIATES	FAIR VALUE 01.01.2016	PROFIT & LOSS	FAIR VALUE 31.12.2016
SPEEDEX S.A.	0	0	0
ALPAN ELECTROLINE LTD	2.480.005	(160.107)	2.319.898
TOTAL	**2.480.005**	**(160.107)**	**2.319.898**

Financial figures, in thousand Euro, of affiliates on 31.12.2016 and 31.12.2015 were as follows:

Affiliates	ASSETS	LIABILITIES	INCOME	PROFIT or LOSS
2015				
SPEEDEX S.A.	22.477	23.308	33.546	321
ALPAN ELECTROLINE Ltd	16.150	19.308	40.609	(400)
2014				
SPEEDEX S.A.	22.307	22.489	29.700	195
ALPAN ELECTROLINE Ltd	15.115	17.873	35.013	(835)

9.4 Changes in the value of participations acquired in the period

During fiscal year 2016 there were no other changes in the acquisition cost of participations apart from those stated in paragraphs 9.1 and 9.2.

10. Inventories

INVENTORIES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Acquisition cost	35.566.992	34.749.218	27.477.667	27.697.774
Devaluation of Inventories	(1.547.031)	(1.282.265)	(1.124.766)	(800.000)
TOTAL	**34.019.962**	**33.466.953**	**26.352.901**	**26.897.774**

The provision for inventories devaluation for the period 01.01.2016 to 31.12.2016 for the Group and the parent company is as follows:

PROVISION FOR DEVALUATION OF INVENTORIES	Group	Company
Balance 31.12.2015	**(1.282.265)**	**(800.000)**
Balance Executive Lease 2015	**0**	**(210.000)**
Devaluation of the period	(494.793)	(344.793)
Use of provisions	230.027	230.027
Balance 31.12.2016	**(1.547.031)**	**(1.124.766)**

11. Receivables from customers

11.1 Trade and other receivables (Non-Current)

Long-term financial assets (non-current assets) can be broken down as follows:

TRADE AND OTHER RECEIVABLES (non-current)	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Long-term bills receivable	446.064	843.322	446.064	369.666
Non-accrued interest on long-term bills receivable	(59.577)	(67.306)	(59.577)	(13.644)
RECEIVABLES FROM CUSTOMERS	**386.486**	**776.016**	**386.486**	**356.022**
Long-term foreign receivables	643.092	1.166.791	0	0
Non-accrued interest on long-term receivable	(8.111)	(13.435)	0	0
Receivables from leasing	34.265	56.755	0	0
Guarantees given	977.397	900.044	967.784	685.068
OTHER ASSETS	**1.646.643**	**2.110.155**	**967.784**	**685.068**
TOTAL	**2.033.129**	**2.886.171**	**1.354.270**	**1.041.090**

Non-accrued interest is calculated using the effective interest rate. Long-term receivables from customers relate exclusively to the activities of the subsidiary Mirkat OOD and Mirkat Dooel Skopje and come from the sale of cars on credit.

11.2 Trade and other receivables (Current)

Short-term (current) assets can be broken down as follows:

TRADE AND OTHER RECEIVABLES (current)	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Customers	36.055.951	36.878.442	28.120.224	17.986.495
Short-term notes	11.219.503	12.511.583	8.978.387	2.476.172
Cheques receivable	4.669.273	3.263.748	3.548.288	2.303.496
Less: Provision for customer bad dept	(7.987.107)	(7.144.110)	(5.697.856)	(1.226.397)
RECEIVABLES FROM CUSTOMERS	**43.957.619**	**45.509.663**	**34.949.044**	**21.539.766**
Current asset orders	5.268.617	2.745.115	5.268.617	2.745.115
Sundry debtors	16.338.068	21.795.424	12.984.908	15.538.029
OTHER ASSETS	**21.606.686**	**24.540.539**	**18.253.525**	**18.283.144**
TOTAL	**65.564.305**	**70.050.201**	**53.202.569**	**39.822.909**

All these receivables are considered as short-term maturities. The fair value of these current assets is not determined independently because their book value is considered to be close to their fair value.

From all the above short-term receivables, for some of which the Group and the Company has not proceeded to impairment of their book value and are in delay. For this reason a provision is formed.

Provisions for customer bad debts for the period 01.01.2016 to 31.12.2016 for the Group and the Company are as follows:

PROVISION FOR BAD DEBTS	Group	Company
Balance 31.12.2015	**(7.144.110)**	**(1.226.397)**
Balance Executive Lease 31.12.2015	**0**	**(4.625.028)**
Provisions for fiscal year 2016	(2.790.488)	(300.000)
Used provisions	1.947.491	453.570
Balance 31.12.2016	**(7.987.107)**	**(5.697.856)**

The impaired receivables as well as the non overdue and not impaired receivables of 31.12.2016 distinct requirements depending upon the time expected to be collected are as follows:

	Group 31/12/2016	Company 31/12/2016
Overdue and Impaired	**5.059.434,89**	**4.613.795,16**
0-180	55.988.808,52	45.066.865,27
>180	4.516.061,44	3.521.908,51
Not overdue and not impaired	**60.504.870**	**48.588.774**
TOTAL TRADE AND OTHER RECEIVABLES	**65.564.305**	**53.202.569**

The Sundry Debtors account can be broken down as follows:

SUNDRY DEBTORS	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Greek state - advance & withholding tax	293.225	796.099	239.385	307.469
Greek state - other receivables	140.344	82.397	78.143	79.036
Special Registration Tax	3.008.779	2.384.385	3.008.779	2.376.080
Advances to suppliers	2.942.543	4.326.183	1.977.311	3.427.023
Other sundry debtors	3.176.488	6.340.680	1.171.772	4.760.505
Prepaid expenses	6.776.689	7.865.680	6.509.519	4.587.914
TOTAL	**16.338.068**	**21.795.424**	**12.984.908**	**15.538.029**

11.3 Financial assets available for sale

FINANCIAL ASSETS AVAILABLE FOR SALE	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Shares listed on ATHEX	166.350	92.750	166.350	92.750
Shares not listed on ATHEX	3.120	599.612	3.120	599.612
Total	**169.470**	**692.362**	**169.470**	**692.362**

The valuation of securities listed on ATHEX was effectuated at the closing price on 31.12.2016. Non-listed securities were valued at fair value.

SFAKIANAKIS S.A. 6 Portfolio valuation on 31.12.2015		
SHARES	**QUANTITY**	**Current value on 31.12.2015**
SHARES LISTED ON ATHEX		
MARFIN INVESTMENT GROUP HOLDINGS S.A.	1.000.000	150.000
ELLAKTOR S.A.	15.000	16.350
TOTAL (A)		**166.350**
SHARES NON-LISTED ON ATHEX		
ELBISCO S.A.	48.000	3.120
WINLINK S.A.	20.000	0
TOTAL (A)		**3.120**
GRAND TOTAL (A + B)		**169.470**

The breakdown of securities account for the period 01.01.2016-31.12.2016 is as follows.

	Group		Company	
	Shares listed on ATHEX	Shares not listed on ATHEX	Shares listed on ATHEX	Shares not listed on ATHEX
Fair value 31/12/2015	**92.750**	**599.612**	**92.750**	**599.612**
Valuation 31.12.2016	73.600	0	73.600	0
Hellenic Seaways	0	(596.492)	0	(596.492)
Fair value 31/12/2016	**166.350**	**599.612**	**166.350**	**599.612**

Company sold 200,000 shares of Hellenic Seaways at € 2,5 per share and the loss from the above transaction amounting to € 96.492 appears in investment result.

A sensitivity analysis table, showing the potential change of 5% in other total comprehensive income (B) from a decrease in fair value of available for sale financial assets for the Group and the Company respectively, follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Available for sale financial assets	166.350	692.362	166.350	692.362
Percentage of potential change	5,0%	5,0%	5,0%	5,0%
Change (decrease/increase) of Equity & Other comprehensive income	8.318	34.618	8.318	34.618

12. Cash

The breakdown of cash assets is as follows:

CASH AND CASH EQUIVALENTS	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Cash on hand	112.623	142.253	101.609	119.324
Sight Deposits	4.407.614	3.984.831	3.642.520	1.955.618
Time deposits	561.571	12.852.646	453.213	2.800.000
FX Sight deposits	233.685	58.143	233.684	58.142
TOTAL	**5.315.493**	**17.037.873**	**4.431.026**	**4.933.084**

Time deposits are of a few days (1-3) till 2 months with an average annual net interest rate ranging from 0.6% to 0.7%.

13. Equity

13.1. Share capital

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Share Capital	2.374.344	2.374.344	2.374.344	2.374.344
Share premium reserve	10.601.614	10.601.614	10.601.614	10.601.614

13.2 Fair value reserves

Fair value reserves can be broken down as follows:

FAIR VALUE RESERVES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Consolidated participations	0	0	3.409.719	54.075.837
Affiliates	0	0	(48.765)	(1.493.781)
Shares listed on ATHEX	0	0	0	0
TOTAL	**0**	**0**	**3.360.955**	**52.582.056**

The change in the fair value reserve for the Company is presented below:

FAIR VALUE RESERVES	BALANCE 01.01.2016	CHANGE 2016	REVERSAL OF COMBINATION	BALANCE 31.12.2016
Subsidiaries consolidated	54.075.837	(900.257)	(49.765.862)	3.409.719
Affiliated consolidated	(1.493.781)	1.445.017	0	(48.765)
TOTAL	**52.582.056**	**544.760**	**(49.765.862)**	**3.360.955**

The change in fair value reserves refers to reserve recorded directly in equity, is shown in the Income Statement in "Other Comprehensive Income (B)" and derives from the measurement at fair value of subsidiaries and affiliates. The reversal of € 49.8 mil. refer to the fair value reserve of Executive Lease which was absorbed by the parent company.

13.3 Other reserves

OTHER RESERVES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Statutory reserve	8.268.126	8.268.126	8.242.940	8.052.902
Special reserves	2.345	2.345	0	0
Extraordinary reserves	1.260.542	1.261.955	1.369.216	1.248.106
Special taxation reserves	552.054	552.054	549.551	548.695
Difference from conversion of capital to Euro	4.115	4.115	4.115	4.115
TOTAL	**10.087.182**	**10.088.595**	**10.165.822**	**9.853.818**

Special and Extraordinary Reserves mainly come from prior periods and in the case of their distribution or capitalisation they will be taxed according to the current tax legislation. Reserves coming from items taxed under special provisions in case of distribution or capitalisation will be taxed with the current rate at the time of distribution.

13.4 Result carried forward

RESULT CARRIED FORWARD	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Balance brought forward	(92.275.471)	(71.328.204)	(74.439.903)	(45.661.033)
Total comprehensive income and other changes	(6.563.609)	(20.947.267)	42.418.527	(28.778.870)
Other changes	(1.066.477)	0	0	0
TOTAL	**(99.905.558)**	**(92.275.471)**	**(32.021.376)**	**(74.439.903)**

The amount of Other changes come from the elimination of intercompany profit of assets between the parent and Executive Lease included in eliminations of 31.12.2015 Consolidated Balance Sheet.

14. Loans (including Leasing)

14.1 Long-term loans

Company's Management is in advanced negotiations with banks to restructure existing loans, the major part of which, relates to Bond and bilateral loans maturing in August 2017.

Long-term loans (Bond and Long-term) can be broken down as follows:

Long-term loans	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Syndicated Bond in Euro not convertible to shares	260.743.360	261.868.000	255.063.360	190.388.000
Long-term bank liabilities	1.113.999	1.293.999	0	0
Total	**261.857.359**	**263.161.999**	**255.063.360**	**190.388.000**
Long-term Bond liabilities payable withinh the next 12 months	(260.923.360)	(16.220.000)	(255.063.360)	(10.401.337)
Total Loans	**933.999**	**246.941.999**	**0**	**179.986.663**
Long-term leasing liabilities	4.332.788	935.388	4.332.788	0
Total	**5.266.787**	**247.877.387**	**4.332.788**	**179.986.663**

The analysis of the non paid remaining of syndicated bonds on 31.12.2016 for the parent company and the Group are presented per year in the following table:

BOND LOANS ANALYSIS	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Short-term from 0-1 year	260.743.360	16.040.000	255.063.360	10.401.337
From 1-5 years	0	245.828.000	0	179.986.663
After 5 years	0	0	0	0
Total	**260.743.360**	**261.868.000**	**255.063.360**	**190.388.000**

Analytical table of Bond Loans per company and year end:

Year	Company	Ergotrak S.A.	Total	Maturity Analysis
2017	255.063.360	5.680.000	260.743.360	260.743.360 Up to 1 year
2018	0	0	0	
2019	0	0	0	
2020	0	0	0	
2021	0	0	0	0 Till 5 years
Total	**255.063.360**	**5.680.000**	**260.743.360**	**260.743.360**

Information on long-term leasing liabilities is presented in paragraph 14.3.

14.2 Short-term loans

Short-term loans can be broken down as follows:

SHORT-TERM LOANS	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Short-term loans	30.238.444	27.438.374	27.285.728	15.135.432
Short-term corporate bond imstallements payable in next year	260.923.360	16.220.000	255.063.360	10.401.337
Short-term leasing instalments payable in next year	716.534	245.331	716.534	0
TOTAL	**291.878.338**	**43.903.705**	**283.065.622**	**25.536.769**

Short-term loan interest rate is floating and the effective interest rate for total loans is between 3.6%-4.0%.

Information for short-term leasing liabilities is presented in paragraph 14.3.

14.3 Leasing obligations

Fixed assets include the following amounts which the Group holds as lessee under financial leases.

	Group-Parent	
	31.12.2016	31.12.2015
Cost of capitalising financial leases	5.453.527	1.604.235
Accumulated depreciation	(359.518)	(369.226)
Net book value	**5.094.009**	**1.235.010**

Financial Lease Obligations

	Group-Parent	
	31.12.2016	31.12.2015
Long-term financial lease liabilities	4.332.788	935.388
Short-term financial lease liabilities	716.534	245.331
Net book value	**5.049.322**	**1.180.718**

Financial lease obligations are secured on rented tangible assets which devolve to the lessor in the case where the lessee is unable to pay its liabilities.

FINANCIAL LEASE OBLIGATIONS - MINIMUM LEASING PAYMENTS	Group-Parent	
	31.12.2016	31.12.2015
Up tp 1 year	1.839.465	281.591
From 1 to 5 years	3.622.373	997.165
After 5 years	0	0
TOTAL	**5.461.837**	**1.278.755**
Future charges of financial cost at the financial leases	(412.516)	(98.037)
TOTAL	**5.049.322**	**1.180.718**

The current value of financial lease liabilities is as follows:

	Group-Parent	
	31.12.2016	31.12.2015
Up tp 1 year	716.534	245.331
From 1 to 5 years	4.332.788	935.388
After 5 years	0	0
TOTAL LIABILITIES	**5.049.322**	**1.180.718**

15. Deferred income tax

Deferred tax assets are offset against deferred tax liabilities when there is a legitimate exercisable right of offset and are both subject to the same taxation authority (Greek State). The analysis of deferred assets and liabilities is presented in the following table broken down by cause of creation:

DEFFERED INCOME TAX	Group		Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
DEFFERED TAX RECEIVABLES				
From staff compensation	653.801	622.806	526.886	438.528
From provision for bad debt	619.939	445.939	561.939	242.939
From impairment of inventory	427.682	384.251	326.182	232.000
From shares listed in ASE	-26.018	1.126	-26.018	1.126
Other temporary differences	985.640	1.687.002	984.767	1.202.161
Tax losses	3.008.750	3.008.750	2.900.000	2.900.000
TOTAL RECEIVABLES	**5.669.794**	**6.149.875**	**5.273.757**	**5.016.753**
DEFFERED TAX LIABILITIES				
From adjustments to land	9.959.126	10.046.126	9.990.139	7.641.075
From adjustments to buildings	6.011.645	5.660.223	6.001.850	5.433.117
From fair value reserves	0	0	2.911.803	23.679.784
From fair value of goodwill	1.778.860	1.778.860	23.012.158	1.778.860
From reputation and customers		23.925	0	23.925
From open tax periods	906.487	906.487	711.487	661.487
From leasing vehicles	734.496	1.220.778	734.496	0
TOTAL LIABILITIES	**19.390.613**	**19.636.399**	**43.361.933**	**39.218.248**
TOTAL	**13.720.819**	**13.486.524**	**38.088.176**	**34.201.495**

Deferred taxes refer only to the parent company and its subsidiaries in Greece while no deferred taxes are recognized for foreign companies.

The receivables for deferred tax due to deductible tax losses according to IAS 12 par. 32 refer to the parent company and are limited in the amount of € 2.9 mil. and the subsidiary Ergotrak S.A. in the amount of € 0.1 mil., which should be offset against taxable profits that will occur the latest in fiscal year 2021. Based on the five-year business plan of the two companies there will be sufficient taxable profits to offset the losses that were the basis of calculation of deferred tax losses.

The change of receivables and liabilities is recorded either in the financial results or in other comprehensive income (B) as shown in the following table:

COMPANY	Balance 01/01/2016	Changes in Other Comprehensive Income and	Changes in Results	Balance 31/12/2016
Reicevables	5.016.753	9.359	247.644	5.273.757
Liabilities	(15.538.464)	(24.370.695)	(540.972)	(40.450.130)
Participations	(23.679.784)	20.767.981	0,00	(2.911.803)
Total	**(34.201.495)**	**(3.593.354)**	**(293.328)**	**(38.088.176)**
GROUP	**Balance 01/01/2016**	**Changes in Other Comprehensive Income**	**Changes in Results**	**Balance 31/12/2016**
Reicevables	6.149.875	8.769	(488.849)	5.669.794
Liabilities	(19.636.399)	0	245.786	(19.390.613)
Total	**(13.486.524)**	**8.769**	**(243.064)**	**(13.720.819)**

Changes in deferred tax recognized in other comprehensive income relate to corresponding changes made directly in equity while reversals relate to deferred tax from the combination of Executive Lease.

16. Number of staff employed, cost and provisions for compensation

The number of staff employed and the total cost to the parent company and Group subsidiaries can be broken down as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Total cost of employment	23.668.487	22.151.381	19.028.380	15.104.753
Staff Employed	826	775	541	514

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Personnel dismissal and retirement compensation provision	2.270.535	2.163.127	1.816.849	1.512.164

The provision for employee benefits due to retirement in fiscal year 2016 and 2015 is as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Net liability in the beginning of the period	**2.163.127**	**2.188.434**	**1.512.164**	**1.529.858**
Executive Lease	0	0	229.599	0
Social securities paid by the employer	(139.929)	(132.555)	(121.156)	(80.670)
Total expenses included in financial results	217.099	246.491	163.969	160.873
Total amount recored in Equity	30.237	(139.243)	32.274	(97.897)
Balance end of the year	**2.270.535**	**2.163.127**	**1.816.849**	**1.512.164**

The obligation to pay compensation due to staff retirement is calculated using the projected unit credit method which considers that each year in service gives an additional unit of benefit entitlement and builds the total obligation, calculating each unit separately. Under this method the cost of past experience is the current value of any future benefit units which have been credited to employees for service in periods before the start of the plan or due to changes to the plan.

Under IAS 19, the interest rate used to calculate present values of pension and lump sum benefits (ie. the discount rate) should be determined by reference to the current yields on high quality corporate bonds. In case no such market exists or is shallow, then the discount rate should be determined by reference to current government yields or European counterparts. Furthermore, the discount rate should reflect the estimated timing of benefit payments.

As the estimated timing of benefit payments is approaching 40 years, the corresponding curve of rates uniform even distribution designed so as to assess both the weighted average maturity repayment of benefits (weighted average duration) and the value of the discount rate is a structural benchmark the following:

For cash flows up to 10 years the AA Corporate Iboxx is used. Subsequently for cash flows over 15 years old AA Overall Iboxx +15 were selected whose average maturation approaches 25 years and then for cash flows more than 25 years due to lack of other bonds such maturities, bond yields of the European Central Bank were used.

According to the demographic assumptions, the mobility of staff will be as follows:

Group of age	Voluntary withdrawal	Dismissal
Until 45 years	2%	3%
46-50	1%	1%
50 and over	0%	0%

The company has assigned this calculation to recognised actuaries for 31.12.2016 and the estimated obligation on 31.12.2016 and the changes for fiscal year 2016 has been booked and presented in the financial statements based on IAS 19.

17. Other Long-term Liabilities

The long-term liabilities are broken down as follows:

CURRENT INCOME TAX	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Operating leasing guarantees	1.574.995	1.396.778	1.574.995	0
Other long-term liabilities	153.860	160.750	0	0
TOTAL	**1.728.855**	**1.557.527**	**1.574.995**	**0**

18. Other Provisions

The other provisions are broken down as follows:

OTHER PROVISIONS	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Provivions of legal cases	240.000	240.000	240.000	240.000
TOTAL	**240.000**	**240.000**	**240.000**	**240.000**

19. Suppliers and other liabilities

Suppliers and other liabilities are analysed as follows:

SUPPLIERS AND OTHER LIABILITIES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Suppliers	26.584.616	25.842.160	22.061.439	18.085.531
Notes payable in FX	5.831.077	8.523.556	5.831.077	8.263.358
Cheques payable	11.102.689	10.713.051	11.096.704	15.170.017
Other short-term liabilities	10.873.231	10.651.550	7.086.249	7.711.218
Accrued expenses	8.804.607	9.039.306	8.544.439	6.028.636
ΣΥΝΟΛΟ	**63.196.220**	**64.769.624**	**54.619.909**	**55.258.760**

Other short-term liabilities include:

OTHER SHORT-TERM LIABILITIES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Advances - other associates - third parties	230.135	145.040	193.077	36.564
Beneficiaries of financial guarantees	1.061.638	816.969	1.061.638	50.491
Tax and duties payable	3.172.065	1.924.201	1.243.771	1.024.039
Liabilities to insurance funds	1.107.928	1.001.733	894.499	711.725
Advances from customers	4.448.842	5.006.979	3.247.135	2.371.334
Other short-term liabilities	852.622	1.756.629	446.130	3.517.064
TOTAL	**10.873.231**	**10.651.550**	**7.086.249**	**7.711.218**

19.1 Current Income tax

This account relates to liability for income tax for the period at the currently applicable rate.

CURRENT INCOME TAX	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Income tax for the period	0	52.661	0	0
TOTAL	**0**	**52.661**	**0**	**0**

Open tax periods

For fiscal year 2011 and after the Company and its subsidiaries in Greece have been included in the tax audit of the statutory auditors carrying out the provisions of Article 82 paragraph 5 of Law 2238/1994 and article 65A of Law 4174/13. Tax audits for fiscal years 2011till 2015 were conducted by the auditing firm SOL S.A. and the related tax compliance reports were issued with unqualified conclusion.

During the preparation of the Annual Financial Statements for fiscal year 2016 there have been calculated the proportional accounting differences and no additional provision is required for unaudited fiscal years for fiscal year 2016.

For Group companies in Greece, tax audit for fiscal year 2016 is already being carried out by SOL S.A. Upon the completion of the tax audit, the management of the Group companies does not expect to deliver significant tax liabilities beyond those recognized and reported in the financial statements.

The liability for open tax periods till fiscal year 2010 is presented in paragraph 15 (Deferred income tax).

Company	Country	Total % of participation	Open tax periods
Total consolidation method			
EXECUTIVE INSURANSE BROKERS S.A.	Greece	100,00%	2010
MIRKAT OOD	Bulgaria	100,00%	2006-2016
MIRKAT DOOEL SKOPJE	FYROM	100,00%	2006-2016
ERGOTRAK S.A.	Greece	100,00%	2006-2010
SFAKIANAKIS S.A.	Greece	Parent company	2009-2010
Absorbed companies			
PERSONAL BEST S.A.	Greece	100,00%	2009-2010
EXECUTIVE LEASE S.A. (ex. PANERGON A.	Greece	100,00%	2010

The movement of the account provisions for open tax periods for the period 01.01-31.12.2016 is as follows:

PROVISIONS FOR OPEN TAX PERIODS	Group	Company
Balance 31.12.2015	**906.487**	**661.487**
Balance Executive Lease 31.12.2015	**0**	**50.000**
Used provisions	0	0
Unused provisions	0	0
Balance 31.12.2016	**906.487**	**711.487**

20. Results

20.1 Breakdown of expenditure

The main categories of expenditure, the figures of which are not comparable for the Company, can be broken down as follows:

BREAKDOWN OF EXPENDITURE AND OTHER EXPENSES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Staff salaries and expenses	23.668.487	22.151.381	19.028.380	15.104.753
Third party fees and expenses	8.376.651	6.254.159	7.020.716	3.831.941
Charges for outside services	17.414.974	16.509.684	16.515.304	5.902.488
Taxes – Duties	3.044.202	3.043.422	2.915.431	1.471.944
Miscellaneous Expenses	10.350.967	10.433.513	9.009.533	7.987.567
Depreciation	17.564.426	17.554.235	16.907.344	4.029.889
Provisions / impairment	3.802.380	5.360.904	1.108.762	978.401
Other expenses	1.659.199	1.473.525	1.566.432	627.828
Total	**85.881.287**	**82.780.824**	**74.071.902**	**39.934.811**

This expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Selling expenses	68.705.029	66.224.659	59.257.521	31.947.849
Administrative expenses	17.176.257	16.556.165	14.814.380	7.986.962
Total	**85.881.287**	**82.780.824**	**74.071.902**	**39.934.811**

Staff fees and expenses can be broken down as follows:

SALARIES AND EXPENSES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Salaries and wages	19.024.561	17.880.284	15.299.286	12.175.282
Employer contributions	4.371.574	4.074.513	3.516.099	2.787.234
Other benefits	272.352	196.584	212.996	142.237
Total	**23.668.487**	**22.151.381**	**19.028.380**	**15.104.753**

Third party fees can be broken down as follows:

CHARGES FOR OUTSIDE SERVICES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Electricity - Water	910.085	1.199.209	834.395	931.967
Telecommunications	651.349	652.590	574.839	480.846
Rents	8.550.118	7.714.100	8.410.326	2.222.195
Insurance premiums & warehousing costs	2.825.668	2.742.990	2.618.423	595.770
Repairs & maintenance	2.888.256	3.250.118	2.657.876	765.406
Sales Guarantees	1.046.243	663.391	1.046.243	663.391
Other third party benefits	543.256	287.286	373.202	242.913
Total	**17.414.974**	**16.509.684**	**16.515.304**	**5.902.488**

Sundry expenses can be broken down as follows:

MISCELLANEOUS EXPENSES	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Transport costs	2.554.494	2.143.105	2.248.947	1.249.659
Promotion & advertising expenses	5.812.133	6.170.335	5.018.245	5.245.566
Subscriptions - contributions	299.995	325.714	271.362	279.719
Donations - Grants & XDE VAT	12.412	11.506	12.156	10.246
Printed materials and office supply expenses	256.186	229.296	219.578	183.205
Direct consumables	590.172	454.476	429.774	395.454
Miscellaneous Expenses	825.576	1.099.081	809.470	623.720
TOTAL	**10.350.967**	**10.433.513**	**9.009.533**	**7.987.567**

Depreciation can be broken down as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Depreciation of tangible assets	17.360.547	16.937.292	16.737.383	3.442.854
Depreciation of intangible assets	203.878	616.943	169.961	587.035
Total	**17.564.426**	**17.554.235**	**16.907.344**	**4.029.889**

The above expenditure is presented (allocated) in the income statement as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Selling expenses	14.051.540	14.043.388	13.525.875	3.223.911
Administrative expenses	3.512.885	3.510.847	3.381.469	805.978
TOTAL	**17.564.426**	**17.554.235**	**16.907.344**	**4.029.889**

The provisions / impairments are analysed as follows:

PROVISIONS/IMPAIRMENTS	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Impairment of land	300.000	0	300.000	0
Of Inventories	494.793	168.852	344.793	98.852
Of bad depts	2.790.488	4.945.599	300.000	718.676
Compensation of personal	217.099	246.454	163.969	160.873
Total	**3.802.380**	**5.360.904**	**1.108.762**	**978.401**

20.2 Breakdown of other income

The breakdown of other income is as follows:

OTHER INCOME	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Income from service	8.531.397	6.887.418	5.650.384	4.860.622
Guaratees and other income	10.313.487	7.612.759	8.735.472	4.984.859
Commissions and rentals	3.775.561	2.529.360	3.003.151	2.249.830
Provisions used	140.459	132.555	121.156	84.732
Provisions unused	203.570	0	203.570	0
Exchange rate differences	0	11.079	0	11.079
Other income	393.915	539.554	338.244	350.162
TOTAL	**23.358.389**	**17.712.725**	**18.051.977**	**12.541.284**

20.3 Financial Expenses

The breakdown of Financial Income - Expenses is as follows:

NET FINANCIAL COST	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Interest charges and related expenses	13.091.439	14.580.527	12.468.308	10.404.789
Interest and related income	248.709	337.629	216.057	47.270
FINANCIAL RESULT	**12.842.730**	**14.242.898**	**12.252.252**	**10.357.518**

20.4 Investment Result

The breakdown of the investment result is as follows:

INVESTING RESULT	Group		Company	
	6/1/1900	31.12.2015	6/1/1900	31.12.2015
Gain/Loss from affiliated companies	(4.115.003)	(4.360.394)	(3.954.896)	(12.028.736)
Gain/Loss of valuation of securities	73.600	(129.200)	73.600	(129.200)
Extraordinary losses	(13.765)	(65.037)	(13.765)	(64.674)
Extraordinary profits	1.597.518	494.548	551.883	392.592
INVESTING RESULT	**(2.457.650)**	**(4.060.084)**	**(3.343.178)**	**(11.830.019)**

21. Income tax expenditure

Income tax using the applicable tax rates on 31.12.2016 and 31.12.2015 is as follows:

	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Income tax for the period (profit-loss before tax 29%)	2.152.754	5.352.398	1.639.257	7.826.449
Income tax on accounting differences and loss or decrease of tax losses	(2.113.754)	(6.441.709)	(1.932.585)	(8.686.941)
Income tax due to difference of foreign tax rate	(224.340)	(263.670)	0	0
Tax audit differences on deffered tax calculation	0	(1.189.003)	0	(947.875)
Other non-operating taxes	0	(72.061)	0	(72.061)
TOTAL	**(185.341)**	**(2.614.044)**	**(293.328)**	**(1.880.428)**

The Company formed provision up to year 2010 for possible liability arising from the tax audit payment deriving from the tax audit of the Group companies.

22. Earnings per share

The basic and reduced earnings per share are calculated by dividing earnings corresponding to parent company shareholders by the weighted average number of ordinary shares during the period, less own ordinary shares purchased by the enterprise.

PROFIT AFTER TAX PER SHARE	GROUP	
	1.1-31.12.2016	1.1-31.12.2015
Profit/Loss is allocated to:		
Parent company shareholders	**(7.608.629)**	**(21.070.576)**
Minority interest	(11)	(13)
Profit/Loss per share net of tax (in €)	(0,9614)	(2,6623)
Average weighted No. of shares	7.914.480	7.914.480

23. Risk Analysis

Risk analysis as required according to IFRS 7 is as follows:

23.1 Expiration Risk

The analysis of the liabilities according to the contractive time of their payment as presented in Financial Statements is as follows:

Liabilities Analysis	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Up to 1 year	355.057.030	108.725.989	337.668.002	80.795.529
From 1 to 5 years	23.392.447	265.324.566	46.218.260	215.940.322
After 5 years	0	0	0	0
TOTAL	**378.449.477**	**374.050.556**	**383.886.262**	**296.735.851**

23.2 Foreign exchange rate risk

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2016		
	JPY	USD	TOTAL
Assets	231.925	1.757	233.682
Liabilities	4.050	0	4.050
Exchange position in foreign currency	**235.975**	**1.757**	**237.731**
Risk balance	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**235.975**	**1.757**	**237.731**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2015		
	JPY	USD	TOTAL
Assets	37.401	20.741	58.142
Liabilities	0	0	0
Exchange position in foreign currency	**37.401**	**20.741**	**58.142**
Risk balance	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**37.401**	**20.741**	**58.142**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Company Amounts in Euro 31.12.2016		
	JPY	USD	TOTAL
Assets	231.925	1.757	233.682
Liabilities	4.050	0	4.050
Exchange position in foreign currency	**235.975**	**1.757**	**237.731**
Risk balance	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**235.975**	**1.757**	**237.731**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Company Amounts in Euro 31.12.2015		
	JPY	USD	TOTAL
Assets	37.401	20.741	58.142
Liabilities	0	0	0
Exchange position in foreign currency	**37.401**	**20.741**	**58.142**
Risk balance	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**37.401**	**20.741**	**58.142**

The possible change in foreign exchange rate influences next year’s results equivalently as follows:

FOREIGN EXCHANGE RISK IN JPY	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Open exchange rate risk	235.975	37.401	235.975	37.401
Percentage of possible change in exchange rate	10,0%	10,0%	10,0%	10,0%
Change posted in financial results	(23.597)	(3.740)	(23.597)	(3.740)

FOREIGN EXCHANGE RISK IN USD	Group		Company	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Open exchange rate risk	1.757	20.741	1.757	20.741
Percentage of possible change in exchange rate	10,0%	10,0%	10,0%	10,0%
Change posted in financial results	176	2.074	176	2.074

23.3 Foreign exchange rate risk for foreign affiliated company

Group has invested in subsidiaries of abroad whose transactions are being attended in local currency. Particularly, Mirkat OOD is active in Bulgaria and keeps its books in BGN. Mirkat Dooel Skopje is active in Fyrom and keeps its books in Denars. Ergotrak Romania keeps its books in LEU.

Group is exposed in foreign exchange rate risk due to possible change of local currency rates over Euro. Liabilities and receivables for the above mentioned companies which are presented in local currency, excluding those presented in Euro, are presented in the following table:

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2016				
	BGN	**DENARS**	**LEU**	**EURO**	**TOTAL**
ASSETS					
Assets Accounts	18.334.415	707.214	151.147	0	19.192.777
Less: Assets in Euro		(108.358)		108.358	0
TOTAL ASSETS	**18.334.415**	**598.856**	**151.147**		**19.192.777**
LIABILITIES					
Liabilities Accounts	11.830.648	978.564	24.895	0	12.834.107
Less: Liabilities in Euro	(5.902.740)	(928.692)	0	6.831.432	0
TOTAL LIABILITIES	**5.927.908**	**49.872**	**24.895**		**12.834.107**
Exchange position in foreign currency	12.406.507	548.984	126.252	**0**	**13.081.743**
Risk balance	0	0	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**12.406.507**	**548.984**	**126.252**	**0**	**13.081.743**

FINANCIAL STATEMENTS' FIGURES IN FOREIGN CURRENCY	Group Amounts in Euro 31.12.2015				
	BGN	**DENARS**	**LEU**	**EURO**	**TOTAL**
ASSETS					
Assets Accounts	18.667.179	665.260	159.376	0	19.491.816
Less: Assets in Euro	0	(88.315)	0	88.315	0
TOTAL ASSETS	**18.667.179**	**576.945**	**159.376**		**19.491.816**
LIABILITIES					
Liabilities Accounts	10.887.384	1.021.601	33.124	0	11.942.110
Less: Liabilities in Euro	(5.437.441)	(950.117)	0	6.387.558	0
TOTAL LIABILITIES	**5.449.943**	**71.484**	**33.124**		**11.942.110**
Exchange position in foreign currency	**13.217.236**	**505.461**	**126.252**	**0**	**13.848.949**
Risk balance	0	0	0	0	0
OPEN EXCHANGE POSITION IN FOREIGH CURRENCY	**13.217.236**	**505.461**	**126.252**	**0**	**13.848.949**

Group estimates that the possibility of significant change of exchange rates over Euro is minimal as this is appointed by managers of the local authorities. The possible change in foreign exchange rates will influence Group’s equity as follows:

	BGN		**DENARS**		**LEU**	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
Open exchange rate risk	12.406.507	13.217.236	548.984	505.461	126.252	126.252
Percentage of possible change in exchange rate	5,0%	5,0%	5,0%	5,0%	5,0%	5,0%
Change posted in equity	620.325	660.862	27.449	25.273	6.313	6.313

23.4 Interest rate risk

In order to define the risk of interest rate fluctuation there have been taken into account the following accrued items of liabilities and receivables:

1. Notes receivable of fixed interest rate.
2. Time deposits which they may have a fixed interest rate though due to their short duration they are considered as items having floating interest rate.
3. Loans (long-term bond loans, short-term loans) have floating interest rate.
4. Loans for leasing are considered liabilities with floating interest rate.

Taking into account the above mentioned the accrued items of assets and liabilities of floating interest rate are the following:

	Group		Company	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Accrued Assets	561.571	12.852.646	453.213	2.800.000
Accrued Liabilities	293.256.002	291.781.093	283.509.287	205.523.432
Interest rate risk	**(292.694.431)**	**(278.928.447)**	**(283.056.074)**	**(202.723.432)**
Risk balance	0	0	0	0
Open Interest rate risk	**(292.694.431)**	**(278.928.447)**	**(283.056.074)**	**(202.723.432)**
Change of 50 base points	0,5%	0,5%	0,5%	0,5%
Change in Interest Income	**1.463.472**	**1.394.642**	**1.415.280**	**1.013.617**

For the above interest rate risk the Company does not use hedging tools.

24. Operating Leasing

The Company and the Group have entered into real estate operating leasing both as a lessee and as a lessor. Taking into account the present leasing on 31.12.2016 and 31.12.2015 respectively, future leasing derive from the following tables, divided depending on the time they refer to and the role of lessee or lessor relating to the parent Company and the Group.

Parent Company and Group as a Lessor

Company's leasings 31.12.2016				
LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	129.000	203.192	184.563	516.754
RELATED COMPANIES	216.753	864.000	612.000	1.692.753
OTHER	90.000	197.500	0	287.500
TOTAL	**435.753**	**1.264.692**	**796.563**	**2.497.007**

Company's leasings 31.12.2015				
LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	291.894	626.548	180.773	1.099.215
RELATED COMPANIES	219.704	866.326	828.000	1.914.030
OTHER	54.000	166.500	0	220.500
TOTAL	**565.598**	**1.659.373**	**1.008.773**	**3.233.745**

Group’s leasing (related companies, other)

Group's leasings 31.12.2016				
LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
RELATED COMPANIES	216.753	864.000	612.000	1.692.753
OTHER	90.000	197.500	0	287.500
TOTAL	**306.753**	**1.061.500**	**612.000**	**1.980.253**

Group's leasings 31.12.2015				
LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
RELATED COMPANIES	219.704	866.326	828.000	1.914.030
OTHER	54.000	166.500	0	220.500
TOTAL	**273.704**	**1.032.826**	**828.000**	**2.134.530**

Parent Company and Group as a lessee

Company's leasings 31.12.2016				
LESSOR	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	0	0	0	0
RELATED COMPANIES	0	0	0	0
OTHER	1.341.594	3.730.401	1.512.300	6.584.295
TOTAL	**1.341.594**	**3.730.401**	**1.512.300**	**6.584.295**

Company's leasings 31.12.2015				
LESSOR	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
AFFILIATED COMPANIES	467.088	1.275.648	1.979.026	3.721.762
RELATED COMPANIES	0	0	0	0
OTHER	1.397.253	3.268.237	1.813.185	6.478.675
TOTAL	**1.864.341**	**4.543.885**	**3.792.211**	**10.200.437**

Company's leasings 31.12.2016				
LESSOR/LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
PARENT COMPANY/AFFILIATES	129.000	203.192	184.563	516.754
AFFILIATES/PARENT COMPANY	0	0	0	0
AFFILIATES/PARENT COMPANY	0	0	0	0
TOTAL	**129.000**	**203.192**	**184.563**	**516.754**

Company's leasings 31.12.2015				
LESSOR/LESSEE	**Up to 1 year**	**From 1 to 5 years**	**After 5 years**	**TOTAL**
PARENT COMPANY/AFFILIATES	291.894	626.548	180.773	1.099.215
AFFILIATES/PARENT COMPANY	467.088	1.275.648	1.979.026	3.721.762
AFFILIATES/PARENT COMPANY	0	0	0	0
TOTAL	**758.982**	**1.902.196**	**2.159.799**	**4.820.977**

25. Transactions with affiliated Companies

Services to and from affiliates and sales and purchases of goods are effectuated in accordance with the fee schedules which apply for non-affiliates and include income from sale of goods, purchase of assets, services and rents.

There are no bad debts or provisions for bad debts between the related parties (subsidiaries-relatives) of the Group.

Parent company-Subsidiaries/Affiliates

Parent company made transactions with related parties for year 2016 are as follows:

Parent Company's transactions with related parties: 01/01/2016 - 31/12/2016				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
ERGOTRAK S.A.	155.844	13.642	106.727	769
EXEC. INS. BROKERS S.A.	175.943	0	154.612	104.919
MIRKAT OOD	4.584.134	35.521	5.902.740	0
MIRKAT DOOEL SKOPJE	1.576.317	3.247	928.692	3.247
Total of Subsidiaries	**6.492.240**	**52.410**	**7.092.770**	**108.935**
Affiliates				
SPEEDEX S.A.	305.192	97.969	7.877	40.689
Total of Affiliates	**305.192**	**97.969**	**7.877**	**40.689**
Grand Total	**6.797.432**	**150.379**	**7.100.648**	**149.624**

Parent Company's revenues from related parties: 01/01/2016 - 31/12/2016					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
ERGOTRAK S.A.	35.758	1.993	7.903	110.190	155.844
EXECUTIVE INS. BROKERS S.A.	1.069	1.728	153.861	19.285	175.943
MIRKAT OOD	4.584.134	0	0	0	4.584.134
MIRKAT DOOEL SKOPJE	1.576.317	0	0	0	1.576.317
Total of Subsidiaries	**6.197.279**	**3.721**	**161.765**	**129.475**	**6.492.240**
Affiliates					
SPEEDEX S.A.	37.419	577	51.196	216.000	305.193
Total of Affiliates	**37.419**	**577**	**51.196**	**216.000**	**305.193**
Grand Total	**6.234.699**	**4.298**	**212.961**	**345.475**	**6.797.432**

Parent Company's expenses from related parties: 01/01/2016 - 31/12/2016				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
ERGOTRAK S.A.	5.023	8.620	0	13.642
EX. INSURANCE BROKERS S.A.	0	0	0	0
MIRKATOOD	0	35.521	0	35.521
MIRKAT DOOEL SKOJE	0	3.247	0	3.247
Total of Subsidiaries	**5.023**	**47.388**	**0**	**52.410**
Affiliates				
SPEEDEX S.A.	0	97.969	0	97.969
Total of Affiliates	**0**	**97.969**	**0**	**97.969**
Grand Total	**5.023**	**145.357**	**0**	**150.379**

Parent company made transactions with related parties for year 2015 were as follows:

Parent Company's transactions with related parties: 01/01/2015 - 31/12/2015				
Company	**Revenues**	**Expenses**	**Receivables**	**Liabilities**
Subsidiaries				
EXECUTIVE LEASE S.A.	17.598.971	3.599.413	3.329	8.000.077
ERGOTRAK S.A.	324.968	23.592	3.522	2.997
EXEC. INS. BROKERS S.A.	21.403	0	3.573	147.617
MIRKAT OOD	3.060.681	19.051	5.437.441	0
MIRKAT DOOEL SKOPJE	1.620.642	12.615	950.117	12.615
Total of Subsidiaries	**22.626.665**	**3.654.671**	**6.397.982**	**8.163.307**
Affiliates				
SPEEDEX S.A.	291.824	107.207	33.667	39.858
ATHONIKI TECHNIKI S.A.	785	0	26.853	0
Total of Affiliates	**292.608**	**107.207**	**60.520**	**39.858**
Grand Total	**22.919.273**	**3.761.878**	**6.458.502**	**8.203.165**

Parent Company's revenues from related parties: 01/01/2015 - 31/12/2015					
Company	**Sale of Goods**	**Services**	**Other revenues**	**Rents**	**Total**
Subsidiaries					
EXECUTIVE LEASE S.A.	17.097.401	266.439	68.316	166.816	17.598.971
ERGOTRAK S.A.	202.351	1.501	4.176	116.940	324.968
EXECUTIVE INS. BROKERS S.A.	199	144	0	21.060	21.403
MIRKAT OOD	3.060.681	0	0	0	3.060.681
MIRKAT DOOEL SKOPJE	1.620.642	0	0	0	1.620.642
Total of Subsidiaries	**21.981.273**	**268.085**	**72.492**	**304.816**	**22.626.665**
Affiliates					
SPEEDEX S.A.	997	449	74.378	216.000	291.824
ATHONIKI TECHNIKI S.A.	612	173	0	0	785
Total of Affiliates	**1.608**	**622**	**74.378**	**216.000**	**292.608**
Grand Total	**21.982.882**	**268.707**	**146.869**	**520.816**	**22.919.273**

Parent Company's expenses from related parties: 01/01/2015 - 31/12/2015				
Company	**Purchase of Goods**	**Services**	**Rents**	**Total**
Subsidiaries				
EXECUTIVE LEASE S.A.	2.945.691	361.058	292.663	3.599.413
ERGOTRAK S.A.	5.435	18.156	0	23.592
EX. INSURANCE BROKERS S.A.	0	0	0	0
MIRKATOOD	0	19.051	0	19.051
MMIRKAT DOOEL SKOJE	0	12.615	0	12.615
Total of Subsidiaries	**2.951.127**	**410.881**	**292.663**	**3.654.671**
Affiliates				
SPEEDEX S.A.	0	107.207	0	107.207
Total of Affiliates	**0**	**107.207**	**0**	**107.207**
Grand Total	**2.951.127**	**518.087**	**292.663**	**3.761.878**

At Group level all transactions (sales of goods, services, rents and other income) of the parent company with the subsidiaries incorporated in with the method of total consolidation as well as transactions between consolidated companies, of total amount € 6.78 mil. have been eliminated in the consolidated financial statements.

Affiliates

During consolidation there have not been eliminated the following transactions and balances with Group's affiliates consolidated using the total integration method.

amounts in euro	Group	Company
a) Sales of goods and services and other income	361.634	304.616
b) Purchases of goods and services and expenses charged	137.260	97.969
c) Customers	19.521	7.877
d) Suppliers	49.932	40.689

These transactions involve the provision of services and rents.

Fees and other benefits to members of the Board and senior executives

The fees and other benefits for the period 01.01.2016 - 31.12.2016 of the Board of Directors and Managers regarding fees for employment services are as follows:

BENEFITS	Group		Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Other short-term benefits (salaries and fees, car expenses, travel expenses, etc.)	2.009.420	1.970.404	1.598.990	1.590.809
Provisions of the year for post-employment benefits	40.188	39.408	31.980	31.816
TOTAL	**2.049.608**	**2.009.812**	**1.630.970**	**1.622.625**

Receivables and Liabilities of members of the Board and senior executives

No receivables and liabilities which relate to all senior executives and the members of the Board of Directors existed on 31.12.2016.

26. Possible Liabilities

The total amount of letters of guarantee to secure obligations of good performance and participation in public competitions that were pending (open) on 31 December 2016 was € 19.4 mil. This protective action is not expected to affect adversely the results of the Group.

27. Application of IAS 8 Change in Accounting Principle

The combination method based on fair value was applied for the first time in the current period according to the IAS 8 paragraph 10 as described in detail in paragraph 9.2.

The combination made by the Company in fiscal year 2013 which concerned the merger by absorption of the subsidiary Personal Best S.A. had been performed using the acquisition cost method. In accordance with IAS 8 par.19 any change in accounting policy should be applied retrospectively.

Specifically, the combination method based on fair value of the participation and not the acquisition cost method (book value method) which had been applied previously, is a change in accounting principle and requires retrospective correction.

Retrospective correction due to the lapse of considerable time, presents difficulties especially in determining the fair value of assets and liabilities. However, it is considered by the Company that the carrying values of assets and liabilities of the subsidiary approximate fair values. The activity of the subsidiary concerned exclusively retail selling branches of Suzuki, which were incorporated into the Parent and its assets and liabilities have been paid.

Therefore, the correction has no impact on the equity of the Company as the benefits from the previous merger had directly affect the equity of the parent while they should have affected equity through profit or loss.

The impact of the application of IAS 8 for the equity of the company is zero, as shown in the following table:

Value incorporated during absorption using acquisition cost method	
Total Assets	9.383.542
Total Liabilities	(3.478.970)
Equity	**5.904.572**
Fair Value 31.12.2012	4.945.441
Difference in Equity 31.12.2013	**959.130**

Value incorporated during absorption using fair value method	
Fair value of assets	9.383.542
Fair value of liabilities	(3.478.970)
Equity	**5.904.572**
Fair Value 31.12.2012	4.945.441
Gain through results fiscal year 2013	**959.130**
Difference that should have been presented in equity 31.12.2013	**959.130**
Change in Equity due to the change of policy to the financial statements of 31.12.2015 & 31.12.2016	**0**

28. Subsequent events

Company's Extraordinary General Meeting held on 30.03.2017 elected a new Board of Directors.

Apart from the above, there are no other major events for both the Parent Company and its subsidiaries, which took place from the end of fiscal year 2016 till the date of the financial statements.

Athens, 11 April 2017

The President of the BoD & Chief Executive Officer	The Vice-Presidentt & Chief Financial Officer	The Accounting Director
Stavros P. Taki ID No. AE-046850	George C. Koukoumelis ID No. AK-101669	Anthoula N. Kotzamani ID No. X-134411

SFAKIANAKIS S.A.

COMMERCIAL & INDUSTRIAL SOCIETE ANONYME FOR CARS, CONSTRUCTIONS, HOTELS & TOURISM BUSINESSES
ATHENS P.C.S.A. REGISTER No 483/06/B/86/10
5-7 SIDIROKASTROU & PIDNAS 118 55 ATHENS
FIGURES AND INFORMATION FOR THE PERIOD OF 1 JANUARY 2016 UNTIL 31 DECEMBER 2016
(according to the Law 2190/20, article 135 concerning companies which compile annual financial statements, either Consolidated or not under IFRS)

The figures presented below aim to give summary information about the financial position and results of SFAKIANAKIS S.A. 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.

COMPANY'S INFORMATION

Website address:	www.sfakianakis.gr
Company VAT :	094010226, Tax Office FAE ATHINON
Competent Prefecture:	Ministry of Economy and Development, Department of Companies & GEMI
Date of aproval of the annual financial statements:	11 April 2017
Auditor:	Konstantinos P. Evangelinos (SOEL Reg. Number 13151)
Auditing firm:	S.O.L. S.A.
Type of Report:	With qualification - Emphasis to a matter

STATEMENT OF FINANCIAL POSITION (Amounts in €)

	GROUP		COMPANY	
ASSETS	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
Property, plant and equipment	185.412.114	171.662.345	178.690.066	96.834.897
Intangible assets	6.627.644	6.563.790	79.705.515	6.379.576
Other non-current assets	3.966.541	4.590.160	35.281.664	121.791.155
Inventories	34.019.962	33.466.953	26.352.901	26.897.774
Trade accounts receivable	44.344.106	46.285.678	35.335.530	21.895.787
Other current assets	27.091.648	42.270.774	22.854.021	23.908.590
TOTAL ASSETS	**301.462.014**	**304.839.701**	**378.219.698**	**297.707.780**
SHAREHOLDERS EQUITY AND LIABILITIES				
Share capital	2.374.344	2.374.344	2.374.344	2.374.344
Share capital and reserves	(79.213.936)	(71.585.262)	(7.892.985)	(1.402.414)
Total Shareholders Equity (a)	**(76.839.592)**	**(69.210.918)**	**(5.518.641)**	**971.930**
Non controlling interest (b)	52	63		
Total Equity (c) = (a) + (b)	**(76.839.540)**	**(69.210.855)**	**(5.518.641)**	**971.930**
Long-term bank liabilities	5.266.787	247.877.387	4.332.788	179.986.663
Provisions/Other long-term liabilities	17.960.209	17.447.179	41.720.020	35.953.659
Short-term bank liabilities	291.878.338	43.903.705	283.065.622	25.536.769
Other short-term liabilities	63.196.220	64.822.284	54.619.909	55.258.760
Total Liabilities (d)	**378.301.554**	**374.050.556**	**383.738.339**	**296.735.851**
TOTAL SHAREHOLDERS EQUITY & LIABILITIES (c)+(d)	**301.462.014**	**304.839.701**	**378.219.698**	**297.707.780**

STATEMENT OF CHANGES IN NET EQUITY (Amounts in €)

	GROUP		COMPANY	
	01.01-31.12.2016	**01.01-31.12.2015**	**01.01-31.12.2016**	**01.01-31.12.2015**
Sales Revenue	274.546.675	252.137.499	257.086.214	207.623.368
Gross profit	70.399.990	64.914.535	65.962.742	22.593.310
Profit before taxes, financing & investment results	7.877.092	(153.564)	9.942.818	(4.800.217)
Profit / (Loss) before taxes	**(7.423.288)**	**(18.456.546)**	**(5.652.612)**	**(26.987.754)**
Profit / (Loss) after tax (A)	**(7.608.629)**	**(21.070.590)**	**(5.945.939)**	**(28.868.182)**
Attributable to :				
Shareholders	(7.608.618)	(21.070.576)	(5.945.939)	(28.868.182)
Non controlling Interests	(11)	(13)		
Other Comprehensive Income after tax (B)	(20.056)	123.309	521.846	28.007.107
Total Comprehensive Income after tax (A) + (B)	**(7.628.685)**	**(20.947.281)**	**(5.424.094)**	**(861.075)**
Attributable to :				
Shareholders	(7.628.674)	(20.947.267)	(5.424.094)	(861.075)
Non Controlling Interest	(11)	(13)		
Net Profit / (Loss) (after taxes) per share-basic (in €)	**(0,9614)**	**(2,6623)**	**(0,7513)**	**(3,6475)**
Profit / (Loss) before taxes, financing, investment results & depreciation	25.441.518	17.400.671	26.850.162	(770.328)

STATEMENT OF CHANGES IN NET EQUITY (Amounts in €)

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Equity balance at the beginning of period (01.01.2016 & 01.01.2015 respectively)	**(69.210.855)**	**(48.263.574)**	**971.930**	**1.833.005**
Total Comprehensive Income after tax	(7.628.685)	(20.947.281)	(5.424.094)	(861.075)
Other changes	0	0	(1.066.477)	0
Equity end of period (31.12.2016 & 31.12.2015 respectively)	**(76.839.540)**	**(69.210.855)**	**(5.518.641)**	**971.930**

CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	31.12.2016	**31.12.2015**	**31.12.2016**	**31.12.2015**
Operating Activities :				
Profit/(Loss) before taxes (continuing operation)	**(7.423.288)**	**(18.456.546)**	**(5.652.612)**	**(26.987.754)**
Plus / Less adjustments for :				
Depreciation	17.564.426	17.554.235	16.907.344	4.029.889
Provisions	3.802.380	5.360.904	1.108.762	978.401
Unused provisions	(203.570)	0	(203.570)	0
Exchange rate differences	36.023	(11.079)	36.023	(11.079)
Results (revenue, expenses, profit and loss) from investment activity	2.208.942	3.722.455	3.127.121	11.782.748
Interest charges and other related expenses	13.091.439	14.580.527	12.468.308	10.404.789
Plus / (less) adjustments for changes in working capital:				
Decrease / (increase) in inventories	(8.868.663)	(11.419.589)	(7.701.622)	(2.592.789)
Decrease / (increase) in receivables	(7.532.532)	(4.735.811)	466.791	(4.487.204)
Increase / (Decrease) in liabilities (excluding banks)	12.590.708	21.141.447	4.254.288	18.840.206
(Less):				
Interest charges and other related expenses paid	(12.479.220)	(13.144.024)	(11.856.542)	(9.414.666)
Paid taxes	0	(52.506)	0	0
Total inflow / (outflow) from operating activities (a)	**12.786.646**	**14.540.012**	**12.954.293**	**2.542.541**
Investment Activities :				
Proceeds from the sale of property, plant and equipment and intangible assets	(27.067.922)	(19.095.388)	(25.230.960)	(4.565.259)
Proceeds / (payments) from the sale / (purchase) of investing titles	5.694.572	4.211.061	4.049.413	3.654.108
Proceeds / (payments) from purchases / (sales) of investments	(3.358.404)	0	(3.358.404)	0
Interest received	189.091	214.693	156.439	48.281
Total inflow / (outflow) from investing activities (b)	**(24.542.663)**	**(14.669.634)**	**(24.383.511)**	**(862.870)**
Financing activities :				
Proceeds from issued loans	9.367.744	6.000.000	9.367.744	5.000.000
Loans repayment	(9.007.213)	(6.428.416)	(8.284.849)	(5.248.407)
Payments of leasing liabilities	(326.894)	(400.068)	(326.894)	0
Total inflow / (outflow) from financing activities (c)	**33.637**	**(828.484)**	**756.001**	**(248.407)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**(11.722.380)**	**(958.106)**	**(10.673.218)**	**1.431.264**
Cash and cash equivalents at the beginning of the period	**17.037.873**	**17.995.979**	**4.933.084**	**3.501.820**
	0	**0**	**10.171.160**	**0**
Cash and cash equivalents at the end of the period	**5.315.493**	**17.037.873**	**4.431.026**	**4.933.084**

OTHER IMPORTANT DATA AND INFORMATION

1. The accounting principles applied on 31/12/2016 are compliant with those applied by the Group according to the International Financial Reporting Standards on 31/12/2015, except from the case described in note 27 of the Annual Financial Report.
2. The emphasis of matter on the Auditor's Report refers to note 2.2 of the Annual Financial Report and refers to the going concern assumption and the existence of substantial uncertainty about the financial condition of the Parent Company and the Group.
3. The number of the employees on 31/12/2016 was 541 for the parent Company and 826 for the parent Company with the consolidated subsidiaries (Group). The respective amounts on 31/12/2015 were 514 and 778 for the Group.
4. The amounts of provisions formed up to 31/12/2016 for non taxed audited financial years amounted to € 906.487 for the Group and € 711.487 for the parent Company. Analysis of the provisions for the non taxed financial years are stated in note 19.1 of the Annual Financial Report.
5. Information of companies, establishment and consolidation method of companies are presented in note 1.1 in the Annual Financial Report.
6. Other comprehensive income (B) of amount € -20.056 for the Group and € 521.846 for the parent Company, refer to actuarial gains/losses for the Group and valuation at fair value of subsidiaries and affiliates for the Parent company (Analysis in the Comprehensive Income Statement of the Annual Financial Report).
7. No own shares are held by the Company or by its subsidiaries and associates companies.
8. Parent company Sfakianakis S.A. absorbed its 100% subsidiary Executive Lease S.A. with No. 139610/27.12.2016 decision of the Ministry of Economy and Development. Detailed information is disclosed in Note 9.2 of the Annual Financial Report.
9. There was no change in the consolidation method for the period 01.01-31.12.2016 in comparison with 31.12.2015. Athoniki Tecniki S.A. is not included in the consolidation. Agandi Ltd is consolidated for the first time in the current period and there were other companies not included in the consolidation compared with 31.12.2015.
10. Transactions with related parties are as follows:

Amounts in Euro	GROUP	COMPANY
a) Revenue	361.634	6.796.855
b) Expenses	137.260	150.379
c) Receivables	19.521	7.100.648
d) Liabilities	49.932	149.624
e) Transactions and fees of directors and BoD members	2.049.608	1.630.970
f) Receivables from management and BoD members	0	0
g) Payables to management and BoD members	0	0

Athens, 11 April 2017

The President of the BOD & Chief Executive Officer	The Vice-President & Chief Financial Officer	The Accounting Director
Stavros P. Taki	George C. Koukoumelis	Anthoula D. Kotzamani
ID No. AE-046850	ID No. AK - 101669	ID No X 134411