Semi-Annual Financial Report 30.6.2017

S.A. REG. NO. 7365/06/B/86/32 – GEMI NO. 121572960000

"ELASTRON S.A. – STEEL SERVICE CENTERS" GROUP

According to IAS 34 «Interim Financial Reporting», the article 5 of Law 3556/2007 and the executive Decisions of the Board of the Capital Market Commission

September 2017

CONTENTS

NOTES ON THE FINANCIAL STATEMENTS

STATEMENT BY THE BOARD OF DIRECTORS' REPRESENTATIVES

(Pursuant to article 5 of Law 3556/2007)

We hereby certify and declare that, to the best of our knowledge, the semi-annual financial statements of the Société Anonyme Company "ELASTRON S.A. – STEEL SERVICE CENTERS" for the period 01.01.2017 – 30.06.2017, which were prepared in accordance with the applicable accounting standards, truly reflect the assets and liabilities, the equity and results of the issuer as well as of the companies included in the consolidation, which are considered aggregately as a whole, according to the provisions of paragraphs 3 to 5 of article 5, Law 3556/2007 and the authorized decisions issued by the Hellenic Capital Market Commission's Board of Directors.

In addition, it is hereby certified and declared that, to the best of our knowledge, the Semi-Annual Management Report of the Board of Directors truly reflects the information required according to paragraph 6, article 5 of Law 3556/2007 and the authorized decisions issued by the Hellenic Capital Market Commission's Board of Directors.

Aspropyrgos, 25 September 2017

The signatories

Simos Panagiotis	Kalpinis Athanasios	Koutsothanassis Stilianos
Chairman of the Board	Chief Executive Officer	Deputy Chief Executive Officer

SEMI-ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS of ELASTRON S.A.
for the period from January 1st to June 30th 2017

The companies which are included in the consolidation, besides the parent company, are as follows:

COMPANY	DOMICILE	BUSINESS ACTIVITY	PARTICIPATION STAKE	PARTICIPATION COST	CONSOLIDATION METHOD
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki	Commerce and processing of steel products	50.00% (Joint venture)	5,000,000.00	Equity
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	33.33% (Joint venture)	800,000.00	Equity
PHOTODEVELOPMENT S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
ILIOSKOPIO SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOKYPSELI S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOISXYS LTD	Aspropyrgos	Production of electric energy from Photovoltaic stations	100.00%	80,000	Full
THRACE GREENHOUSES S.A.	Xanthi	Production of agricultural products from glasshouse cultivations	49,09%	2,700,000	Equity
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	100.00%	10,000.00	Full

* The participation cost does not include any impairment.

A. Financial Development and Performance

The Group's turnover posted significant improvement during the first half of the year and settled at € 42.4 million from € 36.5 million last year. Gross profit stood at € 6.8 million or 16.1% of total sales versus € 5.5 million or 15.0% of total sales in the corresponding period last year, whereas results before interest, taxes, depreciation and amortization (EBITDA) amounted to earnings of € 3.7 million versus earnings of € 3.9 million in the first half of 2016. Finally, results before taxes settled at earnings of € 1.0 million versus earnings of € 1.4 million in the corresponding period of the previous year.

On the parent company level, turnover increased by 26% and settled at € 41.7 million versus € 33.0 million in the corresponding period last year, whereas gross profit improved notably and accounted for € 6.4 million or 15.4% of sales, versus € 4.7 million or 14.4% of sales in the previous year. Results before interest, taxes, depreciation and amortization (EBITDA) doubled and reached € 3.2 million versus € 1.5 million last year, whereas the results before taxes amounted to earnings of € 1.3 million compared to earnings of € 0.003 million last year.

The above presented turnover improvement reflects mainly the significant growth in exports of steel products which represented 30% of the total group turnover, the incorporation -already from the year 2016- of the business activity of the company Corus Kalpinis Simos following its absorption by the parent company, the maintenance of the sale prices at high levels during the largest part of the first half, as well as the targeted penetration of new markets. At the same time, on profitability level, the aggregation of the steel business activities through mergers and via the operation of joint facilities led to the decline of production cost and consequently to the improvement of profit margins. It is noted that an extraordinary profit of € 852 thousand from the acquisition of an equity stake of 50% in an associate company had enhanced the results during the first half of the previous year and as a result they demonstrated an improvement in comparison with this year's results. Moreover, from the beginning of the year, the agricultural business activity of the Group is consolidated with the equity method, versus the full method that was applied last year, due to the merger between the companies ELASTRON AGRICULTURAL and THRACE GREENHOUSES SA. With the exception of the above mentioned factors, this year's result would have been significantly higher compared to the ones of the first half 2016.

Following and in order to provide additional and complete information, we present the Company's financial ratios for the 1st half of 2017:

	GROUP	COMPANY
(a) FINANCIAL STRUCTURE		
1. Current assets / Total assets This ratio shows the percentage of total Assets that consists of inventories, trade receivables and other direct liquidity accounts, such as shares-securities or cheques and cash equivalents.	**49%**	**48%**
2. Equity / Total liabilities This ratio reflects the degree of the entity's financial adequacy.	**160%**	**182%**
3. Current assets / Short-term liabilities This ratio depicts the overall liquidity of the entity, as it provides a clear picture of the percentage of assets that may be liquidated compared to the liabilities for the year.	**203%**	**218%**
(b) EFFICIENCY AND PERFORMANCE		
4. Net earnings before tax / Sales This ratio reflects the final net results before taxes as a percentage of total sales.	**2%**	**3%**
5. Net earnings before taxes / Equity This ratio reflects the net results before taxes as a percentage of equity.	**2%**	**2%**
6. Sales / Equity This ratio reflects the turnover of the previous year's equity during the present year.	**60%**	**59%**
(c) LEVERAGE		
7. Debt / Equity This ratio reflects debt as a percentage of equity.	**68%**	**60%**
8. Bank debt / Equity This ratio reflects the bank debt as a percentage of equity.	**49%**	**44%**

B. Significant Events during the First Half 2017

Developments in the sectors of the Group

With the Group already proceeding into the third quarter of the year, the implementation of its goals continues without any essential deviations. Specifically, the Group continues its efforts to further penetrate existing as well as new international markets with the objective to increase its export orientation. At the same time, taking into account the improvements that have been made in the Greek market's conditions to a certain degree, the Group evaluates new sectors and customers who could be in a position to absorb an even larger part of the Group's excessive production capacity in steel products. Also, the efforts for the aggregation of the business activities continue and in this context, as it was already announced, the acquisition of the Tata Steel's participation stake in TATA ELASTRON SA was completed at the beginning of the third quarter 2017. Finally, the Group continues to implement its investment plan with regard to new machinery equipment in order to enter in new markets.

In the agricultural sector of the Group, the merger between the companies ELASTRON AGRICULTURAL SA and THRACE GREEENHOUSES SA via the absorption of the former by the latter was completed on 26/07/2017. The said merger follows the relevant decisions made in 2016 by the boards of the above two companies and was approved according to the decision with protocol number Γ/ΕΞ/2118-1/26-7-2017 of the Regional Vice Governor of Xanthi, registered in the General Electronic Commercial Registry (GEMI) on 28/07/2017 with registration code number 1126741 and in accordance with the provisions of articles 68, paragraph 2 and 69-77 of P.L. 2190/1920 and of the articles 1-5 of Law 2166/1993 as they are in effect. The percentage rate of the participation of ELASTRON SA into the above company settles at 49.09%.

Implementation of Investment Plans

The long-term investment plan of the parent company amounting to 13.1 mil, which is subject to L. 3299/2004 and is subsidized by 35%, was completed, while the final approvals are expected by the Ministry of Development and Competitiveness.

The investment plan includes the following:

1. Construction of building and special facilities amounting to € 2.5 mil.
2. Mechanical equipment for processing steel products amounting to € 7.2 mil.
3. Technical equipment amounting to € 2.0 mil.
4. Other investments amounting to € 1.4 mil.

The aforementioned investments are implemented at the company's facilities in Aspropyrgos and Skaramagka in Attica.

The company has received the full payment of the grant which amounts to € 4.6 mil.

With the objective of constantly improving the quality of products and services as well as strengthening the product range, the Company recently completed a new subsidized investment program for the modernization of the mechanical and building machinery, amounting to € 3.4 million. The rate of subsidy in this program is set at 15%. In May 2014, the parent company's new investment plan was approved and included in the category of General Entrepreneurship of the General Business Plans of article 6 of Law 3908/2011. Until today, an amount of € 0.5 million of the grant has not been collected.

The subsidiary company THRACE GREENHOUSES S.A. (which is owned by 49%) completed recently an investment plan amounting to € 4.0 million in the county of Xanthi (Northern Greece) which concerns the development of hydroponic cultivation of glasshouse agricultural products via the utilization of geothermal energy. The particular investment was classified under the provisions of the investment Law 3908/2011 which provides for a 40% grant of the total investment amount. The grant accounts for € 1.6 million and has been already collected by the company. At the same time, THRACE GREENHOUSES S.A. has started to implement a new investment plan for the expansion of the existing hydroponic cultivation unit for a total amount of € 12.3 million. The particular investment plan has been also classified under the provisions of the investment Law 3908/2011 which provides for a 40% grant of the total investment amount. Until today the company has received an amount of € 589 thousand which represents 12% of the total grant.

Annual Ordinary General Meeting

On 15.06.2017, the Annual General Shareholders' Meeting convened at the offices and domicile of the Company and was attended (either in person or via proxy) by 20 shareholders holding 11,525,153 shares or 62.6% of the paid up share capital. The General Meeting proceeded with the following decisions:

1. Approval of the reports of the Board of Directors and Certified Auditor on the Parent and Consolidated Financial Statements for fiscal year 2016.
2. Approval of the Parent and Consolidated Financial Statements for fiscal year 2016, and the decision was made to not distribute dividend.
3. Approval of the release of members of the Board of Directors and the Certified Auditor from all liabilities for compensation regarding the management and audit of fiscal year 2016.
4. Approval of the election of Mr. St. Pappas as Chief Certified Auditor and Mr. Efstr. Karalis as Deputy Certified Auditor of the audit firm SOL S.A. for the fiscal year 2017 and their fees were specified.
5. Approval of the fees-remuneration of members of the Board of Directors for fiscal year 2016 and pre-approval of their remuneration for fiscal year 2017.
6. According to the article 23, paragraph 1 of PL 2190/1920, the General Meeting approved the participation of the members of the Board and the Company's Directors in the Management of the
7. No other announcement was made.

All the issues on the daily agenda were approved unanimously, namely with a percentage of 100% of those present.

C. Risks and Uncertainties

In the context of its ordinary business activities, the Group is exposed to the following financial risks within the scope of its basic activity:

1) Credit risk
2) Liquidity risk
3) Market risk

The risk management policy is focused on the volatility of financial markets with the objective of minimizing the factors that may negatively affect its financial performance.

The risk management policy is applied in order to recognize and analyze risks which the Group faces, to set limits on risks assumed and to apply controls to such limits. The systems and policies applied are periodically reviewed to incorporate changes observed in market conditions and the Group's activities.

The risk management is performed by the Company's Finance Department, in cooperation with the Group's other departments and according to the guidelines and approvals of the Company's Board of Directors.

Adherence to risk management policies and procedures is controlled by the Internal Audit Department, which performs ordinary and extraordinary audits on the application of procedures, the findings of which are disclosed to the Board of Directors.

1) Credit risk

Due to the great dispersion of its clientele (no client exceeds 10% of total sales), the Group does not have a significant concentration of credit risk. Based on the credit policy approved by the Group companies' Board of Directors, all new clients are examined on an individual basis in terms of their creditworthiness prior to the proposal of the standard payment terms. Credit limits are set for each client; these are reviewed depending on ongoing conditions and, if necessary, the sales and collection terms are adjusted. As a rule, customer credit limits are determined on the basis of the insurance limits set for them by the insurance companies. While monitoring credit risk of customers, such are grouped according to their credit profile, the maturity of their receivables and any prior collection problems that may have emerged. Customer receivables mainly include the wholesale clients.

Clients characterized as "high risk" are placed in a special client list and future sales are to be pre-collected and approved by the Board of Directors. At the same time, the Group makes impairment provisions which reflect its estimation on losses related to clients and other receivables. This provision mainly consists of impairment loss of specific receivables which are estimated on the basis of given conditions that such will be collected, but have not yet been finalized.

The amount of the impairment loss is estimated as the difference between the book value of receivables and the present value of estimated future cash flows, discounted by the initial effective interest rate. The impairment loss amount is accounted for as an expense in the results. Receivables which are assessed as bad debts are written off.

The credit risk is limited to 20% of the total trade receivables, on the basis of the Group's insurance policies. The margin of this risk is limited even further as tangible or other guarantees (such as letters of guarantee) are requested wherever deemed necessary.

2) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its financial liabilities when these become due. The approach adopted by the Group to manage liquidity is to secure the necessary cash and sufficient credit limits from the banks with which it cooperates, so that there is the appropriate liquidity for the fulfillment of the financial liabilities, under standard as well as unfavorable conditions without incurring unacceptable loss or risking its reputation. In order to minimize the liquidity risks, the finance division of the Group makes an annual provision for cash flows for the fiscal year when preparing its annual budget and a monthly rolling three-month provision so as to secure that it has sufficient cash to meet its operating needs, including its financial liabilities. This policy does not take into account the impact of extreme conditions, which cannot be foreseen. For this reason, the Management of the Group, by assessing the market conditions each time, maintains a certain amount of cash reserves for defensive purposes, in order to face any extreme or extraordinary situations.

It is noted that for the entire debt obligations of the Group no tangible asset has been placed as collateral in favor of the banks, an element which indicates the especially high creditworthiness of the Group.

The following table presents an analysis of the Company's and Group's liabilities, based on their expiration and remaining duration as at 30.06.2017.

Company:

Amounts in euro	Up to 1 year	From 1 to 5 years	Total
Loans	19,764,600.01	10,785,449.99	30,550,050.00
Suppliers & other liabilities	5,788,136.21	2,182,065.03	7,970,201.24
Grants (deferred income)	132,622.57	3,498,546.91	3,631,169.48
Total liabilities	**25,685,358.79**	**16,466,061.93**	**42,151,420.72**

Group:

Amounts in euro	Up to 1 year	From 1 to 5 years	Total
Loans	21,685,230.81	10,799,467.39	32,484,698.20
Suppliers & other liabilities	5,896,218.67	2,624,378.53	8,520,597.20
Grants (deferred income)	132,622.57	3,498,546.91	3,631,169.48
Total liabilities	**27,714,072.05**	**16,922,392.83**	**44,636,464.88**

On 30.06.2017 the Company and the Group maintained cash & cash equivalents amounting to € 3.9 and € 4.1 million respectively.

3) Market risk

Market risk is the risk of change in prices of raw materials supplied, the risk of change in the foreign exchange rates that the Group conducts transactions in and the risk of change in interest rates that the Group borrows at and which can affect the Group's results. The purpose of risk management against market conditions is to determine and control the Group's exposure to those risks, within the context of acceptable parameters while at the same time optimizing its performance.

- **Metal (iron, steel, etc.) Raw Material Price Volatility Risk**

The Group conducts its purchases mainly in the global steel market under normal market terms. Each change in the market price of raw materials is discounted for in the sales price, resulting in changes in the Group's profit margin during periods of big price fluctuations for raw materials in the world market. More specifically, in periods during which prices follow an upward trend, the profit margins improve, as the upward trend is transferred to the sales prices. Accordingly, when raw material prices follow a declining trend, the profit margins decrease.

The Group does not apply hedging to cover its basic operating reserve, which means that any increase/decrease of metal prices may affect its results accordingly through depreciation or appreciation of inventories.

- **Foreign exchange risk**

The Group is exposed to foreign exchange risk from the purchase of inventories it makes in $ (US Dollar), from the deposits denominated in $ (US Dollar) as well as from the joint venture BALKAN IRON GROUP SRL, based in Romania, whose operating currency unit is the RON.

The Group's borrowings are euro denominated in their entirety while there are no receivables denominated in foreign currency.

Foreign currency is purchased in advance in order for the Company to limit its foreign exchange risk emerging from inventory purchase. The total liabilities of the Group as of 30.06.2017 are covered by equivalent purchases in advance of foreign currency and as a result there is no foreign exchange risk associated with the fluctuations of the US Dollar.

- **Interest rate risk**

Interest rate risk arises mainly from long-term and short-term bank loans in € at the floating rate of Euribor.

The Group finances its investments, as well as its need for working capital, through equity, short-term bank loans, long-term and bond loans and as a result is burdened by interest expenses. Increasing trends in interest rates shall negatively affect results as they will be affected by the additional borrowing cost.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rates of loans (Euribor) would be 1% higher/lower on average during the first half of the year 2017:

(Amounts in millions)	**Loans 30.06.2017**	**Effect on results before tax (+ / -)**
Group	32.5	0.3
Company	30.6	0.3

This would occur due to the higher/lower financial cost of bank borrowing with a floating rate in euro.

A smaller effect on cash flows results from income on term deposits in euro.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rate on term deposits would be 1% higher / lower on average during the 1st half of 2017:

(Amounts in millions)	**Sight and term deposits 30.06.2017**	**Effect on results before tax (+ / -)**
Group	4.1	0.1
Company	3.9	0.1

This would occur due to the higher/lower financial income from time deposits.

D. Future Outlook

With regard to the prospects of the Group during the 2nd half of the year, the Management is not in a position to proceed with any safe or accurate estimates. The decline in the sale prices of steel products which was observed during the 3rd quarter and was mostly driven by the international steel prices has been already under control, whereas the market experiences even an upward trend. On the contrary, the demand for steel products, even though improved, continues to evolve at a lower level in comparison with the Group's production capacity. The above in conjunction with the political and economic developments in the Greek market are expected to affect the financial performance of the Group for the remaining period of the year.

E. TRANSACTIONS WITH RELATED PARTIES

The amounts of the Group's and Company's sales and purchases, from and towards related parties, as well as the balances of receivables and liabilities, are analyzed as follows:

(a) Intra-company sales / purchases on 30.06.2017 and 30.06.2016 respectively

	SALES				
PURCHASES	**ELASTRON S.A.**	**ELASTRON AGRICULTURAL S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	1,273,267.98	0.00	**1,273,267.98**
THRACE GREENHOUSES S.A.	183.20	0.00	0.00	0.00	**183.20**
PHOTOENERGY S.A.	25,659.38	0.00	0.00	0.00	**25,659.38**
PHOTODEVELOPMENT S.A.	57,848.44	0.00	0.00	0.00	**57,848.44**
PHOTODIODOS S.A.	51,036.56	0.00	0.00	0.00	**51,036.56**
PHOTOKYPSELI S.A.	17,329.69	0.00	0.00	0.00	**17,329.69**
ILIOSKOPIO S.A.	24,166.41	0.00	0.00	0.00	**24,166.41**
PHOTOISHIS LTD	6,738.28	0.00	0.00	0.00	**6,738.28**
NORTHERN GREECE METAL PRODUCTS S.A.	19,793.59	0.00	0.00	0.00	**19,793.59**
TOTAL	**202,755.55**	**0.00**	**1,273,267.98**	**0.00**	**1,476,023.52**

	SALES				
PURCHASES	**ELASTRON S.A.**	**ELASTRON AGRICULTURAL S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	34,931.65	316,520.66	**351,452.31**
ELASTRON AGRICULTURAL S.A.	176.99	0.00	0.00	0.00	**176.99**
PHOTOENERGY S.A.	25,659.38	0.00	0.00	0.00	**25,659.38**
PHOTODEVELOPMENT S.A.	57,848.44	0.00	0.00	0.00	**57,848.44**
PHOTODIODOS S.A.	51,036.56	0.00	0.00	0.00	**51,036.56**
PHOTOKYPSELI S.A.	17,329.69	0.00	0.00	0.00	**17,329.69**
ILIOSKOPIO S.A.	24,166.41	0.00	0.00	0.00	**24,166.41**
PHOTOISHIS LTD	6,738.28	0.00	0.00	0.00	**6,738.28**
NORTHERN GREECE METAL PRODUCTS S.A.	548,506.91	0.00	0.00	8,236.05	**556,742.96**
CORUS KALPINIS SIMOS S.A.	576,016.54	0.00	3,611.99	0.00	**579,628.53**
TOTAL	**1,307,479.20**	**0.00**	**38,543.64**	**324,756.71**	**1,670,779.55**

(b) Intra-company receivables / liabilities on 30.06.2017 and 31.12.2016 respectively

	RECEIVABLES			
LIABILITIES	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	463,490.78	0.00	**463,490.78**
THRACE GREENHOUSES S.A.	3,102.26	0.00	0.00	**3,102.26**
PHOTOENERGY S.A.	225,012.80	0.00	0.00	**225,012.80**
PHOTODEVELOPMENT S.A.	539,255.20	0.00	0.00	**539,255.20**
PHOTODIODOS S.A.	483,412.16	0.00	0.00	**483,412.16**
PHOTOKYPSELI S.A.	119,418.40	0.00	0.00	**119,418.40**
ILIOSKOPIO S.A.	203,769.60	0.00	0.00	**203,769.60**
PHOTOISHIS LTD	688,374.04	0.00	0.00	**688,374.04**
NORTHERN GREECE METAL PRODUCTS S.A.	1,000,000.00	0.00	0.00	**1,000,000.00**
BALKAN IRON GROUP SRL	150,700.00	0.00	0.00	**150,700.00**
KALPINIS SIMOS BULGARIA EOOD	780,000.00	0.00	0.00	**780,000.00**
TOTAL	**4,193,044.46**	**463,490.78**	**0.00**	**4,656,535.24**

	RECEIVABLES			
LIABILITIES	**ELASTRON S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
ELASTRON AGRICULTURAL S.A.	217.70	0.00	7,107.74	**7,325.44**
PHOTOENERGY S.A.	225,012.80	0.00	0.00	**225,012.80**
PHOTODEVELOPMENT S.A.	539,255.20	0.00	0.00	**539,255.20**
PHOTODIODOS S.A.	483,412.16	0.00	0.00	**483,412.16**
PHOTOKYPSELI S.A.	119,418.20	0.00	0.00	**119,418.20**
ILIOSKOPIO S.A.	203,769.60	0.00	0.00	**203,769.60**
PHOTOISHIS LTD	839,319.64	0.00	0.00	**839,319.64**
NORTHERN GREECE METAL PRODUCTS S.A.	1,112,410.74	0.00	6,185.93	**1,118,596.67**
CORUS KALPINIS SIMOS S.A.	216,103.82	0.00	0.00	**216,103.82**
BALKAN IRON GROUP SRL	145,700.00	0.00	0.00	**145,700.00**
KALPINIS SIMOS BULGARIA EOOD	765,000.00	0.00	0.00	**765,000.00**
TOTAL	**4,649,619.86**	**0.00**	**13,293.67**	**4,662,913.53**

	GROUP		COMPANY	
	1.1-30.06		1.1-30.06	
	2017	2016	2017	2016
c) Transactions and remuneration of Board Members & senior executives				
Transactions and remuneration of Board Members	119,000.00	119,000.00	119,000.00	119,000.00
Transactions and remuneration of senior executives	42,250.00	114,252.88	42,250.00	39,124.98
Transactions and remuneration of other related entities	8,900.93	8,900.93	8,900.93	8,900.93
Receivables from senior executives and Board members	0.00	0.00	0.00	0.00
Liabilities to senior executives and Board members	0.00	0.00	0.00	0.00

Senior executives according to IAS 24 are those individuals that have the authority and responsibility for the planning, management and control of the entity's activities, directly or indirectly, and include all members of the Board of Directors (executive and non-executive) of the entity, as well as all other senior executives according to the above definition.

Report on Review of Interim Financial Information

Towards the shareholders of the Company
"ELASTRON STEEL SERVICE CENTERS S.A."

Introduction

We reviewed the accompanying condensed separate and consolidated statement of financial position of the Company **"ELASTRON S.A. – STEEL SERVICE CENTERS"** as well as of its subsidiaries for 30 June 2017 and the relevant condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows of the six month period that ended on that date, as well as the explanatory notes that comprise the interim condensed financial reporting, which constitutes an integral part of the semi-annual financial report required under Law 3556/2007. The Company's Management has the responsibility of drafting and presenting this interim condensed financial information according to the International Financial Reporting Standards, as have been adopted by the European Union and are applicable to Interim Financial Reporting (International Accounting Standard "IAS" 34). Our responsibility is the expression of a conclusion on this interim condensed financial information based on our review.

Scope of Review

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

Conclusion

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

Reference to other Legal and Regulatory Requirements

Our review has not identified any inconsistency or discrepancy of other items of the semi-annual financial report, as required by article 5 of Law 3556/2007, with the accompanying interim condensed financial information.

Athens, 26 September 2017

The Certified Auditor Accountant
STERGIOS VAS. PAPPAS
Certified Auditor Reg. No. 16701

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ELASTRON
STEEL SERVICE CENTERS

1. Statement of Financial Position

(Amounts in €)		GROUP		COMPANY	
	Note	30.06.2017	31.12.2016	30.06.2017	31.12.2016
ASSETS					
Non Current Assets					
Self-used tangible assets	6	48,223,670.41	51,172,562.24	42,273,464.13	41,045,478.72
Investment property	6.7	3,234,829.76	3,288,753.33	3,234,829.76	3,288,753.33
Intangible assets	6	104,162.41	117,686.74	104,162.41	112,828.94
Investment in associates, subsidiaries and joint ventures	2,3	3,406,430.48	1,149,360.76	9,147,533.70	9,147,533.70
Long term receivables	8	1,181,292.57	1,162,238.68	3,589,762.50	3,538,370.71
Total Non Current Assets		**56,150,385.63**	**56,890,601.75**	**58,349,752.50**	**57,132,965.40**
Current Assets					
Inventories	9	27,006,545.54	22,558,804.92	27,006,545.54	22,521,128.84
Customers	8	20,485,864.73	19,404,264.70	20,341,244.75	19,029,931.93
Other receivables	8.18	2,613,018.59	1,379,623.97	2,613,448.12	1,179,470.81
Securities	10	30,520.00	113,400.00	30,520.00	113,400.00
Cash and cash equivalents	12	4,144,903.12	4,717,349.16	3,921,902.49	4,224,181.36
Derivatives	11	0.00	43,430.61	0.00	43,430.61
Total Current Assets		**54,280,851.98**	**48,216,873.36**	**53,913,660.90**	**47,111,543.55**
Total Assets		**110,431,237.61**	**105,107,475.11**	**112,263,413.40**	**104,244,508.95**
EQUITY					
Shareholders' equity					
Share capital	13	18,421,516.00	18,421,516.00	18,421,516.00	18,421,516.00
Share premium	13	11,156,530.15	11,171,177.70	11,171,177.70	11,171,177.70
Other reserves	13	21,307,493.57	21,307,493.57	21,295,815.78	21,295,815.78
Treasury shares	13	(7,062.48)	(7,062.48)	(7,062.48)	(7,062.48)
Retained earnings	13	14,890,239.11	14,430,779.75	19,230,545.68	18,442,614.10
Total shareholders' equity		**65,768,716.35**	**65,323,904.54**	**70,111,992.68**	**69,324,061.10**
Minority interest	13	26,056.38	24,393.08	0.00	0.00
Total Equity		**65,794,772.73**	**65,348,297.62**	**70,111,992.68**	**69,324,061.10**
LIABILITIES					
Long-Term liabilities					
Loans	15	10,799,467.39	12,390,250.00	10,785,449.99	12,170,250.00
Provisions for employee benefits	17	525,743.56	507,791.12	525,743.56	502,679.62
Grants (deferred income)	26	3,498,546.91	4,786,122.77	3,498,546.91	3,486,905.46
Other long-term liabilities		0.00	0.00	0.00	0.00
Deferred income tax	16	2,098,634.97	1,608,579.32	1,656,321.47	1,174,068.24
Total Long-term Liabilities		**16,922,392.83**	**19,292,743.21**	**16,466,061.93**	**17,333,903.32**
Short-Term Liabilities					
Suppliers		4,700,980.18	2,970,087.62	4,702,477.77	2,817,405.85
Other liabilities	14	1,183,229.47	1,331,246.80	1,073,649.42	1,150,689.25
Grants (deferred income)	26	132,622.57	274,504.04	132,622.57	210,575.30
Derivatives	11	12,009.02	0.00	12,009.02	0.00
Short-Term Loans	15	21,685,230.81	15,890,595.82	19,764,600.01	13,407,874.13
Total Short-Term Liabilities		**27,714,072.05**	**20,466,434.28**	**25,685,358.79**	**17,586,544.53**
Total Liabilities		**44,636,464.88**	**39,759,177.49**	**42,151,420.72**	**34,920,447.85**
Total Equity and Liabilities		**110,431,237.61**	**105,107,475.11**	**112,263,413.40**	**104,244,508.95**

2. Statement of Comprehensive Income

		GROUP		COMPANY	
(Amounts in €)	**Note**	**1.1 – 30.06.17**	**1.1 – 30.06.16**	**1.1 – 30.06.17**	**1.1 – 30.06.16**
Sales	19	42,378,140.23	36,495,872.99	41,690,095.18	33,027,872.50
Cost of sales	20	-35,557,671.70	-31,016,678.20	-35,284,741.14	-28,280,088.56
Gross profit / (loss)		**6,820,468.53**	**5,479,194.79**	**6,405,354.04**	**4,747,783.94**
Other income	20	681,310.52	1,480,595.28	814,870.52	784,177.58
Distribution expenses	20	-3,569,783.68	-2,965,815.07	-3,569,783.68	-2,697,541.49
Administration expenses	20	-1,271,658.64	-1,099,744.12	-1,233,954.40	-1,015,925.06
Other expenses	20	-181,187.23	-83,561.75	-181,187.23	-1,070,281.06
Earnings / (losses) before interest and taxes (EBIT)		**2,479,149.50**	**2,810,669.13**	**2,235,299.25**	**748,213.91**
Financial income	20	88,595.57	56,602.39	160,367.37	100,138.09
Financial cost	20	-1,142,681.86	-1,075,247.60	-1,082,528.87	-845,137.28
Income/(expenses) of companies consolidated with the equity method	20	-386,135.11	-432,927.21		
Earnings / (losses) before taxes (EBT)		**1,038,928.10**	**1,359,096.71**	**1,313,137.75**	**3,214.72**
Income Tax	20	-531,245.39	-183,202.82	-482,253.23	-112,175.20
Earnings / (losses) after taxes (EAT) (a)		**507,682.71**	**1,175,893.89**	**830,884.52**	**-108,960.48**
Attributed to:					
Shareholders of the parent		506,019.42	1,174,749.56	830,884.52	-108,960.48
Minority interest		1,663.29	1,144.33		
Other comprehensive income / (expenses) after taxes (b)	20	-46,560.05	-129.76	-42,952.94	
Total comprehensive income/ expenses after taxes (a) + (b)		**461,122.66**	**1,175,764.13**	**787,931.58**	**-108,960.48**
Attributed to:					
Shareholders of the parent		459,459.36	1,174,619.80	787,931.58	-108,960.48
Minority interest		1,663.30	1,144.33		
Earnings / (losses) after taxes per share – basic (in €)	21	0.0275	0.0638	0.0451	-0.0059
Earnings / (losses) before interest, tax, depreciation and amortization (EBITDA)		**3,656,143.61**	**3,946,557.63**	**3,233,161.97**	**1,533,687.64**

ELASTRON
STEEL SERVICE CENTERS

3. *Statement of Changes in Equity*

(A) STATEMENT OF CHANGES IN GROUP'S EQUITY

		Corresponding to shareholders of the parent			Minority interest	Total Equity
		Share Capital & Share Premium	Reserves	Retained earnings		
Balance on 01.01.2016		**29,606,177.70**	**21,300,686.72**	**12,751,214.34**	**22,666.61**	**63,680,745.37**
Net Profit / (Loss) for the period recorded in total		0.00	0.00	1,679,565.41	1,726.47	1,681,291.88
Purchase of treasury shares		0.00	-7,569.25	0.00	0.00	-7,569.25
Cancellation of treasury shares		-13,484.00	7,313.62	0.00	0.00	-6,170.38
Decrease of minority rights via share capital increase of subsidiaries		0.00	0.00	0.00	0.00	0.00
Balance on 31.12.2016		**29,592,693.70**	**21,300,431.09**	**14,430,779.75**	**24,393.08**	**65,348,297.62**
Net Profit / (Loss) for the period recorded in total		0.00	0.00	459,459.36	1,663.30	461,122.66
Share premium account		-14,647.55	0.00	0.00	0.00	-14,647.55
Transfer of earnings into the reserves		0.00	0.00	0.00	0.00	0.00
Purchase of treasury shares		0.00	0.00	0.00	0.00	0.00
Balance on 30.06.2017		**29,578,046.15**	**21,300,431.09**	**14,890,239.11**	**26,056.38**	**65,794,772.73**

(B) STATEMENT OF CHANGES IN COMPANY'S EQUITY

		Corresponding to shareholders of the parent			Total Equity
		Share Capital & Share Premium	Reserves	Retained earnings	
Balance on 1.1.2016		**29,606,177.70**	**21,289,008.93**	**18,166,704.32**	**69,061,890.95**
Net Profit / (Loss) for the period recorded in total		0.00	0.00	275,909.78	275,909.78
Share capital decrease via the cancellation of treasury shares		0.00	-7,569.25	0.00	-7,569.25
Purchase of treasury shares		-13,484.00	7,313.62	0.00	-6,170.38
Balance on 31.12.2016		**29,592,693.70**	**21,288,753.30**	**18,442,614.10**	**69,324,061.10**
Net Profit / (Loss) for the period recorded in total		0.00	0.00	787,931.58	787,931.58
Share capital decrease via the cancellation of treasury shares		0.00	0.00	0.00	0.00
Purchase of treasury shares		0.00	0.00	0.00	0.00
Balance on 30.06.2017		**29,592,693.70**	**21,288,753.30**	**19,230,545.68**	**70,111,992.68**

ELASTRON
STEEL SERVICE CENTERS

4. Statement of Cash Flows

(Amounts in €)	GROUP		COMPANY	
	1.1-30.06.2017	1.1-30.06.2016	1.1-30.06.2017	1.1-30.06.2016
Operating Activities				
Earnings before Tax (EBT)	1,038,928.10	1,359,096.71	1,313,137.75	3,214.72
Plus / minus adjustments for:				
Depreciation & amortization	1,243,305.39	1,270,839.86	1,064,174.00	886,539.61
Depreciation of grants	-66,311.28	-134,951.36	-66,311.28	-101,065.88
Provisions	23,063.94	-4,941.92	23,063.94	-835.30
Impairment of assets	77,880.00	52,500.00	77,880.00	1,037,326.85
Results (income, expenses, profit and loss) from investment activity	396,690.79	-444,979.75	10,555.68	-25,654.71
Debit interest and related expenses	1,009,232.89	1,075,247.60	1,082,528.87	845,137.28
	3,722,789.83	3,172,811.14	3,505,028.96	2,644,662.57
Plus/minus adjustments for changes in working capital accounts or those related to operating activities				
Decrease / (increase) of inventories	-4,485,416.70	-1,963,309.49	-4,485,416.70	-2,171,311.64
Decrease / (increase) of receivables	-2,902,485.04	-2,771,881.42	-2,896,642.93	-2,965,630.29
(Decrease) / increase of liabilities (apart from banks)	1,788,645.22	5,155,014.66	1,808,032.09	4,569,260.08
Minus:				
Debit interest and related expenses paid	-1,048,345.78	-1,158,371.05	-1,124,514.30	-845,137.28
Taxes paid	6,061.01	50,091.92	-38.99	28,649.09
Total inflows/(outflows) from operating activities (a)	**-2,918,751.46**	**2,484,355.76**	**-3,193,551.87**	**1,260,492.53**
Investment Activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	0.00	-163,972.04	0.00	-815,170.00
Purchase – Sale of Securities	105,297.50	-506.77	105,297.50	-506.77
Purchase of tangible and intangible fixed assets	-2,253,846.87	-474,838.05	-2,253,556.55	-200,504.10
Proceeds from sales of tangible and intangible assets	22,000.00	0.00	22,000.00	0.00
Interest received	3,620.75	7,972.88	3,620.75	7,372.30
Dividends received	0.00	0.00	0.00	0.00
Total cash inflows/(outflows) from investment activities (b)	**-2,122,928.62**	**-631,343.98**	**-2,122,638.30**	**-1,008,808.57**
Financial Activities				
Proceeds from share capital increase	0.00	0.00	0.00	0.00
Amounts collected from issued / received Loans	39,800,000.00	40,489,387.08	39,800,000.00	40,239,387.08
Loan repayments	-35,027,034.70	-38,706,079.08	-34,786,088.70	-38,124,187.08
Dividends Paid	0.00	0.00	0.00	0.00
Total cash inflows/(outflows) from financial activities (c)	**4,772,965.30**	**1,783,308.00**	**5,013,911.30**	**2,115,200.00**
FX differences on cash flows	0.00	0.00	0.00	0.00
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**-268,714.78**	**3,636,319.78**	**-302,278.87**	**2,366,883.96**
Cash and cash equivalents at the beginning of the period	4,717,349.16	6,420,661.49	4,224,181.36	5,589,230.97
Cash reserves of Agricultural 31/12/16 – Change in Consolidation Method - Merger	-303,731.26	0.00	0.00	0.00
Cash and cash equivalents at the end of the period	**4,144,903.12**	**10,056,981.27**	**3,921,902.49**	**7,956,114.93**

Notes on the Financial Statements

1. General information

The Company "ELASTRON S.A.- STEEL SERVICE CENTERS" was founded in 1958 as a Limited Liability Company and in 1965 was converted to an S.A. Company. It has its headquarters in Aspropyrgos Municipality (Ag. Ioannou venue, Stefani) and it is registered with the Ministry of Development, General Secretariat of Commerce, Corporations and Credit Directorate, under S.A. Company Registration Number 7365/06/B/86/32.

The Company's main activity is the import, processing, and trade of steel, steel plates, iron and metal goods, and similar goods.

The Company's shares are listed and traded on the Athens Exchange since 1990.

The Company has no disputes in litigation or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on its financial position situation or operation.

The Company's website is **http://www.elastron.gr.**
The Semi-Annual Financial Report of 30.06.2017 was approved by the Company's Board of Directors on 25.09.2017.

2. Significant accounting principles used by the Group

2.1 New standards, interpretations and amendments to existing standards

New standards, amendments of standards and interpretations have been issued and have mandatory application for annual accounting periods beginning on 1 January 2017 or after. The effect from the adoption of these new standards, amendments and interpretations is presented below.

Standards and Interpretations mandatory for the current financial year 2017

There are no new standards, amendments of standards and interpretations that have been adopted by the European Union and are mandatory for accounting periods beginning on 01.01.2017.

Standards and Interpretations mandatory for future periods

IAS 12 (Amendment) "Recognition of Deferred Tax Assets for Unrealized Losses"

The amendment clarifies the accounting concerning the recognition of deferred tax assets for unrealized losses incurring from debt instruments measured at fair value. The amendment is applicable for annual periods beginning on or after 1 January 2017 and has not yet been approved by the European Union. The amendment is not expected to significantly affect the financial statements of the Company and the Group unless it is stated otherwise.

IAS 7 Statement of Cash Flows (Amendment) "Disclosures"

The amendment introduces mandatory disclosures that enable users of financial statements to evaluate the changes in liabilities arising from financing activities. The amendments shall require entities to provide disclosures that permit investors to evaluate changes in liabilities arising from financial activities, including changes arising from cash flows and non-cash changes. The amendment is applicable for annual periods beginning on or after 1 January 2017 and has not yet been approved by the European Union. The amendment is not expected to significantly affect the financial statements of the Company and the Group unless it is stated otherwise.

Annual Improvements to IFRSs 2014-2016 Cycle

The amendments of the 2014 - 2016 Cycle were issued by the IASB on 8 December 2016, are applicable for annual periods beginning on or after 1 January 2017 and have not yet been approved by the European Union. The amendments below are not expected to have a material impact on the financial statements of the Company (The Group) unless it is stated otherwise.

IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of the Standard

The amendment clarified the scope of the standard by specifying that certain of the disclosure requirements in the standard apply for an entity's interests that are classified as held for sale, except for the case of the obligation to provide condensed financial information. The amendment is applied for annual accounting periods that begin on after 1 January 2017. As held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

Standards and Interpretations mandatory for future periods which have not been adopted on a prior basis by the Company and the Group

The following new standards, amendments of standards and interpretations have been issued but they are mandatory for future periods. The Company and the Group have not adopted the following standards on a prior basis.

Standards and Amendments of Standards adopted by the European Union

IFRS 9 "Financial Instruments"

On 24 July 2014 the Board issued the final version of IFRS 9, which includes the classification and measurement, the impairment and the hedge accounting. The standard will replace IAS 39 and all previous versions of IFRS 9. The financial assets are valued at the non-depreciated cost, at the fair value through the results, or at the fair value through the other comprehensive income, based on the business model of the company with regard to the management of the financial assets and the conventional cash flows of the financial assets. Apart from the risk of the entity, the classification and measurement of the financial liabilities has not changed in comparison to existing requirements. The Group and the Company are in the process of assessing the effect from IFRS 9 on the financial statements, since the application of the particular standard in the future may have a significant effect on their financial statements. IFRS 9 is mandatorily applied for annual accounting periods beginning on or after 1st January 2018 whereas it was adopted by the European Union on 22 November 2016.

IFRS 15 "Revenue from Contracts with Customers"

On 28 May 2014 the IASB issued the IFRS 15 "Revenue from Contracts with Customers", which including also the amendments to the standard issued on 11 September 2015 is mandatory for annual periods beginning on or after 1 January 2018 and is the new standard referring to revenue recognition.
The IFRS 15 supersedes the IAS 18 "Revenue", IAS 11 "Construction contracts" and the interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.
The new standard establishes a single, five-step model that shall be used for revenue arising from a contract with a customer (with limited exemptions), regardless of the nature of the revenue transaction or the sector. The requirements of the standard will be applied also for the recognition and measurement of gains and losses from the sale of certain non-financial assets that do not constitute production from the entity's usual activities (e.g. sales of property, plant and equipment or intangible assets). Further disclosures shall be required, including an analysis of the total revenue, information in relation to return obligations, changes in the balance of the contract's assets and liabilities between the periods and critical judgments and estimates. The IFRS 15 was approved by the European Union on 22 September 2016.
The Company and the Group are in the process of assessing the effect of IFRS 15, as the application of the standard may have a significant effect on their financial statements.

Standards and Amendments of Standards which have not been adopted by the European Union

IFRS 14 — Regulatory Deferral Accounts

On 30 January 2014, IASB published the above standard. The scope of IFRS 14 is to define the requirements concerning the financial information about the outstanding balances of the "regulatory deferral accounts" arising when an entity provides good or services to customers at a price or rate that is subject to rate regulation.
IFRS 14 permits an economic entity adopting for the first time the IFRS to continue accounting, with minor changes, for the "regulatory deferral account" balances according to the previous accounting standards, both in the case of the first time adoption of IFRS and in the case of subsequent financial periods. The balances and movements of these accounts are recorded separately in the statements of financial position, results and other comprehensive income, while certain disclosures are required. The new standard is applied for annual financial periods beginning on or after 1 January 2016 and has not been adopted by the European Union.

IFRS 16 "Leases"

On 13 January 2016 the International Accounting Standards Board (IASB) issued the IFRS 16 which supersedes the IAS 17. Purpose of the standard is to ensure that lessors and lessees provide useful information that presents fairly the substance of the transactions concerning leases. The FIRS 16 introduces a single lessee accounting model on lessee's side, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. For the accounting, on the lessor's side, the IFRS 16 substantially incorporates the requirements of the IAS 17. Consequently, lessors continue to classify leases as operating or finance, and follow different lessor accounting for each type of contract. The new standard is applicable for annual periods beginning on or after 1 January 2019 and has not yet been approved by the European Union.

IFRS 17 "Insurance Contracts"

On May 18, 2017, the IASB issued the IFRS 17 which supersedes the existing standard IFRS 4.
IFRS 17 establishes the principles for the recording, valuation, presentation and the disclosures of the insurance contracts with the aim to provide a more unified approach in terms of valuation and presentation for all insurance contracts.

According to the requirements of IFRS 17 the valuation of insurance obligations is not performed at the historic cost but instead at the current value in a prudent manner and with the use of:.

- unbiased expected weighted estimates of future cash flows based on updated assumptions,
- discount rates that reflect the characteristics of the contracts' cash flows,
- estimates with regard to financial and non-financial risks that emerge from the issuance of insurance contracts.

The new standard is applicable for annual accounting periods beginning on or after 1 January 2021 and has not been adopted by the European Union.

IFRS 10 (Amendment) "Consolidated Financial Statements" and IAS 28 (Amendment) "Investments in Associates and Joint Ventures" - Sale or Contribution of assets among the Investor and the Associate or Joint Venture

The main consequence of the amendment issued by the IASB on September 11, 2014, is that the full gain or loss is recognized when a transaction involves a company (whether is based on a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a corporation, even if these assets are located 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.

IFRS 2 Share-based Payment (Amendment) "Classification and Measurement of Share-based Payment"
The amendment to IFRS 2 "Share-based Payment" clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for

employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

IFRS 4 (Amendment) "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts"

The Board issued on 12 September amendments to IFRS 4 to address, concerns about applying the new standard IFRS 9 Financial Instruments before the application of the new Board amended IFRS 4. The amendments introduce two approaches: overlay approach and temporary exemption. The amended standard shall:
• Allow all companies that issue insurance contracts to recognize in OCI, rather than profit or loss, the volatility that may arise when IFRS 9 is applied before the new insurance contracts.
• Provide to companies with activities predominantly connected with insurance an optional temporary exemption to defer the application of IFRS 9 until 2021.
The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

Clarifications to IFRS 15 "Revenue from Contacts with Customers"

In April 2016, the IASB issued clarifications to IFRS 15. The amendments to IFRS 15 do not change the basic principles of the Standard but provide clarification on how to apply these policies. The amendments clarify how to identity performance obligations recognized as a contract, how to determine whether an entity is a principal or an agent and how is determined whether the revenue from granting a license should be recognized as transferred at a point in time or over time. The Company and the Group will assess the impact of all the above on its financial statements, however is not expected any. The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

Annual Improvements to IFRSs 2014-2016 Cycle

The following amendments of the Cycle 2014 – 2016 were issued by the Board on 8 December 2016, are applicable for periods beginning on or after 1 January 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 and the Group unless it is stated otherwise.

IFRS 1 first time adoption of international financial reporting standards

The amendment eliminates the "Short-term exceptions from IFRS" which were required from the Section E of the IFRS 1 under the reasoning that they have already served their purpose and they are not any longer necessary.

IAS 28 (Amendment) "Measuring an Associate or Joint Venture at fair value"
The amendment clarified that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment -by-investment basis, upon initial recognition.

IAS 40 "Investment Property" Transfer of Investment Property
The amendments to IAS 40 issued by the IASB on 8 December 2016 clarify that an entity can transfer a property to, or from investment properties, when and only when, there is evidence of a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition. A change in management's intentions for the use of a property, in isolation, is not evidence of a change in use to support a transfer.
The amendment is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

IFRIC 22 Interpretation "Foreign currency transactions and Advance consideration"
The Interpretation 22 clarifies the accounting for foreign currency transactions including the receipt or the payment of consideration in advance. Specifically, it applies for the foreign currency transactions where an entity recognizes a non-monetary asset or liability arising from the payment or the receipt of consideration in advance before the entity recognizes the related item as expense or revenue. The interpretation states that the date of the transaction, for the purpose of determining the exchange rate to

use on initial recognition of the related item, should be the date on which an entity initially recognizes the non-monetary asset or liability arising from the advance consideration. If there are multiple payments or receipts in advance, the date of transition is determined for each payment or receipt.
The interpretation is applicable for annual periods beginning on or after 1 January 2018 and has not yet been approved by the European Union.

IFRIC 23 Interpretation "Uncertainty over Income Tax Treatments"

Interpretation 23 is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. In such case should be considered:
• whether tax treatments should be considered collectively or independently and on the assumption that the examinations will be done by the taxation authorities having full knowledge of all relevant information:
• it is probable that the taxation Authorities will accept the entity's determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates and
• an entity has to reassess its judgments and estimates if facts and circumstances change.
IFRIC 23 is applicable for annual periods beginning on or after 1 January 2019 but has not yet been approved by the European Union.

2.2 Basis for Preparation of the Financial Statements

ELASTRON S.A Company and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations, as such have been adopted by the European Union. The transition date of the Group to IFRS was set as January 1st 2004, during which the Opening Balance Sheet was prepared.

The above statements are based on the financial statements prepared by the Company and Group in accordance with Greek Trade Law and the tax legislation as it is in effect, with the appropriate off-balance sheet adjustments made in order to comply with the IFRS, and they have been prepared according to the historic cost principle (tangible assets, land-plots, buildings – building facilities were valued at fair value during the transition date) except for financial derivatives that are valued at fair value.

The preparation of the financial statements in accordance with generally accepted accounting principles requires the use of evaluations and assumptions that affect the balances of asset and liabilities accounts, the disclosure of contingent receivables and payables on the preparation date of the financial statements, as well as the reported income during the financial periods in question. Even though these specific evaluations are based on the Management's (the Group's) best knowledge, the actual results may eventually differ from such estimates.

2.3 Consolidation

The consolidated financial statements consist of the financial statements of the parent Company ELASTRON S.A. and the other Group companies, which are the following:

COMPANY	DOMICILE	BUSINESS ACTIVITY	PARTICIPATION STAKE	PARTICIPATION COST	CONSOLIDATION METHOD
NORTHERN GREECE METAL PRODUCTS S.A.	Thessaloniki	Commerce and processing of steel products	50.00% (Joint venture)	5,000,000.00	Equity
BALKAN IRON GROUP S.R.L.	Bucharest, Romania	Commerce and processing of steel products	33.33% (Joint venture)	800,000.00	Equity
PHOTODEVELOPMENT S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.6%	325,500	Full
PHOTODIODOS S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	98.3%	265,533.70	Full
PHOTOENERGY S.A.	Aspropyrgos	Production of electric energy from	97.5%	175,500	Full

		Photovoltaic stations			
ILIOSKOPIO SA	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOKYPSELI S.A.	Aspropyrgos	Production of electric energy from Photovoltaic stations	97.5%	175,500	Full
PHOTOISXYS LTD	Aspropyrgos	Production of electric energy from Photovoltaic stations	100.00%	80,000	Full
THRACE GREENHOUSES S.A.	Xanthi	Production of agricultural products from glasshouse cultivations	49,09%	2,700,000	Equity
KALPINIS SIMOS BULGARIA EOOD	Sofia, Bulgaria	Commerce and processing of steel products	100.00%	10,000.00	Full

* The participation cost does not include any impairment.

The merger between the companies ELASTRON AGRICULTURAL SA and THRACE GREEENHOUSES SA via the absorption of the former by the latter was completed on 26/07/2017. The said merger follows the relevant decisions made in 2016 by the boards of the above two companies and was approved according to the decision with protocol number Γ/ΕΞ/2118-1/26-7-2017 of the Regional Vice Governor of Xanthi, registered in the General Electronic Commercial Registry (GEMI) on 28/07/2017 with registration code number 1126741 and in accordance with the provisions of articles 68, paragraph 2 and 69-77 of P.L. 2190/1920 and of the articles 1-5 of Law 2166/1993 as they are in effect.

Cross-company transactions, balances and unrealized profit from transactions between the companies of the Group are written-off. The unrealized losses are also written-off, unless the transaction provides indications of impairment of the transferred asset. During the acquisition of a company, the assets, liabilities as well as contingent obligations acquired are estimated at fair value on the acquisition date.
The acquisition cost, by the amount that exceeds the fair value of the acquired net assets (assets – liabilities – contingent obligations), is recorded as goodwill in the financial year when the acquisition took place.

In the event that the acquisition cost is less than the above fair value, the difference is recorded in the results of the financial year when the acquisition took place. Minority interest is recorded according to its proportion on fair value. In subsequent financial years, any losses are proportionally distributed to the minority, in addition to minority interest.

The results of the acquired or sold subsidiaries within the financial year are included in the statement of comprehensive income from or until the date of acquisition or sale, respectively. The accounting principles of the Group's companies have been amended so as to conform to those adopted by the Group. The participation of the above companies in the ELASTRON S.A. Company financial statements is measured at acquisition cost, minus any provision for impairment of their value.

2.4 Foreign Exchange translations

The reference currency of the Group is the Euro and therefore the financial statements are presented in Euro (€). Transactions in foreign currency are translated to Euro using the applicable exchange rates on the date of the transactions. Receivables and liabilities in foreign currency on the date the financial statements were prepared are adjusted so as to reflect the exchange rates prevailing during the preparation date. The profits and losses that arise from such transactions are recorded in the results.

The operating currency of foreign subsidiaries is the official currency of the country where each respective company operates. As regards to foreign subsidiaries which operate in a country with a currency other than the Euro, all balance sheet figures of such during the preparation of the Financial Statements, are translated to Euro using the spot exchange rate as at the financial statements date, while the revenues and expenses are translated using the average exchange rate during the reporting period. The cumulative difference that results from the aforementioned conversion is registered directly in equity until the sale, write-off of non-recognition of a subsidiary, in which case such are transferred to the results.

2.5 Consolidated Financial Statements

(a) Subsidiaries

Subsidiaries are companies over which the parent Company exercises control. The subsidiaries are fully consolidated using the full consolidation method from the date whereupon control over them is acquired and they stop being consolidated from the date upon which such control ceases to exist. The inter-company balances between the Group's companies, transactions between the Group's companies, as well as the unrealized profits are fully written-off in the consolidated financial statements. The consolidated financial statements are prepared using the same accounting principles, while necessary adjustments are made whenever deemed necessary. Investments in subsidiaries are registered at acquisition cost minus any impairment.

(b) Related – Associate Companies

Associated companies are those over which the parent Company exercises substantial influence and which are not considered subsidiaries or joint ventures. In general, ownership of 20% to 50% of voting rights indicates the existence of substantial influence. Investments in related companies are accounted for using the net equity method and are initially registered at acquisition cost.

(c) Joint Ventures (Entities under joint control)

The entity under joint control is a joint venture that consists of the incorporation of a Company in which each participant receives a share. It operates like any other entity except that there is a contractual arrangement between the participants that determines the joint control of the entity's financial activities. From 01.01.2013 the Company consolidates its stake in joint ventures using the equity method.

2.6 Tangible Fixed Assets

Tangible assets are recorded in the financial statements at their acquisition cost (historical cost) minus accumulated depreciation and any impairment in value. The acquisition cost of land plots and buildings / building installations was determined on the transition date to market value. The Group assigned the appraisal of its properties to an independent appraiser in order to record such at fair value on the transition date. The acquisition cost includes all the expenses directly attributable to the acquisition of the assets. Subsequent additions and improvements are recorded as an increase in the cost of related assets, given that such increase the useful life or production capacity of the asset or decrease its operating cost. Repairs and maintenance are recorded as expenses in the period during which such were carried out.

Depreciation of tangible assets (apart from land plots, which are not depreciated) is calculated based on the straight-line method over their estimated useful life. The estimated useful life per class of fixed assets is as follows:

Buildings/ Building Installations etc.	10 – 30 years
Mechanical Equipment etc.	10 – 30 years
Vehicles	10 – 20 years
Other Equipment	3.3 – 15 years

When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recorded as an expense in the results. The related cost and accumulated depreciations of assets that are sold or withdrawn are written off from the corresponding accounts at the time of withdrawal or sale, and corresponding profits or losses are recorded in the period's results.

Installation Expenses

The depreciation of multi-year costs that did not meet the IAS recognition criteria have been written off. Asset acquisition expenses that were included in the depreciation of multi-year costs were transferred to an increase in the acquisition cost of property.

2.7 Intangible Assets

Intangible assets include software, which is valued at acquisition cost minus amortization. The amortization is estimated using the straight line method throughout the useful life of such assets, which is approximately 3.3 years. Expenses generated from the development and maintenance of software are acknowledged as expenses when they are incurred.

2.8 Investment property

Investment property corresponds to property (land plots or buildings or part of a building or both) that are owned (by the owner or by the lessee with financial leasing) in order to yield rents or an increase in their value or both, and not for:

- Use in production (plants) or procurement of goods (warehouses) or for administrative purposes (office buildings);
- Sale in the regular course of the Company's business.

Investments property is valued according to the acquisition cost method (in the exact manner as operational property) and are recorded in the balance sheet at acquisition cost minus accumulated amortization and accumulated impairment losses.

2.9 Non-current assets held for sale and discontinued operations

The aim of the present IFRS 5 is to determine the accounting treatment of the assets being held for sale and the presentation and disclosure of discontinued operations. Specifically, the present IFRS requires:

a) assets that fulfill the classification criteria of being held for sale should be valued at the lowest value between the book value and the fair market value minus the sales cost, while the amortization of these assets should cease, and

b) the assets that fulfill the classification criteria of being held for sale should be separately presented in the statement of financial position and the results of the discontinued operations should be separately presented in the results.

2.10 Impairment review of tangible and intangible assets

Assets that are depreciated are subject to and impairment review when there are indications that their book value is not recoverable. Recoverable value is the larger value between the net sale value (selling price less selling expenses) and value in use. Loss due to impairment of assets is recognized when the book value of these items or the cash-flow generating units is greater than their recoverable amount.

2.11 Segment reporting

IFRS 8 which replaces IAS 14, adopts the approach of presenting segment information, based on the manner in which such is presented internally to those that make decisions for the allocation of resources and the audit of the effectiveness of the company's operations. The segments constitute parts of an entity that are reviewed regularly by the entity's CEO / Board of Directors and are presented in the financial statements according to this internal categorization.
A business segment is defined as a group of assets and operations which include products and services that are subject to different risks and returns than those of other business segments. A geographic segment is defined as a geographic area where products and services are provided and which is subject to different risks and returns than other areas.

2.12 Borrowing Cost

The underwriting, legal, and other direct costs incurred related to the issue of a loan, readjust the borrowing amount recorded in the Results based on the effective interest rate method for the duration of the loan agreement. The borrowing costs are recorded in the results on the date they are incurred. The amount of the borrowing cost that corresponds to the construction period of tangible fixed assets is recognized as an increase to the latter's value.

2.13 Financial Assets

(a) Financial Assets measured at fair value with changes recorded in the results

Such concern financial assets that meet any of the following criteria:

- Financial assets held for commercial purposes (including derivatives, excluding those that are specified and effective as hedging instruments), are those acquired or created with the intent of sale or re- purchase, and finally those that are part of a portfolio of recognized financial instruments that are managed with the objective to create profit.
- Upon initial recognition, the company specifies the asset as measured at fair value by recording the changes in the results.
- On the Group's Balance Sheet, the transactions and fair value measurements of derivatives are recorded in separate accounts of the Assets and Liabilities under the title "Financial Derivatives." Fair value changes of derivatives are recorded in the results.

(b) Financial Derivatives and Hedging Instruments

The Group uses financial derivatives such as forward foreign exchange contracts. Derivatives are valued at fair value during the reference date. For purposes of hedge accounting, the hedges are classified as cash flow hedges when used to hedge the volatility of cash flows in relation to a recognized asset or liability, or in relation to a very possible commitment.
The overall hedged portion of the profit – loss in a measurement of derivatives, is recognized and recorded directly in equity if such is a cash flow hedge, while the non-effective portion is recorded in the results.
Amounts recorded as an equity reserve are transferred to the results in the period when the hedged item affects the profit or losses.
In cases of hedged of estimated future transactions, which lead to the recognition of a non-monetary item (inventory etc) or liability, then the profit or losses that had been recorded in equity are transferred to the acquisition cost of the resulting non-financial assets.

(c) Investment held until maturity

This category includes non-derivative financial assets with fixed or pre-defined payments and a specific maturity, which the Group has the intent and ability to hold until maturity.

(d) Financial assets available for sale

Such include non-derivative financial assets that cannot be included in any of the above categories. They are included in the non-current assets, provided that management does not intend to liquidate them within a 12-month period from the Balance Sheet date.

The purchase and sales of investments are recorded on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially accounted for at fair value increased by the direct expenses ascribed to the transaction, with the exception as regards to the direct expenses ascribed to the transaction, for those assets that are measured at fair value with changes recorded in the results. Investments are written-off when the right to the cash flows from investments ceases to exist and the Group has transferred all the risks and rewards that the emanate from ownership. The financial assets available for sale are valued at fair value, while the profit or losses that may arise are recorded in the equity reserves until such assets are sold or designated as impaired. During the sale or when designated as impaired, the profit or losses are transferred to the results.
The fair values of financial assets that are traded on active markets are determined by their market prices. For the non-traded assets, the fair values are determined using valuation techniques, such as discounted future cash flows and option valuation models.

On each balance sheet date, the Group must proceed with estimations on whether its financial assets have been subject to impairment. For equity instruments, which have been classified as financial assets available for sale, such an indication constitutes a significant reduction to their fair value compared to their acquisition cost. If there is impairment, the cumulative loss in equity is transferred to the results.

Impairment losses from equity instruments that have been registered in the results are not reversed through results.

(e) Recognition, write-off, definition of fair values

The purchase and sales of investments are recognized on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. Investments are initially recognized at fair value plus the expenses directly attributed to the transaction, with the exception as regards to those expenses directly attributed to the transaction, for items that are valued at fair value with changes in the results.

The investments are written-off when the right to the cash flows from investments expires or is transferred and the Group has essentially transferred all the risks and rewards emanating from ownership.
The realized and unrealized profit or losses arising from changes in fair values of the financial assets measured at fair value with changes in the results are recorded in the results during the period in which such arise.

The fair values of the financial assets that are traded on active markets are determined by the current bid prices. For non-traded assets, fair values are determined using evaluation techniques such as the analysis of recent transactions, comparative assets traded, and discounted cash flows. The equity instruments, non-traded in an active market, that have been classified under the category Financial Assets Available For Sale and the fair value of which cannot be determined in a reliable way, are valued at acquisition cost.

(f) Impairment of financial assets

On every balance sheet date, the Group estimates whether there is objective evidence leading to the conclusion that the financial assets have been subject to impairment. For shares of companies classified as financial assets available for sale, such an indication consists of the significant or extended drop of their fair value in relation to their acquisition cost. If impairment is substantiated, the accumulated loss to equity, namely the difference between acquisition cost and fair value, is transferred to the results.

2.14 Inventories

Inventories are measured at the lower value between acquisition or production cost and their net liquidation value.

The cost is determined by the weighted average cost method and includes expenses for acquiring the inventories or expenses for their production and the expenses for transporting them to their storage location. Borrowing cost is not included in the acquisition cost of inventories.

The net liquidation value is estimated based on the current selling price of inventories in the context of normal activity, minus the given distribution cost, where applicable.

2.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand and sight and time deposits.

2.16 Share capital and reserves

Share capital includes common registered shares of the company and reserves from the issue of shares above par (share premium). Expenses that were made for the issue of shares are recorded following the deduction of the relevant income tax, minus the issue product, in the share premium. The costs realized on the issue of shares, appear after deducting the related income tax in reduction of the issue proceeds, in the share premium.

We highlight the fact that the company’s Ordinary General Meeting on 29.06.2006 decided on the conversion of its shares from bearer to registered. The conversion process for the shares was completed on 8.9.2006, at which time the new registered shares began trading on the Athens

Exchange.

2.17 Loans

Loans are initially recorded at fair value minus by any direct costs for the implementation of the transaction. They are subsequently measured at the net book cost, using the effective interest rate method. Loans for which the Company is entitled to defer repayment for more than 12 months are considered long term.

2.18 Income Tax – Deferred Income Tax

The burden of the financial year with income tax includes current taxes and deferred taxes, namely taxes or tax deductions related to the economic benefits arising in the current period but which have already been accounted for or will be accounted for by the tax authorities in different periods.

Deferred tax is calculated upon all the temporary differences of the balance sheet (the difference between the book value of each asset and its corresponding recognized tax value).

Concerning readjustment for non-depreciated fixed assets (sports fields, etc.) at their fair value, the deferred tax is calculated upon their liquidation (selling) value.

The cost of deferred taxes burdens the results of the financial year in which such are accounted. However, in the event that the temporary differences have been recorded in equity, the corresponding deferred tax is directly recorded in equity.

Deferred tax is not recorded for a tax liability that may be created solely pursuant to a decision made by the Company.

Deferred tax assets and liabilities are valued based on the expected tax rates to be applied during the fiscal period when the asset or liability will be settled, after considering the tax rates (and tax laws) in effect up to the Balance Sheet date. In case where the reversal time of the temporary differences cannot be determined, the tax rate to be applied is the tax rate in effect as of the date following the Balance Sheet date.

The recording of an asset for deferred income tax occurs only when there is certainty that the Company will achieve profits in the future, in order to offset the present asset with the future tax liability.

The loss during a financial year (or period) that is carried forward to the next financial year (or period) in order to offset the taxable profits of a following financial year (or period) contains a tax asset equal to the income tax that will be to the benefit of the Company in the next financial year (or period) in which the offsetting will occur. This asset is recorded when it is deemed certain that the Company will achieve profits in the future in order for it to be possible to offset the liability.

When there is a change in tax legislation, the tax liabilities and assets recorded in the books are adjusted accordingly. The adjustment differences are accounted for in the financial year results.

2.19 Employee benefits

(a) Short-Term Benefits:

Short-term employee benefits in cash and in goods are recorded as expenses when such become accrued.

(b) Post-employment benefits

Post-employment benefits include both defined contribution plans as well as defined benefit plans.
The accrued cost of the defined contribution plans is recorded as expense in the period it refers to.
The liabilities emerging from the defined benefit plans to employees are calculated in the discounted value of the future benefits granted to the personnel and have been defined as accrued at the balance sheet date. The commitment for the defined benefit is calculated annually from independent actuarial professional with the use of the projected unit credit method.

The actuarial gains and losses emerging from empirical adjustments and from changes in the actuarial assumptions, are recognized in the other comprehensive income of the period they refer to.
The prior service cost is directly recognized in the results.

(c) Benefits of service termination

The benefits of service termination are payable when the Group either terminates the employment of employees prior to retirement, or following a decision made by employees to accept the benefits offered from the Group in exchange for their employment termination. The Group recognizes the benefits for employment termination as liability and expense during the earliest of the following dates: a) when the economic entity is not able any longer to withdraw the offer of these benefits and b) when the economic entity recognizes the restructuring cost which relates to the field of IAS 37 and results into the payment of benefits for service termination. Benefits for service termination which are due for 12 months after the balance sheet date are discounted.

2.20 Provisions

Conditions for recording provisions:

- Legal Commitment

Contract, Legislation, or other application of the Law.

- or Constructive Obligation

This is an obligation that arises from past Company practice, published practices or a specific public statement.

- Reliable estimate of the amount

- Arises from past events (present obligation)

- Possible outflow of economic resources is possible from the settlement of the obligation.

The conditions for registration of provisions must apply cumulatively. A provision shall only be registered where the obligation exists, regardless of future Company actions. Where the Company can avoid the expense, no obligation exists and no provision is registered. A Board decision does not suffice for the registration of a provision, since the Board may revoke its decision. A provision may also represent future expenses necessary for the acquisition of future economic benefits. In these cases, the amount of the provision is capitalized as an asset.

Provisions are reviewed at the end of each period and are adjusted in order to reflect the best possible estimates and, where necessary, are discounted at a pre-tax discount rate.

2.21 Recognition of income

Income includes the fair value of sales of goods and the provision of services, net of VAT, discounts and refunds and are accounted for only when the economic benefits associated with the transaction shall be received by the Company.

Inter-Company income within the Group is written-off entirely.

Income recognition is carried out as follows:

(a) Income from sale of goods

Sales of goods are recognized when the Group has transferred the material risks and benefits arising from ownership of the goods to the buyer and the receivable amount can be reliably valued and its collection is reasonably assured.

(b) Income from provision of services

Income from the provision of services is calculated based on the service's completion stage with regard to its estimated total cost.

(c) Interest income

Interest income is recorded based on the time proportion (accrual principle) and by employing the effective interest rate.

(d) Income from dividends

Dividends are recognized as income when the shareholders' right to collect them has been established (that is, after their approval by the General Meeting).

2.22 Leases

Leases where risks and benefits of ownership are transferred from the lessor to the lessee are classified as financial leases, regardless of whether the ownership is eventually transferred or not. In this case, the fixed asset and liability are recorded at the lowest of the present value of minimum benefits guaranteed by the lessor or the fair value of the asset. Financial lease payments include the amount of principal and the financial expense. The financial expense should be allocated in the results so as to provide a fixed rate on the balance of the liability.

A lease is classified as financial or operating based on the essence of the transaction and not the type of contract.

If it arises from the lease agreement that all the benefits and risks derived from the ownership of the asset substantially remain with the lessor, then it is classified as an operating lease. The lease payments of an operating lease are registered as an expense in the results on a regular basis during the lease period.

2.23 Dividend distribution

Distribution of dividends to the parent Company's shareholders is recorded as a liability in the financial statements when distribution is approved by the shareholders' General Meeting.

2.24 Government Grants

Government grants are initially recognized in the Balance Sheet as deferred income, when the collection of the grant is fairly certain and the Group is expected to comply with all required conditions. Grants that concern the Group's expenses are recognized as other operating income on a regular base in periods when the respective expenses are recognized. Grants that concern the acquisition cost of the Group's assets are recognized as other operating income on a regular base according to the useful life of the corresponding assets.

2.25 Earnings per share

Basic earnings per share are calculated by dividing the net earnings after taxes with the weighted average number of shares during each financial year.

2.26 Long-term Receivables / Liabilities

Long term receivables and liabilities, which are without interest or bear an interest lower than the given market rates, appear at their net present value. The discount differences are presented as financial income / expenses in the Results of the given year in which they occur.

2.27 Related parties

Transactions and balances with related parties appear separately in the Financial Statements Such related parties basically concern the major shareholders and the Management of a business and/or its subsidiary companies, companies with a joint ownership status and/or Management with the business and the consolidated subsidiaries or subsidiaries of these companies.

2.28 Capital management

It is the Group's policy to maintain a strong capital base in order to retain investors' and creditors' confidence and so that its future development will be supported. Management monitors equity, which it considers aggregately, with the exception of minority interest, so that the debt equity ratio (except for Company deposits) will amount to less than between 2 and 2.5 to 1.
In accordance with Codified Law 2190/1920, regarding société anonymes (SAs), limitations are imposed in relation to equity, as follows:
The acquisition of treasury shares, with the exception of acquisition with the intent of distribution to employees, cannot exceed 10% of the paid share capital and cannot result in the decrease of equity to an amount less than the amount of the share capital augmented by the reserves for which distribution is prohibited by Law.
In the event where the company's total equity amounts to less than ½ of share capital, the Board of Directors is obligated to convene a General Meeting, within a period of six months from the end of the financial year, which will decide on the dissolution of the Company or the adoption of another measure.
When the Company's total equity reaches below 1/10 of the share capital and the General Meeting does not take the appropriate measures, the Company may be dissolved by a court decision following a claim by anyone with a lawful interest.
At least 1/20 of net earnings are deducted annually in order to form a statutory reserve, which is used exclusively to counterbalance, before any dividend distribution, any debit balance of the retained earnings account. The formation of this reserve is rendered optional when its amount reaches 1/3 of share capital. The payment of annual dividends to shareholders in cash, to an amount at least 35% of net earnings, after the deduction of the statutory reserve and the net result from the measurement of assets and liabilities at fair value, is mandatory. This is not applicable id decided by a General Shareholders' Meeting by a majority of at least 65% of the fully paid share capital.

In this case, the non-distributed dividend of up to at least 35% of the above net earnings is recorded in a special reserve for capitalization account, within four years with the issue of new shares that are offered at no charge to the entitled shareholders.

Finally, with a majority of at least 70% of the fully paid share capital, the General Meeting of shareholders may decide on the non-distribution of dividend.

The company complies fully with the relevant provisions imposed by law in relation to equity.

3. Financial Risk Management

RISKS AND UNCERTAINTIES

The Group is exposed to the following financial risks within the scope of its basic activity:

- Credit risk
- Liquidity risk
- Market risk

The Group's risk management policy is focused on the volatility of financial markets with the objective of minimizing the factors that may negatively affect its financial performance.

The risk management policy is applied in order to recognize and analyze risks which the Group faces, to set limits on risks assumed and to apply controls to such limits. The systems and policies applied are periodically reviewed to incorporate changes observed in market conditions and the Group's activities.

The risk management is performed by the Company's Finance Department, in cooperation with the Group's other departments and according to the guidelines and approvals of the Company's Board of Directors.

Adherence to risk management policies and procedures is controlled by the Internal Audit Department, which performs ordinary and extraordinary audits on the application of procedures, the findings of which are disclosed to the Board of Directors.

1) Credit risk

Due to the great dispersion of the clientele (no client exceeds 10% of total sales), the Group does not have a significant concentration of credit risk. Based on the credit policy approved by Board of Directors of the Group's companies, all new clients are examined on an individual basis in terms of their creditworthiness prior to the proposal of the standard payment terms. Credit limits are set for each client; these are reviewed depending on ongoing conditions and, if necessary, the sales and collection terms are adjusted. As a rule, customer credit limits are determined on the basis of the insurance limits set for them by the insurance companies. While monitoring credit risk of customers, such are grouped according to their credit profile, the maturity of their receivables and any prior collection problems that may have emerged. Clients and other receivables mainly include the wholesale clients.

Clients characterized as "high risk" are placed in a special client list and future sales are to be pre-collected and approved by the Board of Directors. Then impairment provisions are performed which reflect its estimation on losses related to clients and other receivables. This provision mainly consists of impairment loss of specific receivables which are estimated on the basis of given conditions that such will be collected, but have not yet been finalized.

The amount of the impairment loss is estimated as the difference between the book value of receivables and the present value of estimated future cash flows, discounted by the initial effective interest rate. The impairment loss amount is accounted for as an expense in the results. Receivables which are assessed as bad debts are written off.

The credit risk is limited to 20% of the total trade receivables, on the basis of the Group's insurance policies. The margin of this risk is limited even further as tangible or other guarantees (such as letters of guarantee) are requested wherever deemed necessary.

2) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its financial liabilities when these become due. The approach adopted by the Group to manage liquidity is to secure the necessary cash and sufficient credit limits from the banks with which it cooperates, so that there is the appropriate liquidity for the fulfillment of the financial liabilities, under standard as well as unfavorable conditions without incurring unacceptable loss or risking its reputation. In order to minimize the liquidity risks, the finance division of the Group makes an annual provision for cash flows for the fiscal year when preparing its annual budget and a monthly rolling three-month provision so as to secure that it has sufficient cash to meet its operating needs, including its financial liabilities. This policy does not take into account the impact of extreme conditions, which cannot be foreseen. For this reason, the Management of the Group, by assessing the market conditions each time, maintains a certain amount of cash reserves for defensive purposes, in order to face any extreme or extraordinary situations.

It is, however, emphasized that there is no tangible guarantee for the total amount of loan liabilities to banks, which proves the Group's high creditworthiness.

The following table presents an analysis of the Company's and Group's liabilities, based on their expiration and remaining duration as at 30.06.2017.

Company:

Amounts in euro	Up to 1 year	From 1 to 5 years	Total
Loans	19,764,600.01	10,785,449.99	30,550,050.00
Suppliers & other liabilities	5,788,136.21	2,182,065.03	7,970,201.24
Grants (deferred income)	132,622.57	3,498,546.91	3,631,169.48
Total liabilities	**25,685,358.79**	**16,466,061.93**	**42,151,420.72**

ELASTRON STEEL SERVICE CENTERS

Group:

Amounts in euro	Up to 1 year	From 1 to 5 years	Total
Loans	21,685,230.81	10,799,467.39	32,484,698.20
Suppliers & other liabilities	5,896,218.67	2,624,378.53	8,520,597.20
Grants (deferred income)	132,622.57	3,498,546.91	3,631,169.48
Total liabilities	**27,714,072.05**	**16,922,392.83**	**44,636,464.88**

Long-term and bond loans with maturity within the next financial year from the reporting date of the financial statements, are transferred to the short term liabilities.

On 30.06.2017, the Company and Group maintained cash & cash equivalents amounting to € 3.9 and € 4.1 million respectively.

3) Market risk

Market risk is the risk of change in prices of raw materials supplied, the risk of change in the foreign exchange rates that the Group conducts transactions in and the risk of change in interest rates that the Group borrows at and which can affect the Group's results. The purpose of risk management against market conditions is to determine and control the Group's exposure to those risks, within the context of acceptable limits while at the same time optimizing its performance.

- **Metal (iron, steel, etc.) Raw Material Price Volatility Risk**

The Group conducts its purchases mainly in the global steel market under normal market terms. Each change in the market price of raw materials is discounted for in the sales price, resulting in changes in the Group's profit margin during periods of big price fluctuations for raw materials in the world market. More specifically, in periods during which prices follow an upward trend, the profit margins improve, as the upward trend is transferred to the sales prices. Accordingly, when raw material prices follow a declining trend, the profit margins decrease.

The Group does not apply hedging to cover its basic operating reserve, which means that any increase/decrease of metal prices may affect its results accordingly through depreciation or appreciation of inventories.

- **Foreign exchange risk**

The Group is exposed to foreign exchange risk from the purchase of inventories it makes in $ (US Dollar), from the deposits denominated in $ (US Dollar) as well as from the joint venture BALKAN IRON GROUP SRL, based in Romania, whose operating currency unit is the RON.

The Group's borrowings are euro denominated in their entirety while there are no receivables denominated in foreign currency.

Foreign currency is purchased in advance in order for the Company to limit its foreign exchange risk emerging from inventory purchase. The total liabilities of the Group as of 30.06.2017 are covered by equivalent purchases in advance of foreign currency and as a result there is no foreign exchange risk associated with the fluctuations of the US Dollar.

- **Interest rate risk**

Interest rate risk arises mainly from long-term and short-term bank loans in € at the floating rate of Euribor.

The Group finances its investments, as well as its need for working capital, through equity, short-term bank loans, long-term and bond loans and as a result is burdened by interest expenses. Increasing trends in interest rates shall negatively affect results as they will be affected by the additional borrowing cost.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rates of loans (Euribor) would be 1% higher/lower on average during the first half of the year 2017:

(Amounts in millions)	**Loans 30.06.2017**	**Effect on results before tax (+ / -)**
Group	32.5	0.3
Company	30.6	0.3

This would occur due to the higher/lower financial cost of bank borrowing with a floating rate in euro.

A smaller effect on cash flows results from income on term deposits in euro.

The impact on the Results and Equity of the Group and Company would be as follows, if the interest rate on term deposits would be 1% higher / lower on average during the 1^{st} half of 2017:

(Amounts in millions)	**Sight and term deposits 30.06.2017**	**Effect on results before tax (+ / -)**
Group	4,1	0,1
Company	3,9	0,1

This would occur due to the higher/lower financial income from time deposits.

- **Going Concern Principle**

The management of the Group estimates that all group companies possess sufficient resources which ensure the smooth continuation of their operations in the future as “Sustainable Economic Units” according to the “going concern” principle.

4. *Fair value of financial assets*

There is no difference between the fair values and the respective book values of the financial items of assets and liabilities, namely the trade and other receivables, the cash equivalents, the suppliers and other liabilities, the derivatives financial products and the loans.

Fair value of a financial item is the amount which is received from the sale of a financial item or paid for the settlement of an obligation in a transaction under normal conditions between two trading parties at the date of its valuation. The fair value of the financial items on 30.06.2017 was based on the best possible estimate on behalf of the Company’s Management.

The ranking levels of fair value are the following:
a) official stock exchange prices (without adjustment) in markets with significant trading volumes for similar assets or liabilities (Level 1)
b) inflows, other than stock exchange prices which are included in Level 1, which can be observed for the financial asset or the liability, either directly (for example prices) or indirectly (as derivative of prices) (Level 2), and
c) inflows for the financial asset or the liability which are not based on observable market data (non observable inflows) (Level 3).
The levels in the ranking scale of fair value, within which the measurement of fair value is fully classified, is defined by the inflow of the lowest level which is deemed as significant for the measurement of the entire fair value.

The methods and assumptions which were utilized for the estimation of the fair value are the following:
Cash and cash equivalents, trade and other receivables, suppliers and other liabilities: The accounting value is especially close to the fair value as the maturity of these financial items is in short-term and because there is no foreign exchange risk affecting the fair value.
Loans: The book value is the same with the fair value as these loans are in local currency and with floating interest rate (Euribor).

5. Significant accounting estimations and judgments by management

The Group proceeds with estimates and assumptions regarding the progress of future events. Estimates and assumptions that entail significant risk of causing material adjustments to the book values of assets and liabilities within the coming 12 months are as follows:

Tax Unaudited Fiscal Years

ELASTRON SA and the absorbed, since 01.07.2016, company “CORUS – KALPINIS SIMOS SA COATING MATERIALS” have not been tax audited for the financial year 2010. The company “NORTHERN GREECE METAL PRODUCTS SA” has not been tax audited for the financial years 2009 and 2010. However, the level of tax losses is deemed to exceed the accounting differences that may arise due to a tax audit in future. For the other companies of the Group, it is estimated that there is no need for provision with regard to the tax unaudited financial years. Therefore, on 30.06.2017, for the Company and the Group, there is no outstanding amount for provision for tax unaudited financial years.

From the fiscal year 2011, all the Group’s companies have been subject to tax audit by the Certified Auditors as it is required by the clauses of article 82, paragraph 5 of PL 2238/1994.

6. Analysis of Tangible Fixed Assets

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

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Total
Book value	31,483,127.25	43,321,156.55	1,230,051.59	687,411.02	498,801.56	4,842,627.67	82,063,175.64
Accumulated depreciation/amortization and impairment	-7,011,591.58	-17,608,803.28	-928,789.33	0.00	-381,114.82	-1,553,874.34	-27,484,173.35
Net book value 31.12.16	**24,471,535.67**	**25,712,353.27**	**301,262.26**	**687,411.02**	**117,686.74**	**3,288,753.33**	**54,579,002.29**
Book value	29,455,259.32	42,844,306.22	1,202,207.76	1,084,601.17	484,749.56	4,842,627.67	79,913,751.70
Accumulated depreciation/amortization and impairment	-7,126,204.10	-18,294,206.61	-942,293.35	0.00	-380,587.15	-1,607,797.91	-28,351,089.12
Net book value 30.06.17	**22,329,055.22**	**24,550,099.61**	**259,914.41**	**1,084,601.17**	**104,162.41**	**3,234,829.76**	**51,562,662.58**

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Total
Book value 1.1.2016	**24,043,389.94**	**23,273,508.54**	**198,924.03**	**1,385,990.52**	**45,367.19**	**3,416,088.85**	**52,363,269.07**
Absorption of associate 30.06.16	233,027.25	3,049,989.22	54,859.65	0.00	88,938.79	-60.00	**3,426,754.91**
Additions	872,422.34	1,165,377.46	117,253.35	-698,579.50	2,774.53	0.00	1,459,248.18
Depreciations	-677,303.86	-1,762,321.95	-66,490.86	0.00	-19,393.09	-127,275.52	-2,652,785.28
Sales - write-offs	0.00	-15,000.00	-87,104.52	0.00	-93,170.07	0.00	-195,274.59
Depreciation of assets sold/written-off	0.00	800.00	83,820.61	0.00	93,169.39	0.00	177,790.00
Net book value 31.12.2016	**24,471,535.67**	**25,712,353.27**	**301,262.26**	**687,411.02**	**117,686.74**	**3,288,753.33**	**54,579,002.29**
Merger of Agricultural and consolidation based on equity method	-1,844,827.45	-1,774,996.97	-20,893.13	-357,318.62	-4,857.80	0.00	-4,002,893.97
Additions	0.00	1,487,117.79	12,220.31	754,508.77	0.00	0.00	2,253,846.87
Depreciations	-297,653.00	-850,387.24	-32,675.03	0.00	-8,666.53	-53,923.57	-1,243,305.37
Sales - write-offs	0.00	-33,470.55	0.00	0.00	0.00	0.00	-33,470.55
Depreciation of assets sold/written-off	0.00	9,483.31	0.00	0.00	0.00	0.00	9,483.31
Net book value 30.06.2017	**22,329,055.22**	**24,550,099.61**	**259,914.41**	**1,084,601.17**	**104,162.41**	**3,234,829.76**	**51,562,662.58**

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

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Total
Book value	28,638,288.82	34,375,520.69	1,184,847.69	330,092.40	484,749.56	4,842,627.67	69,856,126.83
Accumulated depreciation/amortization and impairment	-6,796,154.74	-15,782,512.48	-904,603.66	0.00	-371,920.62	-1,553,874.34	-25,409,065.84
Net book value 31.12.16	**21,842,134.08**	**18,593,008.21**	**280,244.03**	**330,092.40**	**112,828.94**	**3,288,753.33**	**44,447,060.99**
Book value	28,638,288.82	35,829,167.93	1,196,777.68	1,084,601.17	484,749.56	4,842,627.67	72,076,212.83
Accumulated depreciation/amortization and impairment	-7,090,460.89	-16,448,047.20	-936,863.38	0.00	-380,587.15	-1,607,797.91	-26,463,756.53
Net book value 30.06.17	**21,547,827.93**	**19,381,120.73**	**259,914.30**	**1,084,601.17**	**104,162.41**	**3,234,829.76**	**45,612,456.30**

MOVEMENT OF FIXED ASSETS	Land-plots & buildings	Vehicles & Mechanical Equipment	Furniture & other equipment	Assets under construction	Intangible assets	Investment property & fixed assets for sale	Total
Book value 1.1.2016	**22,162,766.95**	**16,555,445.95**	**170,763.57**	**0.00**	**36,293.79**	**3,416,088.85**	**42,341,359.11**
Absorption of associate 30.06.16	233,027.25	3,049,989.22	54,859.65	0.00	88,938.79	-60.00	**3,426,754.91**
Additions	28,240.03	206,297.44	113,450.04	330,092.40	0.00	0.00	**678,079.91**
Depreciations	-581,900.15	-1,218,724.40	-55,545.32	0.00	-12,402.96	-127,275.52	**-1,995,848.35**
Sales - write-offs	0.00	0.00	-87,104.52	0.00	-93,170.07	0.00	**-180,274.59**
Depreciation of assets sold/written-off	0.00	0.00	83,820.61	0.00	93,169.39	0.00	**176,990.00**
Net book value 31.12.2016	**21,842,134.08**	**18,593,008.21**	**280,244.03**	**330,092.40**	**112,828.94**	**3,288,753.33**	**44,447,060.99**
Additions		1,487,117.79	11,929.99	754,508.77	0.00	0.00	**2,253,556.55**
Depreciations	-294,306.15	-675,018.03	-32,259.72	0.00	-8,666.53	-53,923.57	**-1,064,174.00**
Sales - write-offs	0.00	-33,470.55	0.00	0.00	0.00	0.00	**-33,470.55**
Depreciation of assets sold/written-off	0.00	9,483.31	0.00	0.00	0.00	0.00	**9,483.31**
Net book value 30.06.2017	**21,547,827.93**	**19,381,120.73**	**259,914.30**	**1,084,601.17**	**104,162.41**	**3,234,829.76**	**45,612,456.30**

There are no liens, collateral or other commitments on fixed assets of the Company and the Group's companies. Intangible assets mainly include acquired software and licenses for use of software.

7. Investment property

	COMPANY	
	30.06.2017	31.12.2016
Property at 1 Palaska Street, Skaramagkas	4,813,153.99	4,813,153.99
Apartment at Filippiados Str.	29,473.68	29,473.68
Total Value	**4,842,627.67**	**4,842,627.67**
Amortized	1,607,797.91	1,553,874.34
Net book value	**3,234,829.76**	**3,288,753.33**

8. Analysis of receivables

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

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Customers	15,441,927.92	15,350,280.08	15,297,307.94	14,977,655.31
Notes	0.00	8,208.00	0.00	6,500.00
Post-dated cheques	8,108,123.11	7,009,962.92	8,108,123.11	7,009,962.92
Provisions for bad debt	(3,064,186.30)	(2,964,186.30)	(3,064,186.30)	(2,964,186.30)
Total trade receivables	**20,485,864.73**	**19,404,264.70**	**20,341,244.75**	**19,029,931.93**

The movement of the provision for bad debts is presented in the following table:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Initial balance	2,964,186.30	1,326,512.06	2,964,186.30	1,326,512.06
Additional provision (results)	100,000.00	200,000.00	100,000.00	200,000.00
Absorption of associate	0.00	1,437,674.24	0.00	1,437,674.24
Utilization of provision	0.00	0.00	0.00	0.00
Total	**3,064,186.30**	**2,964,186.30**	**3,064,186.30**	**2,964,186.30**

There is no concentration of credit risk in relation to trade receivables, as such are dispersed amongst a large number of customers. All the above receivables are short-term and there is no need to discount such to present value during the balance sheet date. Also, the largest part (about 80%) of the company's trade receivables are insured against credit risk, whereas whenever it is required, there is utilization of guarantees and tangible insurance. In addition, the Group proceeds with the formation of the necessary provisions for the coverage of the impaired trade receivables.

The amortized receivables are monitored in transitory accounts and the probability for collection is reviewed.

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

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Receivables from employees	13,600.00	15,398.78	13,600.00	15,398.78
Receivables from other partners - third parties	146,217.56	216,683.27	143,778.80	154,579.93
Greek State– income tax receivable	47,437.44	53,821.57	51,490.10	51,451.11
Greek State – receivable of other taxes	2,008,926.49	612,389.07	2,007,742.12	561,203.89
Receivables from related companies	0.00	0.00	0.00	0.00
Grants receivable	512,837.10	597,331.28	512,837.10	512,837.10
Total	(116,000.00)	(116,000.00)	(116,000.00)	(116,000.00)
Receivables from employees	**2,613,018.59**	**1,379,623.97**	**2,613,448.12**	**1,179,470.81**

The movement of the provision of doubtful receivables is analyzed as follows:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Initial balance	116,000.00	71,000.00	116,000.00	71,000.00
Absorption of associate	0.00	45,000.00	0.00	45,000.00
Utilization of provision	0.00	0.00	0.00	0.00
Total	**116,000.00**	**116,000.00**	**116,000.00**	**116,000.00**

The long-term receivables of the Group and Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Given guarantees	50,654.66	51,553.75	42,734.66	41,300.63
Receivables from affiliates	1,130,637.91	1,110,684.93	3,547,027.84	3,497,070.08
Total	**1,181,292.57**	**1,162,238.68**	**3,589,762.50**	**3,538,370.71**

The given guarantees presented in long-term receivables concern guarantees and receivables that will be received in a period over twelve (12) months from the end of the reporting period. The fair value of such receivables does not differ substantially from that presented in the financial statements and is subject to a review annually. The given guarantees that will be received in the next year, are presented in other short-term receivables.

9. Analysis of inventories

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

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Merchandise	17,973,008.81	15,001,074.33	17,973,008.81	14,988,823.82
Impairment of merchandise	0.00	0.00	0.00	0.00
Products	4,093,977.18	3,503,514.98	4,093,977.18	3,503,514.98
Impairment of products	0.00	0.00	0.00	0.00
Orders	1,274,219.15	1,090,869.80	1,274,219.15	1,090,869.80
Raw materials – consumables	572,197.10	775,394.29	572,197.10	749,968.72
Prepayments for purchases for inventories	3,093,143.30	2,187,951.52	3,093,143.30	2,187,951.52
Total	**27,006,545.54**	**22,558,804.92**	**27,006,545.54**	**22,521,128.84**

The risk of loss due to the loss of inventory from natural disasters, theft etc., is extremely low due to the nature of inventories. There is however risk of impairment due to the volatility of prices globally. Management continuously reviews the net liquidation value of inventories and makes the appropriate provisions in order to ensure that the value of inventory in the financial statements coincides with the real value.

10. Securities

The securities consist of shares in companies listed on the Athens Exchange and have been purchased for the generation of capital gains from the short-term fluctuation of their value. According to the principles of IAS 39, the particular securities are recorded in the financial statements at their fair value.

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Value of securities	51,450.00	156,450.00	51,450.00	156,450.00
Revaluation difference recorded in the results	(20,930.00)	(43,050.00)	(20,930.00)	(43,050.00)
Balance	**30,520.00**	**113,400.00**	**30,520.00**	**113,400.00**

11. Derivatives

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Forward foreign exchange contracts (current assets / short-term liabilities)	(12,009.02)	43,430.61	(12,009.02)	43,430.61
Amounts registered in the results	12,009.02	0.00	12,009.02	0.00

12. Analysis of cash reserves

The Group's and Company's cash & cash equivalents are analyzed as follows:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Cash in hand	10,575.19	13,902.46	2,504.54	4,206.93
Sight and term deposits	4,134,327.93	4,703,446.70	3,919,397.95	4,219,974.43
Total	**4,144,903.12**	**4,717,349.16**	**3,921,902.49**	**4,224,181.36**

Term deposits refer to short-term placements, usually 3-month and monthly, at the banks which the Company and the Group co-operate with.

13. Analysis of all equity accounts

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

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Share Capital	**18,421,516.00**	**18,421,516.00**	**18,421,516.00**	**18,421,516.00**
Share premium	**11,156,530.15**	**11,171,177.70**	**11,171,177.70**	**11,171,177.70**
Statutory reserve	3,546,751.83	3,546,751.83	3,535,074.04	3,535,074.04
Extraordinary reserves	802,993.02	3,270,400.00	802,993.02	3,270,400.00
Tax-exempt reserves subject to special legal provisions	12,086,025.87	12,086,025.87	12,086,025.87	12,086,025.87
Bonus shares from profit capitalization	0.00	0.00	0.00	0.00
Reserves of tax-exempt income	404,315.87	404,315.87	404,315.87	404,315.87
Special reserves	4,467,406.98	2,000,000.00	4,467,406.98	2,000,000.00
Total Reserves	**21,307,493.57**	**21,307,493.57**	**21,295,815.78**	**21,295,815.78**
Treasury shares	**(7,062.48)**	**(7,062.48)**	**(7,062.48)**	**(7,062.48)**
Retained earnings	14,430,779.75	12,762,892.12	18,442,614.10	18,166,704.32
Transfer to reserves		-11,677.78	0.00	0.00
Results during the period	459,459.36	1,679,565.41	787,931.58	275,909.78
Change in minority interests via share capital increase	0.00	0.00	0.00	0.00
Accumulated Earnings	**14,890,239.11**	**14,430,779.75**	**19,230,545.68**	**18,442,614.10**
Total equity without minority interests	**65,768,716.35**	**65,323,904.54**	**70,111,992.68**	**69,324,061.10**
Minority interests	26,056.38	24,393.08	0.00	0.00
Total Equity	**65,794,772.73**	**65,348,297.62**	**70,111,992.68**	**69,324,061.10**

With the decisions of the Ordinary General Meetings of 28.06.2012 and 12.06.2014 respectively, the purchase of the Company's own shares was approved. Until 30.06.2017 the repurchased shares had been cancelled. At the same time, the General Meeting of 09.06.2016 approved the purchase of up to 1,830,016 of the Company's own shares, representing 9.93% of the current paid up capital. The range of the price per share will be from twenty (20) cents up to one euro and fifty cents (1.50). The above proposed purchase of own shares will be implemented in a time period of twenty four (24) months beginning from the first day following the approval by the General Meeting. The following table presents the number of own shares that were purchased and have been cancelled:

	Purchase of Own Shares	
	Shares	Value
Year 2012	184,350	107,441.43
Year 2013	27,130	17,758.82
Year 2014 (until G.M.)	1,520	1,277.36
Year 2014 (after G.M.)	6,070	3,624.10
Year 2015	6,115	3,182.75
Year 2016	11,976	7,569.25
Year 2017	0.00	0.00
Total	**237,161**	**140,853.71**
Cancellation of own shares via share capital decrease	-226,484	-133,791.23
Balance 30.06.2017	**10,677**	**7,062.48**

The Company according to the Greek tax law, proceeded into the creation of tax exempt reserves in the past, with the objective to achieve tax reliefs.

The Company has not recognized any provision for potential income tax obligation in case of future distribution of such reserves to the shareholders, since such obligation is recognized at the same time with the dividend obligation corresponding to such distributions.

The accumulated earnings of the Group and the Company have increased by amounts of grants, € 1,825,269.54 and € 1,758,958.26 respectively, which according to the provisions of L. 3299/2004 & L. 3908/2011 are not distributed.

The purpose of the Company's and Group's management in relation to capital management is to ensure the smooth operation of activities with the objective of providing satisfactory returns to shareholders, and to maintain as much as possible an ideal capital structure, thus reducing the cost of capital. For this reason, the management, according to the prevailing conditions, may adjust its dividend policy, increase its share capital or sell assets in order to reduce debt.

The monitoring of the above is performed on the basis of the leverage ratio. This ratio is calculated by dividing the net debt by the total employed capital. Total employed capital are calculated as the "Shareholders' equity" as they are recorded in the balance sheet, plus the net debt.

Company	30.06.2017	31.12.2016
Total Loans	30,550,050.00	25,578,124.13
Minus: Cash & cash equivalents	3,921,902.49	4,224,181.36
Net Debt	**26,628,147.51**	**21,353,942.77**
Equity	70,111,992.68	69,324,061.10
Total employed capital	**96,740,140.19**	**90,678,003.87**
Leverage ratio	0.28	0.24

Group	30.06.2017	31.12.2016
Total Loans	32,484,698.20	28,280,845.82
Minus: Cash & cash equivalents	4,144,903.12	4,717,349.16
Net Debt	**28,339,795.08**	**23,563,496.66**
Equity	65,768,716.35	65,323,904.53
Total employed capital	**94,108,511.43**	**88,887,401.19**
Leverage ratio	0.30	0.27

The Company according to the Greek tax legislation created tax free reserves in the past with the objective to take advantage of various tax reliefs.

The Company has not recognized any provision for potential income tax obligation in case of future distribution of such reserves to the shareholders, since such obligation is recognized at the same time with the dividend obligation corresponding to such distributions.

14. Analysis of other liabilities

The Group's and Company's other liabilities are analyzed as follows:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Insurance accounts & other taxes	316,485.81	493,210.00	291,181.24	416,986.63
Customer prepayments	625,502.24	700,619.36	625,502.24	700,619.36
Other liabilities / provisions	241,241.42	137,417.44	156,965.94	33,083.26
Dividends payable	0.00	0.00	0.00	0.00
Total	**1,183,229.47**	**1,331,246.80**	**1,073,649.42**	**1,150,689.25**

All the above liabilities are short-term and their discounting is not required at the balance sheet date.

15. Analysis of loans

The Group's and Company's loan liabilities are analyzed as follows:

Long-term loans

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Bond loans	10,799,467.39	12,390,250.00	10,785,449.99	12,170,250.00

Short-term loans

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Bank loans	19,674,388.03	13,457,328.12	17,695,000.01	11,284,606.43
Short-term part of bond loans	2,010,842.78	2,433,267.70	2,069,600.00	2,123,267.70
Total	**21,685,230.81**	**15,890,595.82**	**19,764,600.01**	**13,407,874.13**

TOTAL LOANS	**32,484,698.20**	**28,280,845.82**	**30,550,050.00**	**25,578,124.13**

	GROUP		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 30.06.17	21,685,230.81	10,799,467.39	0.00

	GROUP		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.16	15,890,595.82	12,390,250.00	0.00

	COMPANY		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 30.06.17	19,764,600.01	10,785,449.99	0.00

	COMPANY		
	< 1 year	From 1 to 5 years	> 5 years
Bank loans 31.12.16	13,407,874.13	12,170,250.00	0.00

The changes in the Company's and Group's loans are analyzed in the following table:

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Loans outstanding at beginning of the period	**28,280,845.82**	**23,436,471.37**	**25,578,124.13**	**19,809,450.01**
Loans of subsidiaries during acquisition	(530,000.00)	6,528,500.54	0.00	6,482,624.20
Loans received	39,800,000.00	73,557,485.04	39,800,000.00	73,357,485.04
Interest for the period	904,384.11	1,647,562.40	844,301.84	1,362,251.48
	68,455,229.93	**105,170,019.35**	**66,222,425.97**	**101,011,810.73**
Loans repaid	(35,027,034.70)	(75,207,658.55)	(34,786,088.70)	(74,084,820.55)
Interest paid	(943,497.03)	(1,681,514.98)	(886,287.27)	(1,348,866.05)
Balance of Loans	**32,484,698.20**	**28,280,845.82**	**30,550,050.00**	**25,578,124.13**

16. Analysis of deferred taxes

Deferred tax assets and liabilities are calculated at the level of each individual Company of the Group. If both assets and liabilities arise, such are offset against one another at the individual Company level.

The deferred tax assets (DTA) and liabilities (DTL) are offset when there is an applicable legal right for the current tax assets to be offset against current tax liabilities and when the deferred income taxes concern the same tax authority.

Deferred taxes are as follows:

a) For the Group

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	01.01.2016	MERGER WITH ASSOCIATE	1.1 – 31.12.16	31.12.2016	MERGER WITH SUBSIDIARY	1.1 – 30.06.17	30.06.2017
Intangible assets	-13,156.49	-20,926.48	8,139.07	-25,943.90	1,408.76	17,577.61	-6,957.53
Tangible assets	-3,713,282.78	-888,730.66	-105,289.06	-4,707,302.50	52,832.80	-114,063.88	-4,768,533.58
Installation expenses	78,696.87	15,748.58	-21,794.26	72,651.19	-7,449.13	-23,689.43	41,512.63
Inventories	63,447.64	11,072.45	-60,994.33	13,525.76	-4,120.35	1,187.42	10,592.83
Impairment of participation	0.00	0.00	162,400.00	162,400.00	0.00	1,435.50	163,835.50
Long-term receivables	23,155.21	433.72	-23,588.93	0.00	0.00	0.00	0.00
Trade & other receivables	218,370.00	343,533.00	44,117.68	606,020.68	0.00	-11,587.75	594,432.93
Employee benefits	135,965.27	23,078.60	-11,784.44	147,259.43	-1,482.34	6,688.54	152,465.63
Extraordinary tax levy	61,966.49	0.00	-39,502.45	22,464.04	0.00	0.00	22,464.04
Tax loss offset by taxable earnings of subsequent years	1,879,200.00	951,200.00	-742,400.00	2,088,000.00	0.00	-406,000.00	1,682,000.00
Other	9,162.03	0.00	3,183.95	12,345.98		-2,793.40	9,552.58
Total	**-1,256,475.76**	**435,409.21**	**-787,512.77**	**-1,608,579.32**	**41,189.74**	**-531,245.39**	**-2,098,634.97**
Directly in equity			8,678.73			0.00	
From the merger of company Corus Kalpinis Simos SA			58,738.73			0.00	
In the results			**-720,095.31**			**-531,245.39**	

b) For the Company

	01.01.2016	MERGER WITH ASSOCIATE	1.1 – 31.12.16	31.12.2016	1.1-30.06.17	30.06.2017
Intangible assets	-10,525.20	-25,792.25	11,782.31	-24,535.14	17,577.61	-6,957.53
Tangible assets	-3,308,221.04	-852,451.95	-30,565.86	-4,191,238.85	-71,004.56	-4,262,243.41
Installation expenses	10,267.54	20,096.38	-12,607.33	17,756.59	-17,756.59	0.00
Inventories	63,447.64	-2,030.00	-52,012.23	9,405.41	1,187.42	10,592.83
Impairment of participation	0.00	0.00	162,400.00	162,400.00	1,435.50	163,835.50
Long-term receivables	23,155.21	333.45	-23,488.66	0.00	0.00	0.00
Trade & other receivables	218,370.00	343,533.00	44,117.68	606,020.68	-11,587.75	594,432.93
Employee benefits	134,515.27	21,847.85	-10,586.03	145,777.09	6,688.54	152,465.63
Tax loss offset by taxable earnings of subsequent years	1,798,000.00	893,200.00	-603,200.00	2,088,000.00	-406,000.00	1,682,000.00
Other	9,162.03	0.00	3,183.95	12,345.98	-2,793.40	9,552.58
Total	**-1,061,828.55**	**398,736.48**	**-510,976.17**	**-1,174,068.24**	**-482,253.23**	**-1,656,321.47**
Directly in equity			8,678.73		0.00	
In the results			**-502,297.44**		**-482,253.23**	

The tax loss creates a tax receivable equal to the income tax, from which the Company will benefit in the next years when it will be offset against the respective taxable earnings. The registration of the receivable for deferred tax took place as the Management of the Company and Group considered that there is reasonable certainty for the realization of earnings in future years, whereas such earnings will be capable to offset the present receivable with the future tax liability.

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset current tax assets against current tax liabilities and when deferred income tax refers to the same tax authority.

17. Analysis of post-employment benefits

The Group has assigned an actuary to conduct a study in order to investigate and calculate the actuarial figures, based on the specifications set by International Accounting Standards (IAS 19), which must be recorded on the balance sheet and the statement of comprehensive income. When performing the actuarial estimate, all economic and population parameters related to the employees of the Group were taken into account.

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Balance Sheet liabilities	**525,743.56**	**507,791.12**	**525,743.56**	**502,679.62**
Charges to the Results	**23,724.39**	**129,618.11**	**23,724.39**	**107,667.80**
Actuarial gains / losses	**0.00**	**0.00**	**0.00**	**0.00**
Present value of financed liabilities	0.00	0.00	0.00	0.00
Present value of non financed liabilities	525,743.56	507,791.12	525,743.56	502,679.62
Balance Sheet Liability	**525,743.56**	**507,791.12**	**525,743.56**	**502,679.62**
Changes in the net liability recognized in the Balance Sheet				
Net liability at beginning of year	507,791.12	468,845.77	502,679.62	463,845.77
Benefits paid	(660.45)	(99,991.08)	(660.45)	(98,020.58)
Total expense recognized in the results	23,724.39	129,618.11	23,724.39	107,667.80
From merger with Corus Kalpinis Simos	0.00	50,117.31	0.00	69,985.62
Change in Method of Cons. – Merg. of Agricultural	(5,111.50)	0.00	0.00	0.00
Actuarial gains / (losses)	0.00	(40,798.99)	0.00	(40,798.99)
Net liability at end of year	**525,743.56**	**507,791.12**	**525,743.56**	**502,679.62**
Analysis of expenses recognized in the results				
Cost of current employment	19,554.30	26,408.31	19,554.30	25,508.31
Financial cost	3,770.09	9,276.92	3,770.09	9,276.92
Prior service cost	400.00	74,064.57	400.00	72,882.57
Corus Kalpinis Simos 7/4/16-30/6/16	0.00	19,868.31	0.00	0.00
Total expense recognized in the results	**23,724.39**	**129,618.11**	**23,724.39**	**107,667.80**
Allocation of expense				
Cost of sales	9,726.03	37,811.63	9,726.03	32,116.36
Distribution expenses	11,057.49	48,132.51	11,057.49	45,002.52
Administrative expenses	2,940.87	43,673.97	2,940.87	30,548.92
Production in progress	0.00	0.00	0.00	0.00
Total	**23,724.39**	**129,618.11**	**23,724.39**	**107,667.80**

On 30.06.2017 and 31.12.2016 the average expected maturity of the obligation for post-employment benefits for the Company and the Group settled at 16.42 years.

18. Analysis of tax liabilities

	GROUP		COMPANY	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Income tax liability	0.00	0.00	0.00	0.00
Credit balance of tax statements to be returned	(47,437.44)	(53,821.57)	(51,490.10)	(51,451.11)
Taxes - duties from previous years	0.00	0.00	0.00	0.00
Total	**(47,437.44)**	**(53,821.57)**	**(51,490.10)**	**(51,451.11)**

19. Segment reporting

The Group is organized in three business segments, according to the manner in which such are presented internally to those that make decisions for the allocation of resources and the audit of the effectiveness of the group's operations.

The three business segments are as follows:

- Segment of steel products
- Segment of production & trade of electric energy from Photovoltaic stations
- Segment of production & trade of agricultural products from glasshouse cultivations (up until 31.12.2016)

	01.01 – 30.06.2017				
(Amounts in €)	STEEL PRODUCTS	ENERGY SEGMENT	AGRICULTURAL PRODUCTS	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Sales	41,690,095.18	688,045.05	0.00	0.00	42,378,140.23
Gross profit / (loss)	6,405,354.04	284,914.49	0.00	130,200.00	6,820,468.53
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	3,233,161.97	433,986.06	0.00	(11,004.42)	3,656,143.61
Earnings / (losses) before interest and taxes (EBIT)	2,235,299.25	254,854.67	0.00	(11,004.42)	2,479,149.50
Earnings / (losses) before taxes (EBT)	1,313,137.75	142,934.66	0.00	(417,144.31)	1,038,928.10
Earnings / (losses) after taxes	830,884.52	93,942.50	0.00	(417,144.31)	507,682.71

(Amounts in €)	01.01 – 30.06.2016				
	STEEL PRODUCTS	ENERGY SEGMENT	AGRICULTURAL PRODUCTS	CONSOLIDATION & ARRANGEMENT ENTRIES	CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Sales	34,930,017.92	704,153.52	861,878.54	(176.99)	36,495,872.99
Gross profit / (loss)	4,745,824.15	300,071.18	303,099.46	130,200.00	5,479,194.79
Earnings / (losses) before interest, taxes, depreciation and amortization (EBITDA)	3,269,901.29	448,006.80	228,649.54	0.00	3,946,557.63
Earnings / (losses) before interest and taxes (EBIT)	2,363,887.80	268,996.32	177,785.01	0.00	2,810,669.13
Earnings / (losses) before taxes (EBT)	1,078,568.33	138,001.36	142,527.02	0.00	1,359,096.71
Earnings / (losses) after taxes	988,459.13	64,520.11	122,914.65	0.00	1,175,893.89

The geographic segment may be considered as the secondary reporting segment, and includes the following reporting sectors:

- Domestic Sales (approximately 70%)
- Foreign Sales (approximately 30%)

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

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Sales of Merchandise	16,529,045.50	13,823,256.74	16,529,045.50	13,749,087.18
Sales of Products	25,846,465.35	22,625,296.86	25,158,420.30	19,277,677.78
Other Sales	2,629.38	47,319.39	2,629.38	1,107.54
Total Sales	**42,378,140.23**	**36,495,872.99**	**41,690,095.18**	**33,027,872.50**

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Domestic Sales	30,177,168.13	32,299,611.85	29,489,123.08	28,847,578.90
Foreign Sales	12,200,972.10	4,196,261.14	12,200,972.10	4,180,293.60
Total Sales	**42,378,140.23**	**36,495,872.99**	**41,690,095.18**	**33,027,872.50**

20. Analysis of other results

(a) Other income

The Group's and Company's other income are analyzed as follows:

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	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Income from transport & delivery expenses	577,383.08	365,788.99	577,383.08	336,478.47
Rental Income	0.00	85,350.00	133,860.00	303,960.00
Income from commissions, brokerage etc	135.00	720.00	135.00	720.00
Income from Grants	66,311.28	134,951.36	66,311.28	101,065.88
Profit from sale of fixed assets	0.00	0.00	0.00	0.00
Income from previous years	2,836.09	7,980.03	2,836.09	7,980.03
Other income	34,645.07	34,153.23	34,345.07	33,973.20
Gain due to acquisition of subsidiary's share (IFRS 3)	0.00	851,651.67	0,00	0,00
Total	**681,310.52**	**1,480,595.28**	**814,870.52**	**784,177.58**

(b) Other expenses

The Group's and Company's other expenses are analyzed as follows:

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Bad debts	100,000.00	29,000.00	100,000.00	29,000.00
Losses from sale of fixed assets	1,987.24	0.00	1,987.24	0.00
Previous years' expenses	24,969.08	3,446.50	24,969.08	2,446.50
Other expenses	54,230.91	51,115.25	54,230.91	1,038,834.56
Total other operating expenses	**181,187.23**	**83,561.75**	**181,187.23**	**1,070,281.06**

(c) Expenses

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

	GROUP		
	01.01-30.06.17		
	SALES COST	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	832,913.95	873,652.37	305,144.17
Third party fees & expenses	268,686.17	310,004.96	569,255.75
Third party benefits	405,037.47	242,118.85	170,667.52
Taxes - duties	65,958.69	47,253.13	11,649.07
Sundry expenses	274,681.42	1,763,109.79	112,077.63
Depreciation	804,996.32	333,644.58	102,864.50
Cost of inventories	32,905,397.68	0.00	0.00
Total	**35,557,671.70**	**3,569,783.68**	**1,271,658.64**

	GROUP		
	01.01-30.06.16		
	SALES COST	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	920,673.24	833,842.43	340,353.80
Third party fees & expenses	264,455.96	271,610.19	445,445.48
Third party benefits	466,834.07	199,124.25	165,666.38
Taxes - duties	64,860.17	45,137.07	25,457.31
Sundry expenses	196,779.22	1,251,245.74	53,260.75
Depreciation	802,141.27	364,855.39	69,560.40
Cost of inventories	28,300,934.27	0.00	0.00
Total	**31,016,678.20**	**2,965,815.07**	**1,099,744.12**

	COMPANY		
	01.01-30.06.17		
	SALES COST	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	832,913.95	873,652.37	305,144.17
Third party fees & expenses	247,286.17	310,004.96	553,393.19
Third party benefits	232,613.59	242,118.85	169,425.15
Taxes - duties	35,368.09	47,253.13	2,907.64
Sundry expenses	274,681.42	1,763,109.79	100,635.06
Depreciation	628,080.23	333,644.58	102,449.19
Cost of inventories	33,033,797.69	0.00	0.00
Total	**35,284,741.14**	**3,569,783.68**	**1,233,954.40**

	COMPANY		
	01.01-30.06.16		
	SALES COST	DISTRIBUTION EXPENSES	ADMINISTRATIVE EXPENSES
Employee fees & expenses	630,218.77	800,318.22	303,740.00
Third party fees & expenses	205,603.93	234,973.32	384,846.27
Third party benefits	137,990.42	200,879.62	180,569.74
Taxes - duties	29,550.70	44,801.34	2,578.82
Sundry expenses	87,086.75	1,061,978.46	81,644.10
Depreciation	443,227.38	354,590.53	62,546.13
Cost of inventories	26,746,410.61	0.00	0.00
Total	**28,280,088.56**	**2,697,541.49**	**1,015,925.06**

(d) Financial expenses – income

The Group's and Company's financial expenses are analyzed as follows:

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Debit interest	979,833.82	859,270.47	940,971.32	735,579.69
Other bank expenses and fees	104,346.45	180,564.29	83,055.96	82,838.27
Foreign exchange differences	46,014.90	35,412.84	46,014.90	26,719.32
Losses from derivatives	12,486.69	0.00	12,486.69	0.00
Total	**1,142,681.86**	**1,075,247.60**	**1,082,528.87**	**845,137.28**

The Group's and Company's financial income is analyzed as follows:

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Credit interest	32,854.65	42,143.71	104,626.45	85,680.37
Income from securities	22,417.50	504.00	22,417.50	504.00
Interest receivable from customers	180.37	1,450.25	180.37	1,450.25
Foreign exchange differences	33,143.05	392.40	33,143.05	391.44
Profit from derivatives	0.00	12,112.03	0.00	12,112.03
Total	**88,595.57**	**56,602.39**	**160,367.37**	**100,138.09**

(e) Income / expenses of companies consolidated via the equity method

	01.01-30.06.2017		
	Results for the period	Other	Total
THRACE GREENHOUSES SA	(86,576.55)	(503.77)	(87,080.32)
NORTHERN GREECE METAL PRODUCTS SA	336,662.64	(6,390.00)	330,272.64
BALKAN IRON GROUP SRL	9,576.42	10,500.88	20,077.30
CONS. DIF. BETWEEN ELASTRON AGR. AND THRACE GREENHOUSES	126,472.60	0.00	126,472.60
Total	**386,135.11**	**3,607.11**	**389,742.22**

	01.01-30.06.2016		
	Results for the period	Other	Total
CORUS – KALPINIS SIMOS SA	156,588.75	0.00	156,588.75
NORTHERN GREECE METAL PRODUCTS SA	267,651.21	0.00	267,651.21
BALKAN IRON GROUP SRL	8,687.25	129.77	8,817.02
Total	**432,927.21**	**129.77**	**433,056.98**

(f) Income tax expense

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Income tax of current year / provision	0.00	0.00	0.00	0.00
Deferred taxation	531,245.39	183,202.82	482,253.23	112,175.20
Tax audit differences	0.00	0.00	0.00	0.00
Provision for possible tax differences	0.00	0.00	0.00	0.00
Total	**531,245.39**	**183,202.82**	**482,253.23**	**112,175.20**

(g) Other comprehensive income / expenses after taxes

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Foreign exchange differences from consolidation	10,500.88	129.76	0.00	0.00
Result from cash flow hedge minus the corresponding tax	42,952.94	0.00	42,952.94	0.00
Other	(6,893.77)	0.00	0.00	0.00
Total	**46,560.05**	**129.76**	**42,952.94**	**0.00**

21. Analysis of earnings per share

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Net earnings corresponding to shareholders	506,019.42	1,174,749.56	830,884.52	-108,960.48
Number of shares (W. Avg)	18,421,780	18,421,780	18,421,780	18,421,780
Earnings / (losses) per share (€)	**0.0275**	**0.0638**	**0.0451**	**-0.0059**

22. Transactions with related parties

The amounts of the Group's and Company's sales and purchases, from and towards related parties, as well as the balances of receivables and liabilities, are analyzed as follows:

(a) Intra-company sales / purchases on 30.06.2017 and 30.06.2016 respectively

	SALES				
PURCHASES	**ELASTRON S.A.**	**ELASTRON AGRICULTURAL S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	1,273,267.98	0.00	**1,273,267.98**
THRACE GREENHOUSES S.A.	183.20	0.00	0.00	0.00	**183.20**
PHOTOENERGY S.A.	25,659.38	0.00	0.00	0.00	**25,659.38**
PHOTODEVELOPMENT S.A.	57,848.44	0.00	0.00	0.00	**57,848.44**
PHOTODIODOS S.A.	51,036.56	0.00	0.00	0.00	**51,036.56**
PHOTOKYPSELI S.A.	17,329.69	0.00	0.00	0.00	**17,329.69**
ILIOSKOPIO S.A.	24,166.41	0.00	0.00	0.00	**24,166.41**
PHOTOISHIS LTD	6,738.28	0.00	0.00	0.00	**6,738.28**
NORTHERN GREECE METAL PRODUCTS	19,793.59	0.00	0.00	0.00	**19,793.59**
TOTAL	**202,755.55**	**0.00**	**1,273,267.98**	**0.00**	**1,476,023.53**

	SALES				
PURCHASES	**ELASTRON S.A.**	**ELASTRON AGRICULTURAL S.A.**	**NORTHERN GREECE METAL PRODUCTS S.A.**	**CORUS KALPINIS SIMOS S.A.**	**TOTAL**
ELASTRON S.A.	0.00	0.00	34,931.65	316,520.66	**351,452.31**
ELASTRON AGRICULTURAL S.A.	176.99	0.00	0.00	0.00	**176.99**
PHOTOENERGY S.A.	25,659.38	0.00	0.00	0.00	**25,659.38**
PHOTODEVELOPMENT S.A.	57,848.44	0.00	0.00	0.00	**57,848.44**
PHOTODIODOS S.A.	51,036.56	0.00	0.00	0.00	**51,036.56**
PHOTOKYPSELI S.A.	17,329.69	0.00	0.00	0.00	**17,329.69**
ILIOSKOPIO S.A.	24,166.41	0.00	0.00	0.00	**24,166.41**
PHOTOISHIS LTD	6,738.28	0.00	0.00	0.00	**6,738.28**
NORTHERN GREECE METAL PRODUCTS S.A.	548,506.91	0.00	0.00	8,236.05	**556,742.96**
CORUS KALPINIS SIMOS S.A.	576,016.54	0.00	3,611.99	0.00	**579,628.53**
TOTAL	**1,307,479.20**	**0.00**	**38,543.64**	**324,756.71**	**1,670,779.55**

ELASTRON
STEEL SERVICE CENTERS

(b) Intra-company receivables / liabilities on 30.06.2017 and 31.12.2016 respectively:

LIABILITIES	RECEIVABLES			
	ELASTRON S.A.	NORTHERN GREECE METAL PRODUCTS SA	CORUS KALPINIS SIMOS S.A.	TOTAL
ELASTRON S.A.	0.00	463,490.78	0.00	**463,490.78**
THRACE GREENHOUSES S.A.	3,102.26	0.00	0.00	**3,102.26**
PHOTOENERGY S.A.	225,012.80	0.00	0.00	**225,012.80**
PHOTODEVELOPMENT S.A.	539,255.20	0.00	0.00	**539,255.20**
PHOTODIODOS S.A.	483,412.16	0.00	0.00	**483,412.16**
PHOTOKYPSELI S.A.	119,418.40	0.00	0.00	**119,418.40**
ILIOSKOPIO S.A.	203,769.60	0.00	0.00	**203,769.60**
PHOTOISHIS LTD	688,374.04	0.00	0.00	**688,374.04**
NORTHERN GREECE METAL PRODUCTS SA	1,000,000.00	0.00	0.00	**1,000,000.00**
BALKAN IRON GROUP SRL	150,700.00	0.00	0.00	**150,700.00**
KALPINIS SIMOS BULGARIA EOOD	780,000.00	0.00	0.00	**780,000.00**
TOTAL	**4,193,044.46**	**463,490.78**	0.00	**4,656,535.24**

LIABILITIES	RECEIVABLES			
	ELASTRON S.A.	NORTHERN GREECE METAL PRODUCTS SA	CORUS KALPINIS SIMOS S.A.	TOTAL
ELASTRON S.A.	0.00	0.00	0.00	**0.00**
ELASTRON AGRICULTURAL S.A.	2,875.09	0.00	0.00	**2,875.09**
PHOTOENERGY S.A.	228,299.48	0.00	0.00	**228,299.48**
PHOTODEVELOPMENT S.A.	584,898.86	0.00	0.00	**584,898.86**
PHOTODIODOS S.A.	520,089.56	0.00	0.00	**520,089.56**
PHOTOKYPSELI S.A.	110,864.10	0.00	0.00	**110,864.10**
ILIOSKOPIO S.A.	204,563.81	0.00	0.00	**204,563.81**
PHOTOISHIS LTD	853,374.04	0.00	0.00	**853,374.04**
NORTHERN GREECE METAL PRODUCTS SA	1,118,443.46	0.00	0.00	**1,118,443.46**
CORUS KALPINIS SIMOS S.A.	0.00	0.00	0.00	**0.00**
BALKAN IRON GROUP SRL	150,700.00	0.00	0.00	**150,700.00**
KALPINIS SIMOS BULGARIA EOOD	770,000.00	0.00	0.00	**770,000.00**
TOTAL	**4,544,108.40**	**0.00**	**0.00**	**4,544,108.40**

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
c) Transactions and remuneration of Board Members & senior executives				
Transactions and remuneration of Board Members	119,000.00	119,000.00	119,000.00	119,000.00
Transactions and remuneration of senior executives	42,250.00	114,252.88	42,250.00	39,124.98
Transactions and remuneration of other related entities	8,900.93	8,900.93	8,900.93	8,900.93
Receivables from senior executives and Board members	0.00	0.00	0.00	0.00
Liabilities to senior executives and Board members	0.00	0.00	0.00	0.00

Senior executives according to IAS 24 are those individuals that have the authority and responsibility for the planning, management and control of the entity's activities, directly or indirectly, and include all members of the Board of Directors (executive and non-executive) of the entity, as well as all other senior executives according to the above definition.

23. Contingent Liabilities - Receivables

There are no disputes in court or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on the Company's and Group's financial position or operation.

Tax un-audited financial years

ELASTRON SA and the absorbed, since 01.07.2016, company "CORUS – KALPINIS SIMOS SA COATING MATERIALS" have not been tax audited for the financial year 2010. The company "NORTHERN GREECE METAL PRODUCTS SA" has not been tax audited for the financial years 2009 and 2010. However, the level of tax losses is deemed to exceed the accounting differences that may arise due to a tax audit in future. For the other companies of the Group, it is estimated that there is no need for provision with regard to the tax unaudited financial years. Therefore, on 30.06.2017, for the Company and the Group, there is no outstanding amount for provision for tax unaudited financial years.

From the fiscal year 2011, all the Group's companies have been subject to tax audit by the Certified Auditors as it is required by the clauses of article 82, paragraph 5 of PL 2238/1994.

The Group and the Company incur contingent liabilities and receivables with regard to banks, suppliers, other guarantees and other issues that arise in the context of their ordinary activities, as follows:

	30.06.2017	
	GROUP	COMPANY
Guarantees to secure obligations to suppliers	5,349,044.07	5,040,470.85
Guarantees to secure trade receivables	4,824,842.00	4,824,842.00
Other Guarantees	6,375,620.06	6,325,620.06
Total	**16,549,506.13**	**16,190,932.91**

24. Dividends

According to Greek commercial law, companies are obligated to distribute at least 35% of earnings after the deduction of taxes and the statutory reserve, to shareholders. The Annual General Meeting of the company's shareholders that took place on 15.06.2017 decided not to distribute dividend for financial year 2016.

25. Staff information

(a) Number of staff

The remuneration of the Group's and Company's employees is presented in the following table:

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Regular staff	65	83	65	53
Staff on day-wage basis	80	130	80	61
Total staff	**145**	**213**	**145**	**114**

(b) Staff remuneration

The remuneration of the Group's and Company's employees is presented in the following table:

	GROUP		COMPANY	
	01.01-30.06		01.01-30.06	
	2017	2016	2017	2016
Employee remuneration	1,586,246.06	1,703,507.57	1,586,246.06	1,355,050.51
Employer contributions	386,735.96	399,737.94	386,735.96	314,550.71
Other benefits	15,004.08	22,240.61	15,004.08	20,857.99
Total	**1,987,986.10**	**2,125,486.12**	**1,987,986.10**	**1,690,459.21**

26. Government Grants

	30.06.2017		31.12.2016	
	GROUP	COMPANY	GROUP	COMPANY
Grants on completed investments	6,951,376.34	5,456,439.01	6,951,376.34	5,456,439.01
Change in consolidation method of Elastron Agricultural (merger)	(1,494,937.33)	0.00	0.00	0.00
New balance of grants on completed investments	5,456,439.01	5,456,439.01	6,951,376.34	5,456,439.01
Grants on the income of the year 2017 / 2016	(66,311.28)	(66,311.28)	(269,262.43)	(200,848.62)
Grants on revenue from previous financial years	(1,890,749.53)	(1,758,958.25)	(1,621,487.10)	(1,558,109.63)
Change in consolidation method of Elastron Agricultural (merger)	131,791.28	0.00	0.00	0.00
Balance on deferred income	**3,631,169.48**	**3,631,169.48**	**5,060,626.81**	**3,697,480.76**
Short-term portion	132,622.57	132,622.57	274,504.04	210,575.30
Long-term portion	3,498,546.91	3,498,546.91	4,786,122.77	3,486,905.46
Received Prepayment	4,943,601.91	4,943,601.91	6,354,045.06	4,943,601.91
Receivable from Grant	512,837.10	512,837.10	597,331.28	512,837.10

On 22/12/2006 the Ministry of Development approved a five-year investment plan worth € 14.7 million for the account of the parent Company. A grant for 35% of the above amount is anticipated. In June 2007 the company ELASTRON S.A. received a prepayment of € 1.54 million, which corresponds to

30% of the total grant by using the capability for a lump sum prepayment. On 29/04/2013, the total budget of the investment was revised to € 13.1 million. On 02/07/2013 an amount of € 0.75 million was paid corresponding to the full collection of 50% of the grant, whereas on 16/10/2013 an amount of € 2.3 paid corresponding to the completion of the collection of the full (100%) grant. The above investments were implemented in the Company's facilities in Aspropyrgos and Skaramagka, Attica.

In May 2014, the parent company's new investment plan was approved and included in the category of General Entrepreneurship of the General Business Plans of article 6 of Law 3908/2011. The total amount of the investment accounts for Euro 3.4 million and includes the purchase of new mechanical equipment and the construction of new storage and industrial facilities. The above investment will received a grant of 15% of the total amount.

The investment cost grant is subject to limitations and conditions that are reasonably expected to be implemented in whole. For this reason the Company and Group account for grant receivables against completed investments. The government grants that refer to expenses are deferred and registered in the results when the granted expense is registered, in order to match the income with the expense.

27. Exchange rates

The exchange rates used to translate the financial statements of the company "BALKAN IRON GROUP SRL", from foreign currency into € are the following:

30.06.2017

1 € = 4.5523 RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.5370 RON (Exchange rate used in the Statement of Comprehensive Income)

30.06.2016

1 € = 4.5234 RON (Exchange rate used in the Statement of Financial Position)
1 € = 4.4955 RON (Exchange rate used in the Statement of Comprehensive Income)

28. Events after the reporting date of the Financial Statements

Based on the decision of the Company's Board of Directors on 10.07.2017, the acquisition of the participation stake of BRITISH STEEL NEDERLAND INTERNATIONAL BV in the company TATA ELASTRON SA was completed. As a result, ELASTRON SA holds today 100% of the company's share capital. Moreover with the decision of the Board of Directors the company was renamed into "NORTHERN GREECE METAL PRODUCTS SA".

Aspropyrgos, 22 September 2017

THE CHAIRMAN OF THE BOARD	THE DEPUTY CEO	THE CHIEF FINANCIAL OFFICER
PANAGIOTIS SIMOS	STILIANOS KOUTSOTHANASSIS	VASILIS MANESIS
ID No. AE 063856	ID No. AB 669589	ID No. AE 008927
		Prof. License No. 0072242