Annual Corporate Financial Statements,
prepared according to the International Financial Reporting Standards
for the period ended on 31 December 2015

HELECTOR S.A.
ENERGY &
ENVIRONMENTAL APPLICATIONS
25 ERMOU ST - 145 64 KIFISSIA
Tax ID No.: 094003954 TAX OFFICE: LARGE ENTERPRISES
No Registry No 000258501000

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Audit Report of Independent Certified Public Auditor-Accountant

Financial Position Statement

All amounts in EUR '000.

	Note	Company figures 31-Dec-15	31-Dec-14
ASSETS			
Non-current assets			
PPE	5	4 296	4 741
Intangible assets	6	25	42
Investments in subsidiaries	7	14 944	14 944
Investments in associates	8	5 432	3 319
Deferred tax assets	19	2 841	1 766
Other non-current receivables	12	14 361	6 918
		41 899	**31 730**
Current assets			
Inventories	11	304	-
Trade and other receivables	12	45 251	78 151
Available-for-sale financial assets	10	11 742	-
Restricted cash	13	2 551	3 571
Cash and cash equivalents	14	21 569	18 558
		81 417	**100 280**
Total assets		**123 316**	**132 010**
EQUITY			
Attributable to shareholders of the parent			
Share capital	15	2 234	2 234
Share premium	15	5 216	5 216
Other reserves	16	4 759	4 773
Profits carried forward		70 984	68 523
Total Equity		**83 193**	**80 746**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	19	-	83
Employee retirement compensation liabilities	20	310	275
Grants	21	2 942	3 701
Other non-current liabilities	19	-	584
Other non-current provisions	22	3 460	3 460
		6 712	**8 103**
Current liabilities			
Trade and other payables	18	30 118	29 200
Current income tax liabilities		817	252
Borrowings	17	2 476	13 709
		33 411	**43 161**
Total payables		**40 123**	**51 264**
Total equity and liabilities		**123 316**	**132 010**

The notes on pages 20 to 48 form an integral part of these financial statements.

Income Statement

All amounts in EUR '000.

		Company figures	
		12-month period to	
	Note	31-Dec-15	31-Dec-14
Disposals		**81,690**	**83,646**
Cost of sales	23	(75,180)	(73,208)
Gross profit		**6,510**	**10,437**
Distribution costs	23	(1,516)	(1,080)
Administrative expenses	23	(2,400)	(2,462)
Other income/(expenses) & Other profits/(losses)	24	2,149	770
Operating profit/(loss)		**4,743**	**7,665**
Income from dividends		1,740	8,438
Finance income	25	803	1,335
Financial expenses	25	(1,768)	(1,416)
Profit before tax		**5,518**	**16,021**
Income tax	27	(3,057)	(2,680)
Net profit for the year		**2,461**	**13,341**

The notes on pages 12 to 48 form an integral part of these financial statements.

Statement of Comprehensive Income

All amounts in EUR '000.

		Company figures	
		12-month period to	
	Note	**31-Dec-15**	**31-Dec-14**
Net profit for the year		**2 461**	**13 341**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	16	(10)	15
Changes in value of financial assets available for sale	16	(8)	-
		(18)	**15**
Items that will not be reclassified to profit and loss			
Actuarial loss	16	(3)	(41)
		(3)	**(41)**
Other comprehensive income/(loss) for the period (net of tax)		**(21)**	**(26)**
Total Comprehensive Income/(Loss) for the year		**2 440**	**13 315**

The notes on pages 20 to 48 form an integral part of these financial statements.

Statement of Changes in Equity

All amounts in EUR '000.

Company figures

	Note	Share capital	Share premium	Other reserves	Retained earnings	Total Equity
1 January 2014		**2 234**	**5 216**	**4 779**	**54 718**	**66 947**
Net profit for the year		-	-	-	13 341	**13 341**
Other comprehensive income						
Currency translation differences	16	-	-	15	-	**15**
Actuarial loss	16	-	-	(41)	-	**(41)**
Other comprehensive loss for the period (net of tax)		**-**	**-**	**(26)**	**-**	**(26)**
Total Comprehensive Income/(Loss) for the year		**-**	**-**	**(26)**	**13 341**	**13 315**
Impact from absorption of Helector Constructions	7	-	-	20	433	**453**
Impact from change in the exercise of control over J/V Helector - LANDTEK LTD	7	-	-	-	31	**31**
31 December 2014		**2 234**	**5 216**	**4 773**	**68 523**	**80 746**
1 January 2015		**2 234**	**5 216**	**4 773**	**68 523**	**80 746**
Net profit for the year		-	-	-	2 461	**2 461**
Other comprehensive income						
Currency translation differences	16	-	-	(10)	-	**(10)**
Changes in value of financial assets available for sale	16	-	-	(8)	-	**(8)**
Actuarial loss	16	-	-	(3)	-	**(3)**
Other comprehensive income/(loss) for the period (net of tax)		**-**	**-**	**(21)**	**-**	**(21)**
Total Comprehensive Income/(Loss) for the year		**-**	**-**	**(21)**	**2 461**	**2 440**
Effect of change in % participation in subsidiaries	16	-	-	6	-	**6**
31 December 2015		**2 234**	**5 216**	**4 759**	**70 984**	**83 192**

The notes on pages 20 to 48 form an integral part of these financial statements.

Cash flow statement

All amounts in EUR '000.

	Note	Company figures	
		01/01/2015-31/12/2015	01/01/2014-31/12/2014
Operating activities			
Cash Flows from operating activities	28	29,627	(273)
Interest paid		(1,961)	(1,157)
Income tax paid		(2,356)	(4,821)
Total Cash Inflows/(Outflows) from Operating Activities (a)		**25,310**	**(6,252)**
Investing activities			
Purchase of tangible assets	5	(270)	(264)
Purchases of intangible assets	6	(7)	(49)
Sales of tangible assets	5	12	22
Dividends received		5,940	2,402
Acquisition of subsidiaries & share capital increase of subsidiaries	7	-	(5,165)
Additions to associates	8	(2,114)	(12)
Purchase of financial assets available for sale	10	(14,250)	-
Sale of available-for-sale financial assets	10	2,500	-
Interest received		397	1,149
Proceeds from loans repaid by related parties		1,921	2,555
Loans to related parties		(6,410)	(335)
Restricted cash		1,020	(21)
Cash and cash equivalents from absorption of Helector Constructions on 28.02.2014		-	21
Cash and cash equivalents of HELECTOR - LANDEK on 1.1.2014		-	24
Total (inflows)/outflows from investing activities (b)		**(11,260)**	**326**
Financing activities			
Issue of common shares		-	(13)
Dividends paid		-	-
Proceeds from borrowings		5,400	9,514
Repayment of borrowings		(13,440)	(2,202)
Settlements of loans taken out by related parties		(3,000)	-
Grants added		-	-
Total (inflows)/outflows from financing activities (c)		**(11,040)**	**7,300**
Net (decrease) / increase in cash and cash equivalents (a)+(b)+(c)		**3,010**	**1,374**
Cash and cash equivalents at year's start	14	18,558	17,148
Cash and cash equivalents of Helector Constructions at year's start		-	37
Cash and cash equivalents at year end	14	**21,569**	**18,558**

The notes on pages 20 to 48 form an integral part of these financial statements.

Notes to the financial statements

1 General information

The financial statements include the company financial statements of HELECTOR S.A. (the 'Company') for the year ended on 31 December 2015, in accordance with the International Financial Reporting Standards ('IFRS').

The Company mainly operates in construction, focusing on environmental construction (landfills) and solid and liquid waste management. The Company operates in Greece and Croatia.

The Company was incorporated and established in Greece, with registered and central offices at 25 Ermou St, 145 64, Kifissia, Attica. In June of 2012, the Company opened a branch in Rijeka, Croatia, with the purpose of performing and serving the undertaken projects.

The Company is a subsidiary of ELLAKTOR S.A., a company listed on ATHEX, which holds 94.44% of its shares.

The financial statements were approved by the Board of Directors on 26 March 2016, subject to the approval of the GM, and are available on the company's website: www.helector.gr.

2 Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

The basic accounting principles applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all years presented unless otherwise stated.

These company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been endorsed by the European Union. The financial statements have been prepared under the historical cost convention, except for the financial assets available for sale at fair value through profit and loss (including derivatives), valued at fair value.

The preparation of the financial statements under IFRS requires the use of accounting estimates and assumptions by the Management in implementing the accounting policies adopted. The areas involving extensive judgment or complexity, or where assumptions and estimates have a significant impact on the financial statements, are mentioned in Note 4.

2.1.1 Going concern

The financial statements of 31 December 2015 have been prepared in accordance with the International Financial Reporting Standards (IFRS), and provide a reasonable presentation of the Company's financial position, profit and loss, and cash flows, in accordance with the principle of going concern.

2.2 New standards, interpretations and amendments to existing standards

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

2.2.1 Standards and Interpretations effective for the current financial year and not significantly altering the Financial Statements of the Company

IFRIC 21 'Levies'

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

Annual Improvements to IFRSs 2013

The amendments set out below describe the key changes to three IFRSs, following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project.

IFRS 13 'Fair value measurement'

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 'Investment property'

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

Standards and Interpretations effective for subsequent periods that have not entered in effect and have not been endorsed by the Company earlier

IFRS 9 'Financial Instruments' and subsequent amendments to IFRS 9, IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities, and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Company is currently in the process of evaluating the impact of IFRS 9 on its financial statements. IFRS 9 may not be adopted early by the Company as it has not been adopted by the European Union.

IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 was issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company is currently in the process of evaluating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IFRS 16 'Leases' (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 was issued in January 2016 and replaces IAS 17. The objective of the standard is to ensure that lessees and lessors provide useful information that fairly presents the essence of the lease-related transactions. IFRS 16 introduces a single model for the accounting treatment by the lessee, which requires that the lessee recognises assets and liabilities for all lease contracts with a term of over 12 months, except if the underlying asset has non-significant value. With regard to the accounting treatment by the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor continues classifying lease contracts into operating and finance leases, applying different accounting treatment for each type of contract. The Company is currently in the process of evaluating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IAS 19R (Amendment) 'Employee Benefits' (effective for annual periods beginning on or after 1 February 2015)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans, simplifying the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'.

IAS 16 and IAS 38 (Amendments) 'Clarification of Acceptable Methods of Depreciation and Amortisation' (effective for annual periods beginning on or after 1 January 2016)

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate, and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 27 (Amendment) 'Separate Financial Statements' (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

IAS 1 (Amendments) 'Disclosure initiative' (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

IAS 12 (Amendments) 'Recognition of deferred tax assets on unrealised losses' (effective for annual periods beginning on or after 1 January 2017)

The amendments clarify the accounting treatment relating to the recognition of deferred tax assets on unrealised losses, incurred from loans measured at fair value. The amendments have not yet been endorsed by the EU.

IAS 7 (Amendments) 'Disclosure initiative' (effective for annual periods beginning on or after 1 January 2017)

The amendments introduce mandatory disclosures that enable the users of financial statements to assess the changes in liabilities from financing activities. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015)

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

IFRS 2 'Share-based payment'

The amendment clarifies the definition of a 'vesting condition', and separately defines 'performance condition' and 'service condition'.

IFRS 13 'Fair value measurement'

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts, in cases where the impact of not discounting is immaterial.

IAS 16 'Property, plant and equipment' and IAS 38 'Intangible assets'

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 'Related party disclosures'

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

The amendments set out below describe the key changes to four IFRSs.

IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'

The amendment clarifies that when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 'Financial Instruments: Disclosures'

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement, and clarifies that the additional disclosure required by the amendments to IFRS 7, 'Disclosure – Offsetting financial assets and financial liabilities' is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 'Employee benefits'

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 'Interim Financial Reporting'

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

2.3 Foreign exchange conversions

(a) Functional and presentation currency

The items included in the financial statements of the joint operations and the branches of the Company are measured using the currency of the primary economic environment in which each entity operates ('functional currency'). The financial statements are reported in Euros, which is the functional currency and the reporting currency of the Company.

(b) Transactions and balances

Currency transactions are translated into the functional currency, using the exchange rates prevailing on the dates of the transactions. Profits and losses from currency translation differences that arise from the settlement of such transactions during the financial year and from the translation of monetary items into foreign exchange at current rates, applicable on the balance sheet date, are recorded in profit and loss, except where they are transferred directly to Other comprehensive income, due to being related to cash flow hedges and net investment hedges.

(c) Joint operations and branches of the Company

The results and financial position of all Company operations abroad (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency, are translated into the presentation currency as follows:

i) The assets and liabilities are converted using the rates in effect at the balance sheet date;

ii) The income and expenses are converted using the average rates of the period (except if the average rate is not the reasonable approach of the accumulated impact of the rates in effect at the dates of the transactions, in which case, income and expenses are converted using the rates in effect on the dates of the transactions) and

iii) Any differences arising from this process are posted under other comprehensive income and are transferred to the income statement upon disposal of these companies.

2.4 Leases

(a) The Company as lessee

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease expense is recognized in the income statement proportionally during the lease period and includes any restoration cost of the property, if such clause is included in the leasing contract.

(b) The Company as lessor

The Company leases assets only through operating leases. Operating lease income is recognized in the income statement of each period proportionally during the period of the lease.

2.5 Property, Plant and Equipment

Fixed assets are reported in the financial statements at acquisition cost minus accumulated depreciation and possible impairment (note 2.7). Acquisition cost includes all expenditure directly attributable to the acquisition of the fixed assets. Subsequent costs are posted to increase the tangible assets' carrying amount or recognised as a separate asset, only when it is probable that future economic benefits will flow to the Company, and their cost can be measured reliably. The repair and maintenance cost is recorded in the results when such is realized.

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

- Buildings	20 – 28	years
- Mechanical equipment	6 – 9	years
- Special mechanical equipment and facilities	18 – 28	years
- Transportation equipment	5 – 7	years
- Other equipment	1 – 5	years

The residual values and useful economic life of PPE are subject to reassessment at least at each balance sheet date.

PPE under construction include fixed assets under construction that are shown at their cost. PPE under construction are not depreciated until the fixed asset is completed and enters in operation.

When the book values of tangible assets exceed their recoverable value, the difference (impairment) is posted in the income statement as expense (note 2.7).

Upon the sale of PPE, any difference between the proceeds and the depreciable amount is recorded as profit or loss in the results.

2.6 Intangible assets

(a) Software

Software licenses are valued at acquisition cost less depreciation. Depreciation is accounted for with the straight line method during the useful lives which vary from 1 to 3 years.

2.7 Impairment of non-financial assets

Assets with an indefinite useful life are not depreciated and are subject to impairment testing on an annual basis and when certain events or changes in the circumstances suggest that their carrying value may not be recoverable. Assets that are depreciated are subject to impairment audit when indications exist that their carrying value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated, based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired. are reassessed for possible impairment reversal on each balance sheet date.

2.8 Financial Assets

2.9.1 Classification

The financial instruments of the Company have been classified into the following categories, according to the objective for which each investment was undertaken. The Management makes the decisions on classification at initial recognition.

(a) Borrowings and receivables

These include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Borrowings and receivables are included in the trade and other receivables account in the Statement of Financial Position.

(b) Financial assets available for sale

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2.9.2 Recognition and Measurement

Purchases and sales of investments are recognised on the transaction date, which is the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at their fair value, plus expenses directly related to the transaction, with the exception of those assets regarding expenses directly related to the transaction, which are valued at their fair value through profit and loss. Investments are written off when the right to cash flows from investments expires or is transferred, and the Company has materially transferred all risks and rewards incident to ownership.

Subsequently, financial assets held for sale are valued at fair value, and the relative gains or losses are recorded under Other Comprehensive Income, until those assets are sold or characterised as impaired. Upon sale or when assets are characterised as impaired, the gains or losses are transferred to the income statement. Impairment losses recognised in results may not be reversed through profit and loss.

Borrowings and trade payables are initially recognised at fair value and are subsequently valued at unamortised cost, based on the effective rate method.

The fair values of financial assets that are traded in active markets are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows.

2.9.3 Offsetting of financial receivables and liabilities

Financial receivables and liabilities are offset, and the net amount is presented in the Statement of Financial position only where the Company holds the legal right to do so and intends to offset them on a clear basis between them, or to retrieve the financial asset and offset the liability at the same time.

2.9.4 Impairment of financial assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity which is the difference between the cost of acquisition and the fair value shall be carried over to results. Impairment losses of equity instruments recognised in the income statement are not reversed through the income statement. Reversals of security impairments are recognised in profit or loss if the increase in the fair value of these items can be correlated objectively to a certain event that took place after recognition of impairment loss in profit or loss.

In case of objective indications that financial assets held to maturity and presented at net book acquisition value have been impaired, the amount of impairment loss is calculated as the difference between their carrying value and the current value of estimated future cash flows (except for future losses from credit risks not yet incurred), discounted at the initial effective rate. Impairment losses of financial assets held to maturity are posted in results.

The impairment test for receivables is described in note 2.11.

2.9 Inventories

Inventories are valued at the lower of acquisition cost and net realisable value. The cost is calculated using the weighted average cost method. The cost of end products and semi-finished inventories includes cost of design, materials, average working cost and a proportion of the general cost of production.

2.10 Trade and other receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost, using the effective interest method, except if the discount outcome is not important, less provision for impairment. Impairment losses for trade receivables arise when objective indications are in place that the Company is not in the position to collect all receivables under contractual terms.

Trade receivables comprise commercial paper and notes payable from customers.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganization and the inability to make scheduled payments are considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset’s carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised as an expense in the income statement.

2.11 Restricted cash

Restricted cash is cash equivalents not readily available for use. These cash equivalents may not be used by the Company until a certain point in time or an event is reached or occurs in the future. In the cases where restricted cash is expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset. Restricted cash is disclosed in a separate row in the statement of financial position but is taken into consideration, together with Cash and Cash Equivalents and Time Deposits over 3 months, when calculating the gearing ratio.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk.

2.13 Share capital

The share capital includes the Company’s ordinary shares. Whenever the company purchases own shares, the consideration paid is deducted from equity attributable to the Company’s equity holders until the shares are cancelled or disposed of. The profit or loss from the sale of own shares is recognised directly to equity.

Direct expenses for the issue of shares appear net of any relevant income tax benefit, to the reduction of equity.

2.14 Trade and other payables

Trade liabilities are usually obligations to make payment for products or services obtained during performance of typical commercial activity by suppliers. The accounts payable are classified as short-term liabilities if the payment is due within not more than one year. If not, they are classified as long-term liabilities. Trade liabilities are recognised initially at fair value and are measured subsequently at net book cost by the use of the effective rate method.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at net book cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Any borrowing expenses paid upon execution of new credit agreements are recognised as borrowing expenses, provided that part or all of the new credit line is withdrawn. In this case, they are recorded as future borrowing expenses until withdrawal is made. If the new borrowings are not used, in part or in full, these expenses are included in prepaid expenses and are recognized in profit or loss during the useful life of the relevant credit line.

Loans are classified as short-term obligations unless the Company has the right to defer settlement of the obligation for at least 12 months after the balance sheet date.

2.16 Current and deferred taxation

Income tax for the financial year comprises current and deferred taxation. Tax is recognised in the income statement, unless relevant to amounts recognised in other comprehensive income or directly in equity. In this case, tax is also recognized in other comprehensive income or equity, respectively.

Income tax on profit is calculated in accordance with the tax legislation established as of the balance sheet date in the countries where the Company operates and is recognised as expense in the period during which profit was generated. The management regularly evaluates the cases where the applicable tax legislation requires interpretation. Where necessary, estimates are made for the amounts expected to be paid to tax authorities.

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts, as shown in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting nor the taxable gains or losses. Deferred tax is determined using the tax rates and laws in force as of the date of the balance sheet, and expected to be in force when the deferred tax receivables will be due or deferred tax liabilities will be repaid.

Deferred tax receivables are recognised to the extent that there could be future taxable gains to use the temporary difference that gives rise to the deferred tax receivables.

Deferred tax receivables and liabilities are offset only if the offsetting of tax receivables and liabilities is permitted by law, and provided that deferred tax receivables and liabilities are determined by the same tax authority to the tax paying entity or different entities, and the intention has been expressed to proceed to settlement by way of offset.

2.17 Employee benefits

(a) Post-employment benefits

The employee benefits after their retirement include defined contribution programs and defined benefit programs. The Company participates in various pension plans. Payments are defined by Greek law and the funds' regulations.

A defined benefit plan is a pension plan that defines a specific amount to a pension to be received by an employee when he retires, which usually depends on one or more factors such as age, years of service and level of salary.

A defined contribution scheme is a pension plan under which the Company makes fixed payments to a separate legal entity. The Company has no legal obligation to pay further contributions if the fund does not have sufficient assets to pay to all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to public social security funds on a mandatory basis. The Company has no obligation other than paying its contributions. The contributions are recognised as staff costs when the debt arises. Prepaid contributions are recognised as an asset if there is a cash refund possibility or offsetting against future debts.

The liability that is reported in the balance sheet with respect to defined benefit schemes is the present value of the liability for the defined benefit on the balance sheet date, less the fair value of the scheme's assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting future cash flows at a discount rate equal to the rate of long-term investment grade corporate bonds that have a maturity approximately equal to the pension plan.

The current service cost of the defined benefit scheme that is recognised in the income statement in Salaries and wages reflects the increase in the defined benefit obligation resulting from an employee's service in the current period, benefit changes, cutbacks and settlements. The recognised prior service cost is directly recognised in profit/(loss).

Net interest cost is assessed as the net amount between the obligation for the defined benefit scheme and the fair value of the assets of the scheme on the prepayment interest rate.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in the income statement.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises these benefits at the earliest of the following dates: (a) when the Company can no longer withdraw the offer of such benefits, and (b) when the Company recognises restructuring costs falling within the scope of IAS 37 and includes the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, retirement benefits are calculated based on the number of employees expected to accept the offer. When such termination benefits are deemed payable in periods that exceed 12 months from the Balance Sheet date, then they must be discounted at their current value.

In the case of employment termination where the number of employees to use such benefits cannot be determined, the benefits are disclosed as a contingent liability but are not accounted for.

Share-based payment

Within 2008, the share capital was increased upon waiver of the parent ELLAKTOR of its right to participate, in order to enable the BoD of HELECTOR S.A. to distribute part of the new shares to its members and to company executives, as an incentive to take strong efforts so that the Company can maintain-enhance its leading position in Greece and in other countries.

In execution of a relevant decision made by the General Meeting, the BoD distributed such shares to executive directors who paid the respective amount at the offer price determined by the GM.

The difference between fair value (as calculated using the cash flow discount method) and the offer price is recognised as an expense in profit and loss and as reserves above par in equity.

2.18 Provisions

Provisions for pending litigation, unaudited years and other cases are recognised when an actual legal or assumed commitment exists as a result of past events, when settlement of such commitment will likely require an outflow of resources, and when the required amount can be reliably estimated.

Provisions are recognised on a discounted basis when the effect of the time value of money is significant, using a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. When provisions are discounted, the increase in provisions due to the lapse of time is recognised as a financial expense. Provisions are reviewed at each date of financial statements, and if an outflow of funds to settle the obligation is unlikely, they are reversed in the income statement.

2.19 Recognition of revenues

Revenue is generated from construction projects and from waste management services.

The Company recognises revenue when this can be reliably measured, and it is probable that the economic benefits of the transaction will flow to the Company.

Revenue is recognized as follows:

i) Income and profit from construction contracts

Revenue and profit from construction contracts are recognised according to IAS 11 as described in note 2.20 below.

ii) Income from the provision of services

Revenue from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services provided.

In the case where the Company acts as a representative, it is the commission and not the gross revenue that is accounted for as revenue.

iv) Interest income

Interest income is recognised on an accrual basis, using the effective rate method. In case of impairment of borrowings and receivables, interest income is recognised using the rate which discounts future flows for impairment purposes.

v) Income from dividends

Dividends are accounted for as income when the right to receive payment is established.

2.20 Contracts for projects under construction

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Expenses associated with construction contracts are recognised in the period in which they are incurred.

When the result of a construction contract cannot be reliably assessed, only the expenses incurred or expected to be collected are recognised as income from the contract.

When the result of a construction contract can be reliably assessed, such contract's income and expenses will be recognised during the term of contract as income and expenses, respectively. The Company uses the percentage of completion method to estimate the appropriate amount of income and expense to be recognised for a certain period. The stage of completion is calculated based on the expenses which have been realised up to the balance sheet date, compared to the total estimated expenses for each contract. If it is possible that the total cost of the contract will exceed total income, then anticipated losses are directly recognised in profit and loss as expenses.

In order to determine the cost incurred by the end of the period, any expenses relating to future tasks included in the contract are exempted and presented as work in progress. The total cost incurred and recognised profit/loss for each contract is compared with sequential invoices till the end of the fiscal year.

Where the realised expenses plus the net profit (less losses) recognised exceed the sequential invoices, the occurring difference is presented as a receivable from construction contract customers in the account 'Trade and other receivables'. When the sequential invoices exceed the realised expenses plus the net profit (less losses) recognised, the balance is presented as a liability towards construction contract customers in the account 'Trade and other payables'.

2.21 Distribution of dividends

The distribution of dividends to equity holders of the parent company is recognised as liability when the distribution is approved by the General Meeting of the shareholders.

2.22 Grants

Government grants are recognized at fair value when there is a reasonable assurance that the grant will be received, and the Company will comply with all stipulated conditions.

Government grants relating to costs are deferred and recognized in the income statement to match them with the costs that they are intended to compensate.

Government grants regarding the purchase of fixed assets or the construction of projects are included in long-term liabilities as deferred state grants and are recognized as income through profit and loss, using the straight-line method according to the asset expected useful life.

2.23 Reclassifications and rounding of items

The numbers contained in these financial statements have been rounded to EUR ‘000. Any differences that may occur are due to these roundings.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to various financial risks, such as market risk (macroeconomic conditions of the Greek market, currency risk, interest rate risk, etc.), credit risk and liquidity risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, accounts payable and other liabilities and debt liabilities. The accounting principles referred to the above financial instruments are presented in Note 2.

Risk management is monitored by the finance division, and, more specifically, by the central Financial Management Division of the Group, and is determined by directives, guidelines and rules approved by the Board of Directors with regard to rate risk, credit risk, the use of derivative and non-derivative instruments, and the short-term investment of cash.

(a) Market Risk

Market risk is related to the business sectors where the Company operates. Indicatively, the Company is exposed to the risk of a change in the prevailing conditions of the constructions sector and raw materials markets, as well as to risks associated with the execution of projects under joint venture schemes, and the adequacy of capital required for participation in co-financed projects. The Company’s departments are closely monitoring the trends in the individual markets in which it operates and plan actions for prompt and efficient adaptation to the individual markets’ new circumstances.

i) Foreign currency risk

The Company is exposed to low currency risk, mainly related to its activity in Croatia. Currency risk is primarily due to the local currency exchange rate (HRK). If, on 31.12.2015, the exchange rate of the local currency (HRK) was increased/decreased by 5% compared to the euro, the Company’s profits before taxes would be down by EUR 224 000 (2014: EUR 201 000).

ii) Cash flow risk and risk arising from fair value change, due to a change in interest rates

The Company’s exposure to risk from interest rate fluctuations results from loans at floating rates. The Company is exposed to interest rate fluctuations seen on the market, which affect its financial standing and cash flows. Cost of debt may increase as a result of these changes, thus creating losses, or it can decrease on the occurrence of unexpected events. It should be noted that the fluctuation in interest rates in recent years has been caused primarily by the increase in spreads, due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and, to a lesser extent, by the increase in base interest rates (e.g. Euribor).

At the Company level, all loans are floating rate loans. The Company constantly monitors interest rate trends, as well as the duration and nature of subsidiaries’ financing needs. Decisions on loan terms as well as the relation between a variable and fixed interest rate are considered separately, on a case-by-case basis.

Interest Rate Sensitivity Analysis of Group Borrowings

If on 31 December 2015, borrowing rates were increased/decreased by 1%, all other variables being equal, the Company’s results would appear reduced/increased by EUR 88 000 (2014: EUR 99 000). Accordingly, this would also affect the Company equity.

(iii) Price risk

The Company is exposed to the risk relating to the fluctuation of the fair value of its financial assets available for sale which can affect the financial statements, as relevant gains or losses from fair value adjustments will be recorded as a reserve under equity until these assets are sold or designated as impaired.

(b) Credit Risk

The Company has developed policies in order to ensure that transactions are conducted with customers of sufficient credit rating. Due to the conditions prevailing in the market, credit line approval results from a stricter procedure that involves all senior management levels. The Company has been monitoring its debtors' balances very carefully, and where receivables with credit risk are identified, they are assessed in accordance with established policies and procedures, and an appropriate impairment provision is formed.

Cash and cash equivalents, investments and financial derivative contracts potentially involve credit risk as well. In such cases, the risk may arise from counterparty failure to fulfill their obligations towards the Company. In order to manage this credit risk, the Company sets limits to the degree of exposure for each financial institution, within the scope of the policies of the Board of Directors.

(c) Liquidity risk

Given the current crisis of the Greek State and the Greek financial sector, the liquidity risk is higher, and the management of cash flows is urgent. To manage the liquidity risk, the Company budgets and regularly monitors its cash flows and ensures that cash on hand is available, including the options of intra-company loans and unused credit lines to meet its needs (e.g. financing, guarantee letters, etc.).

The Company's liquidity is monitored by the Management at regular intervals. The following table presents an analysis of the Company's financial liabilities maturing on 31 December 2015 and 2014, respectively:

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
	Up to 1 year	
Bank borrowings	3,118	19,879
Trade and other payables	19,010	14,162
	22,129	**34,041**

The above amounts are presented in the contractual, non-discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements, with respect to the Supplier accounts and other liabilities and Loans.

The Trade and Other liabilities breakdown is exclusive of Advances from customers, Amounts due to customers for contract work and investment plans, and Social security and other taxes.

3.2 Cash management

Regarding cash management, the Company's intention is to ensure its ability to continue its operations unhindered so as to secure returns for shareholders and benefits for other parties associated with the Company, and to maintain an optimum capital structure so as to achieve capital cost reductions.

In order to preserve or change its capital structure, the Company may alter the dividend distributed to shareholders, return capital to shareholders, issue new shares or sell assets. In line with industry practice, the Company monitors the capital structure using the leverage ratio. Leverage is calculated as the ratio of net debt (long-term loans and short-term loans less cash available) over net debt plus equity capital. The following table shows the gearing ratios as of 31 December 2015 and 2014:

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**

Total borrowings	2,476	13,709
Less: Cash and cash equivalents*	(24,120)	(22,129)
Net borrowings	**(21,644)**	**(8,420)**
Total Equity	**83,193**	**80,746**
Total Capital	**61,548**	**72,326**
Gearing ratio	**-**	**-**

**Restricted cash (EUR 2 551 000) has been added to total Cash and cash equivalents of 2015 (EUR 21 569 000). Accordingly, restricted cash (EUR 3 571 000) has been added to total Cash and cash equivalents of 2014 (EUR 18 558 000).

Given that the Company holds net cash, gearing ratio calculation as of 31.12.2015 and 31.12.2014 is not applicable. This ratio is defined as the quotient of net debt (i.e. total long and short-term bank borrowings) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

3.3 Fair value determination

The financial instruments carried at fair value at the balance sheet date are classified under the following levels, in accordance with the valuation method:

- Level 1: for assets and liabilities traded in an active market and whose fair value is determined by the quoted prices (unadjusted) for identical assets or liabilities.

- Level 2: for assets and liabilities whose fair value is determined by factors related to market data, either directly (that is, as prices) or indirectly (that is derived from prices).

- Level 3: for assets whose fair value is not determined by observations from the market, but is mainly based on internal estimates.

The table below presents a comparison of the carrying values of the Company's financial assets held at amortized cost and fair values:

All amounts in EUR '000.

COMPANY FIGURES	**Book value**		**Fair value**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
Financial liabilities				
Long-term & short-term borrowings	2,476	13,709	2,476	13,709

The fair values of cash and cash equivalents, restricted cash, trade receivables and trade payables approximate their carrying values. The fair values of borrowings are estimated based on the discounted future cash flows.

The following table presents the Company's financial assets and liabilities at fair value on 31 December 2015 and 31 December 2014:

All amounts in EUR '000.

	31 December 2015	
	COMPANY FIGURES	
	HIERARCHY	
	LEVEL 2	**TOTAL**
Financial assets		
Available-for-sale financial assets	11 742	**11 742**

	31 December 2014
	COMPANY FIGURES

	HIERARCHY LEVEL 2	TOTAL
Financial assets		
Available-for-sale financial assets	-	-

The fair value of financial assets traded on active money markets (e.g. derivatives traded outside a derivative market) is determined by measurement methods, based primarily on available information on transactions carried out on active markets, using the estimates made by the economic entity as little as possible. These financial tools are included in level 2.

4 Critical accounting estimates and judgments of the management

Estimates and judgments are continuously evaluated and are based on historical data and expectations for future events, as considered reasonable under the circumstances.

4.1 Significant accounting estimates and assumptions

The annual financial statements and the accompanying notes and reports might contain certain assumptions and calculations pertaining to future events, in relation to the Company's operations, growth and financial performance. Although such assumptions and calculations are based on the best knowledge of the Company's Management with regard to current conditions and actions, the actual results may be different from such calculations and assumptions, taken into account in the preparation of the Company's annual financial statements.

Assessments and assumptions that involve important risk of causing future material adjustments to the assets' and liabilities' book values:

(a) Estimates regarding the accounting treatment of construction projects according to IAS 11 'Construction Contracts'

(i) Realisation of income from construction contracts, based on the estimation of the percentage completion of the project.

For the estimation of the percentage completion of the construction projects in progress, according to which the Group recognises income from construction contracts, the Management estimates the expected expenses to be made by the completion of the projects.

(ii) Requests for compensation for additional work made beyond the contractual agreement.

The Company's Management estimates the amount to be received for additional work and recognises income based on the percentage of completion, as long as it considers that the collection of this amount is probable.

(b) Provisions

(i) Income tax

Estimates are required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(ii) Provisions for disputed cases

There are pending litigations relating to the Company. The Management assesses the outcome of these cases and, where a negative outcome is possible, the Company establishes the required provisions. Provisions, where required, are calculated on the basis of the current value of the estimates made by the management of the cost to be incurred for settling the expected liabilities as of the Balance Sheet date. The current value is based on a number of factors that requires the exercise of judgment.

(c) *Impairment of PPE*

PPE are initially recognised at cost and subsequently depreciated over their useful lives. The Company assesses at each reporting period whether there is evidence of impairment of PPE. Impairment testing is based on market data and the management's estimates of future financial and operating conditions. During the impairment testing process, the management works with independent appraisers.

(*d*) *Fair value of financial instruments*

The fair value of financial instruments not listed in an active market is determined using valuation methods which require using assumptions and judgments. The Company makes assumptions based mostly on current market conditions in the preparation of financial statements.

(d) *Impairment Test of subsidiaries and associates*

The Company tests for impairment in the value of its investments in subsidiaries and associates, comparing the recoverable amount of each investment (the highest of the values between value of use and fair value less selling costs) with its book value Management makes assessments to determine the recoverable amount, following a methodology similar to the one it applies when testing goodwill for impairment, in order to determine the present value of the anticipated future cash flows of the subsidiary or associate.

4.2 Significant judgments of the Management on the application of the accounting principles

There are no significant judgements of the management.

5 Property, plant and equipment

All amounts in EUR '000.

Company figures

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost						
1 January 2014	**298**	**629**	**9,929**	**757**	**912**	**12,526**
Acquisition/ absorption of subsidiary	-	39	671	19	-	730
Additions	-	5	78	181	-	264
Disposals/ write-offs	(82)	-	-	(21)	-	(104)
31 December 2014	**216**	**674**	**10,678**	**936**	**912**	**13,415**
1 January 2015	**216**	**674**	**10,678**	**936**	**912**	**13,415**
Additions	180	25	186	58	-	450
Sales	-	-	(142)	(11)	-	(153)
Write-off	-	(43)	(27)	(5)	-	(75)
31 December 2015	**396**	**656**	**10,696**	**978**	**912**	**13,637**
Accumulated Amortisation						
1 January 2014	**(7)**	**(507)**	**(6,238)**	**(685)**	**-**	**(7,437)**
Acquisition/ absorption of subsidiary	-	(28)	(304)	(9)	-	(341)
Depreciation for the year (note 24)	(5)	(36)	(818)	(53)	-	(912)
Disposals/ write-offs	8	-	-	7	-	15
31 December 2014	**(4)**	**(571)**	**(7,360)**	**(740)**	**-**	**(8,674)**
1 January 2015	**(4)**	**(571)**	**(7,360)**	**(740)**	**-**	**(8,674)**
Depreciation for the year (note 24)	(5)	(35)	(805)	(49)	-	(894)
Sales	-	-	142	10	-	152
Write-off	-	43	27	5	-	75
31 December 2015	**(9)**	**(564)**	**(7,996)**	**(773)**	**-**	**(9,341)**
Net book value as at 31 December 2014	**212**	**102**	**3,318**	**196**	**912**	**4,741**
Net book value as at 31 December 2015	**387**	**92**	**2,700**	**205**	**912**	**4,296**

During the current year, the Company has not proceeded to impairment of property.

Leases amounting to EUR 1 406 (2014: EUR 1 141) regarding tangible asset operating leases are included in the income statement (note 23).

6 Intangible assets

All amounts in EUR '000.

Company figures

	Software and others
Cost	
1 January 2014	**98**
Additions	49
Disposals/write-offs	(7)
31 December 2014	**140**
1 January 2015	**140**
Additions	7
31 December 2015	**147**
Accumulated depreciation	
1 January 2014	**(96)**
Depreciation for the year (note 24)	(2)
31 December 2014	**(98)**
1 January 2015	**(98)**
Depreciation for the year (note 24)	(24)
31 December 2015	**(122)**
Net book value as at 31 December 2014	**42**
Net book value as at 31 December 2015	**25**

7 Investments in subsidiaries

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
At year start	**14,944**	**11,692**
(Absorption of a subsidiary)	-	(400)
Additions	-	5,152
Return of capital	-	(1,500)
At year end	**14,944**	**14,944**

During the year ended on 31 December 2014, HELECTOR S.A. took over HELECTOR CONSTRUCTIONS S.A. and reduced its investment in VEAL S.A. by EUR 1 500 000.

Subsidiaries are analysed as follows:

Name	**Registered office**	**Participation share 2015**	**Participation share 2014**
AIFORIKI DODEKANISOU SA	GREECE	100.00%	100.00%
AIFORIKI KOUNOU SA	GREECE	97.86%	97.86%
APOTEFROTIRAS SA	GREECE	77.78%	70.00%
VEAL SA	GREECE	50.00%	50.00%
HELECTOR CYPRUS (formerly ELEMAX LTD)	CYPRUS	100.00%	100.00%
HELECTOR GERMANY GMBH	GERMANY	100.00%	100.00%
HERHOF GMBH	GERMANY	100.00%	100.00%
HERHOF RECYCLING CENTER OSNABRUCK GMBH	GERMANY	100.00%	100.00%
HERHOF VERWALTUNGS GMBH	GERMANY	100.00%	100.00%
JV HELECTOR-ELLAKTOR-CYBARCO	CYPRUS	100.00%	100.00%
HELECTOR BULGARIA LTD	BULGARIA	100.00%	100.00%

YLECTOR DOOEL SKOPJE	FYROM	100.00%	100.00%
DOAL SA	GREECE	100.00%	100.00%
K.G.E GREEN ENERGY LTD	CYPRUS	100.00%	100.00%
NEASACO ENTERPRISES LTD	CYPRUS	100.00%	100.00%
JV HELECTOR SA-BILFINGER BERGER (CYPRUS-PAPHOS LANDFILL)	CYPRUS	100.00%	100.00%
JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)	CYPRUS	100.00%	100.00%
STERILISATION SA	GREECE	60%	60%
EDADYM SA	GREECE	100%	100%

HELECTOR CONSTRUCTIONS S.A. was absorbed by its parent HELECTOR S.A. in the fourth quarter of 2014. More specifically, on 7.11.2014, the Regional Unit of the Athens Northern Sector (Ref. No 29560/14) approved the merger of subsidiaries HELECTOR S.A. and HELECTOR CONSTRUCTIONS S.A. by absorption of the latter, in accordance with the combined provisions of articles 69-77 and 78 of Codified Law 2190/1920 and articles 1-5 of Law 2166/1993, as in force, according to the absorbed company's merger balance sheet of 28.02.2014, and pursuant to the decisions of 23.09.2014 of the merging companies' General Meetings.

Finally, during the year that ended on 31.12.2015, there was no transaction in the subsidiaries.

8 Investments in associates & joint ventures

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
At year start	**3 319**	**3 307**
Additions	-	12
Increase of participation cost	2 114	-
Share of loss (net of tax)	-	-
Other changes to Other Comprehensive Income	-	-
At year end	**5 432**	**3 319**

Associates are analysed as follows:

S/N	Name	Registered office	Participation share 2015	Participation share 2014
1	ENERMEL S.A.	GREECE	49.18%	49.18%
2	TOMI EDL LTD	GREECE	50.00%	50.00%
3	PROJECT DYNAMIC CONSTRUCTION	GREECE	32.32%	32.32%
4	ELLAKTOR VENTURES LTD	CYPRUS	25.00%	25.00%
5	LEVASHOVO WASTE MANAGEMENT PROJECT LLC	RUSSIA	25.00%	25.00%
6	HELECTOR S.A. - ENVITEC S.A. Partnership	GREECE	75.00%	50.00%
7	EPADYM S.A.	GREECE	50.00%	50.00%

EPADYM S.A. was established in 2014, in which HELECTOR S.A. holds a 50% share. Moreover, in 2015, by a decision of the General Meeting, the payment of share capital by HELECTOR S.A. to EPADYM S.A. was decided to the amount of EUR 2 114 000, which was paid during the current year.

9 Joint operations consolidated as a joint operation

Joint operations are broken down as follows:

S/N	Name	Registered	Participation	Participation

		office	share 2015	share 2014
1	J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	GREECE	40.39 %	40.39 %
2	JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	GREECE	60.00 %	60.00 %
3	JV HELECTOR-MESOGEIOS (TAGARADES LANDFILL)	GREECE	30.00 %	30.00 %
4	JV DETEALA- HELECTOR-EDL LTD	GREECE	30.00 %	30.00 %
5	JV HELECTOR SA – MESOGEIOS SA (FYLIS LANDFILL)	GREECE	99.00 %	99.00 %
6	JV HELECTOR SA – MESOGEIOS SA (MAVRORACHI LANDFILL)	GREECE	65.00 %	65.00 %
7	J/V HELECTOR– ARSI	GREECE	80.00 %	80.00 %
8	JV LAMDA – ITHAKI & HELECTOR	GREECE	30.00%	30.00%
9	J/V HELECTOR– ERGOSYN SA	GREECE	70.00 %	70.00 %
10	J/V BILFIGER BERGER - MESOGEIOS- HELECTOR	GREECE	29.00 %	29.00 %
11	J/V TOMI SA –HELEKTOR SA	GREECE	21.75 %	21.75 %
12	JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	GREECE	15.23 %	15.23 %
13	JV HELECTOR –ENVITEC (Recycling & Composting Plant)	GREECE	50.00 %	50.00 %
14	JV HELECTOR -LANTEC-ENVIMEK-ENVIROPLAN	GREECE	32.00 %	32.00 %
15	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	GREECE	70.00%	70.00%
16	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	GREECE	49.85%	49.85%
17	J/V HELECTOR SA – ZIORIS SA	GREECE	51.00%	51.00%
18	J/V HELECTOR SA – EPANA SA	GREECE	50.00%	50.00%
19	J/V HELECTOR SA - KONSTANTINIDIS	GREECE	49.00%	49.00%
20	J/V HELECTOR SA - KASTOR SA (EGNATIA HIGH FENCING PROJECT)	GREECE	70.00%	70.00%
21	JV HELECTOR - LANDTEK	GREECE	75.00%	75.00%
22	JV AKTOR SA - AKTOR BULGARIA SA	BULGARIA	60.00%	60.00%

The following amounts represent the Company's share in the assets and liabilities of joint ventures, consolidated using the proportional method and included in the Statement of Financial Position:

All amounts in EUR '000.

	31-Dec-15	31-Dec-14
Receivables		
Non-current assets	1,247	1,054
Current assets	30,184	44,810
	31,432	**45,864**
Payables		
Non-current liabilities	442	716
Current payables	29,653	43,803
	30,095	**44,519**
Equity	**1,337**	**1,345**
Income	49,123	37,948
Expenses	(45,354)	(32,248)
Earnings after taxes	**3,769**	**5,700**

10 Available for sale financial assets

All amounts in EUR '000.

	Company figures	
	31-Dec-15	31-Dec-14
At year start	-	-
Additions new	14,250	-
Additions-increase in investment cost		

(Disposals)	(2,500)	-
(Impairment) (note 25)	-	-
Adjustment to fair value of Other Comprehensive Income: decrease	(8)	-
At year end	**11,742**	**-**
Non-current assets	-	-
Current assets	11,742	-
	11,742	**-**

Available-for-sale financial assets include the following:

	Company figures	
	31-Dec-15	**31-Dec-14**
Non-listed securities:		
Money Market Funds - International (in EUR)	11,742	-
	11,742	**-**

On 31.12.2015, the amount appearing in line 'Additions new' of EUR 14 250 000 pertains to the purchase of low-risk Mutual Funds. Correspondingly, the amount of EUR 2 500 000, appearing in line 'Sales',concerns sales of part of the above Mutual Funds.

On 31.12.2015, the amount of EUR 8 000 appearing in line 'Adjustment to fair value of Other Comprehensive Income: decrease' for the Company respectively, concerns the valuation of the Mutual Funds mentioned above.

The fair value of non-listed securities is determined by discounting anticipated future cash flows, based on the market interest rate, and the required return on investments of similar risk; the value of mutual funds is based on the net asset value of each fund.

11 Inventories

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
Raw materials	147	-
Finished products	-	-
Production in progress	42	-
Prepayment for inventories purchase	115	-
Net realisable value	**304**	**-**

The cost of inventories recorded as an expense in cost by category amounts to EUR 30 464 000 (2014: EUR 22 733 000) for the Company (note 23).

During the previous year, an amount of EUR 197 000 was impaired.

12 Trade and other receivables

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
Trade	16,113	30,257
Less: Trade impairment provisions	(3,642)	(3,642)
Trade Receivables - Net	**12,471**	**26,615**
Prepayments	5,735	7,091
Amounts due from construction contracts	7,151	17,344
Dividends receivable (note 30)	1,836	6,036
Loans to related parties (note 30)	12,545	7,649

Public sector	4,771	5,002
Receivables from JVs	4,380	2,915
Receivables of JVs by members	125	47
Other receivables	1,851	2,972
Less: Other receivable impairment provisions	(347)	(455)
Receivables from related parties (note 30)	9,094	9,852
Total	**59,612**	**85,069**
Non-current assets	14,361	6,918
Current assets	45,251	78,151
	59,612	**85,069**

There is no credit risk concentration in relation to trade receivables since the Company has a large client base from several business segments.

The book value of receivables is approximate to their fair value.

The Company's other receivables include a loan to third parties with nominal value of EUR 1 727 000 (2014: EUR1 656 000).

	Company figures	
	31-Dec-15	**31-Dec-14**
Not overdue and not impaired	10,941	17,614
Overdue:		
3 -6 months	1,394	8,899
6 months – 1 year	455	1,319
Over 1 year	3,324	2,423
	16,113	**30,257**
Less: Provision for impairment of receivables	(3,642)	(3,642)
Trade Receivables - Net	**12,471**	**26,615**

All company receivables are expressed in Euros.

The movement in the provision for doubtful trade and other receivables stands as follows:

	Company figures	
	31-Dec-15	**31-Dec-14**
Balance as of 1 January	**4,097**	**4,418**
Provision for impairment	-	37
Write-off of receivables	-	(358)
Discount	(108)	-
Balance as of 31 December	**3,989**	**4,097**

The amounts recognised as provision are usually written-off, to the extent that such amounts are not expected to be collected from the specific customers/debtors.

The Company's maximum exposure to credit risk on 31 December 2015 is the fair value of the above trade and other receivables.

On the balance sheet date, the Company holds no guarantees on trade debtors. Proper performance guarantees with customers are shown in note 30.

Construction contracts are broken down below:

Company figures	
31-Dec-15	**31-Dec-14**

Income from construction contracts of the current presented reference period	55 642	52 891
Contractual expenses incurred & booked profits (less recognised losses)	225 685	170 043
Gross amount owed by Customers for contractual work, presented as a receivable	7 151	17 344
Gross amount owed to Customers for contractual work, presented as a receivable	4 654	501
Collected Advances (note 32)	(4 963)	(7 426)
Customer Withholdings for Good Performance	5 317	4 641

13 Restricted cash

Company's restricted cash as at 31.12.2015 amounted to EUR 2 551 000 and as at 31.12.2014 they amounted to EUR 3 571 000.

Restricted cash pertains mainly to subsidies of European research program, which are released with the gradual implementation of the programs.

14 Cash and cash equivalents

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
Cash in hand	60	33
Short-term deposits with banks	21,509	18,526
Total	**21,569**	**18,558**

Cash and cash equivalents are expressed in Euros.

The following table shows the rates of deposits per credit rating class by Standard & Poor (S&P), as of 31.12.2015.

	Company figures	
	2015	**2014**
Financial institution credit rating	**Cash and cash equivalents**	**Cash and cash equivalents**
AA-	6.64%	4.90%
A+	-	0.06%
A	25.55%	2.98%
CCC+	-	88.65%
SD (Selective Default)	47.97%	-
NR (Not rated)	19.83%	3.40%
	100.00%	**100.00%**

NR Financial Institutions include, among others, subsidiaries and branches of Greek banks abroad.

The time deposit interest rates are determined after negotiations with selected banking institutions, based on Euribor rates, and are dependent on the period of investment.

15 Share Capital & Premium Reserve

All amounts in EUR, save the number of shares

Company figures

	Number of Shares	Ordinary shares	Share premium	Total

1 January 2014	**218,580**	**2,234**	**5,216**	**7,450**
31 December 2014	**218,580**	**2,234**	**5,216**	**7,450**
1 January 2015	**218,580**	**2,234**	**5,216**	**7,450**
31 December 2015	**218,580**	**2,234**	**5,216**	**7,450**

The total number of approved ordinary shares is 218 580 (2014: 218 580 shares) with the face value of EUR 10.22 each (2014: EUR 10.22 per share). All issued shares have been paid up fully.

16 Other reserves

All amounts in EUR '000.

Company figures

	Statutory reserves	Special reserves	Tax-exempt reserves	Foreign exchange Cash For sale	Foreign exchange difference reserves	Actuarial profits/(losses) reserves	Total
1 January 2014	**502**	**4 099**	**227**	**-**	**(13)**	**(36)**	**4 779**
Currency translation differences	-	-	-	-	15	-	15
Acquisition/absorption of subsidiary	24	-	-	-	-	(3)	20
Actuarial loss	-	-	-	-	-	(41)	(41)
31 December 2014	**526**	**4 099**	**227**	**-**	**1**	**(80)**	**4 773**
1 January 2015	**526**	**4 099**	**227**	**-**	**1**	**(80)**	**4 773**
Currency translation differences	-	-	-	-	(10)	-	(10)
Effect of change in % participation in subsidiaries	-	6	-	-	-	-	6
Changes in value of financial assets available for sale	-	-	-	(8)	-	-	(8)
Actuarial loss	-	-	-	-	-	(3)	(3)
31 December 2015	**526**	**4 106**	**227**	**(8)**	**(9)**	**(84)**	**4 759**

(a) Statutory reserves

The provisions of articles 44 and 45 of Codified Law 2190/1920 regulate the formation and use of statutory reserves: At least 5% of each year’s actual (book) net earnings must be withheld to form a statutory reserve until the statutory reserve’s accumulated amount equals at least 1/3 of the share capital. By decision of the Ordinary General Meeting of Shareholders, the statutory reserve may be used to cover losses, and, therefore, may not be used for any other purpose.

(b) Special reserves

Reserves of this category have been created upon decision of the Ordinary General Meeting in past years, do not have any specific designation, and may, therefore, be used for any purpose, upon decision of the Ordinary General Meeting.

(c) Untaxed reserves

The foregoing reserves may be capitalised and distributed (having due regard to the applicable limitations) upon decision of the Ordinary General Meeting of shareholders.

17 Borrowings

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**

Short-term borrowings		
Bank borrowings	-	8,040
From related parties (note 31(j))	2,476	5,669
Total short-term borrowings	**2,476**	**13,709**
Total borrowings	**2,476**	**13,709**

The average effective rate of the Company in the current year is 4.63% (2014: 4.95%),

The Group's exposure to the risk of changes in borrowing rates, and the contractual dates for re-determination of rates are as follows:

	Company figures		
	Fixed rate	**Floating rate up to 6 months**	**Total**
31 December 2015			
Total borrowings	-	2,476	2,476
	-	**2,476**	**2,476**

	Company figures		
	Fixed rate	**Floating rate up to 6 months**	**Total**
31 December 2014			
Total borrowings	-	13,709	13,709
	-	**13,709**	**13,709**

All borrowings are expressed in Euros.

18 Trade and other payables

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
Suppliers	6 006	7 875

Accrued expenses	51	3
Advances from customers	10	7 549
Wages and salaries payable	451	267
Social security and other taxes	1 476	1 269
Liabilities to JVs	166	980
JV liabilities to members	67	47
Amounts due to construction contracts	4 654	501
Subcontractors	1 615	1 269
Other payables	3 957	3 526
Total liabilities – Related parties (note 30)	11 665	6 500
Total	**30 118**	**29 785**
Non-current	-	584
Current	30 118	29 200
Total	**30 118**	**29 785**

All liabilities are expressed in Euros.

The Company's liabilities from trade activities are free of interest.

19 Deferred taxation

All amounts in EUR '000.

Deferred tax receivables and liabilities are offset when there is a legally vested right to offset current tax receivables against current tax liabilities, and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

	Company figures	
	31-Dec-15	**31-Dec-14**
Deferred tax liabilities:		
Recoverable after 12 months	-	83
	-	**83**
Deferred tax assets:		
Recoverable after 12 months	2,841	1,766
	2,841	**1,766**
	(2,841)	**(1,683)**

Total change in deferred income tax is presented below:

	Company figures	
	31-Dec-15	**31-Dec-14**
Balance at period start	**(1,683)**	**(2,289)**
Debit/ (credit) through profit and loss (note 28)	(1,154)	626
Other comprehensive income credit	(4)	(14)
Acquisition/absorption of subsidiary	-	(5)
Balance at period end	**(2,841)**	**(1,683)**

Changes in deferred tax receivables and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

Company figures
Deferred tax liabilities:

	Accelerated tax depreciation	**Construction contracts**	**Other**	**Total**
1 January 2014	**6**	**1,617**	**42**	**1,664**

Income statement debit/(credit)	(6)	1,395	201	1,590
31 December 2014	**-**	**3,012**	**243**	**3,255**
1 January 2015	**-**	**3,012**	**243**	**3,255**
Income statement debit/(credit)	2	(642)	(243)	(883)
31 December 2015	**2**	**2,370**	**-**	**2,372**

Deferred tax assets:

	Impairment of holdings	Accelerated tax depreciation	Construction contracts	Actuarial profits /(losses) reserves	Other	Total
1 January 2014	**2,809**	**-**	**-**	**-**	**1,145**	**3,953**
Income statement debit/(credit)	-	11	983	-	(30)	964
Other comprehensive income credit	-	-	-	14	-	14
Acquisition/ absorption of subsidiary	-	-	-	1	4	5
31 December 2014	**2,809**	**11**	**983**	**15**	**1,119**	**4,937**
1 January 2015	**2,809**	**11**	**983**	**15**	**1,119**	**4,937**
Income statement debit/(credit)	-	325	(115)	-	61	271
Other comprehensive income credit	-	-	-	4	-	4
31 December 2015	**2,809**	**336**	**868**	**19**	**1,181**	**5,213**

Deferred tax receivables are recognised for the transfer of tax losses, provided that it is probable to achieve a relevant financial benefit due to future taxable gains.

20 Employee retirement compensation liabilities

All amounts in EUR '000. The amounts recognised in the Statement of Financial Position are the following:

	Company figures	
	31-Dec-15	**31-Dec-14**
Liabilities in the Statement of Financial Position for:		
Retirement benefits	310	275
Total	**310**	**275**

The amounts recognised in the Income Statement are the following:

	Company figures	
	31-Dec-15	**31-Dec-14**
Charges /(credits) to results (note 27)		
Retirement benefits	40	30
Total	**40**	**30**

The amounts posted in the Statement of Financial Position are as follows:

	Company figures	
	31-Dec-15	**31-Dec-14**
Present value of non-financed liabilities	310	275
Liability in Statement of Financial Position	**310**	**275**

The amounts posted in the Income Statement are as follows:

	Company figures	
	31-Dec-15	**31-Dec-14**
Current employment cost	37	26
Financial cost	5	7
Cut-down losses	(3)	(3)
Total included in employee benefits (note 26)	**40**	**30**

Change to liabilities as presented in the Balance Sheet is as follows:

	Company figures	
	31-Dec-15	**31-Dec-14**
Opening balance	**275**	**196**
Acquisition/absorption of subsidiary	-	20
Indemnities paid	(12)	(26)
Actuarial loss charged to Statement of Comprehensive Income	7	55
Total debit/ (credit) to results	40	30
Closing balance	**310**	**275**

The main actuarial assumptions used for accounting purposes for the company's figures, are the following:

	31-Dec-15	**31-Dec-14**
Discount rate	2.00%	1.90%
Future salary raises	2%, + 0.5% = 2.5 %	0.00% by 2016 and 2.50%** afterwards

,: Average annual long-term inflation = 2%
,,: Average annual long-term inflation = 2.5%

The average weighted duration of retirement benefits is 18.90 years.

Analysis of expected maturity of non-discounted pension benefits:

	Company figures	
	31-Dec-15	**31-Dec-14**
2 to 5 years	9	10
Over 5 years	457	398
Total	**466**	**408**

The sensitivity analysis of pension benefit from changes in the main assumptions are:

	Company figures		
	Change in the assumption according to	**Increase in the assumption**	**Decrease in the assumption**
Discounting interest	0.50%	-5.62%	5.62%
Payroll change rate	0.50%	5.56%	-5.56%

Actuarial loss recognised in the Statement of Comprehensive Income are:

	Company figures	
	31-Dec-15	**31-Dec-14**
Loss from the change in financial assumptions	7	37
Losses	-	18
Total	**7**	**55**

21 Grants

All amounts in EUR '000.

	Company figures	
	31-Dec-15	**31-Dec-14**
At year start	**3,701**	**3,960**
Acquisition/absorption of subsidiary	-	-
Transfer to results (note 25)	(259)	(259)
Refunds	(499)	-
At year end	**2,942**	**3,701**

From all Company grants, the unamortised amount of EUR 2 942 000 (2014: EUR 3 701 000) is broken down to a) EUR 608 000 (2014: EUR 868 000) relates to a government grant received by HELECTOR S.A. from the Corporate Programme ‘Competitiveness’ regarding the ‘Electrical power generation from Tagarades Thessaloniki Sanitary Landfill biogas’ project, with a 5 MW capacity. The grant amount covers 40% of the investment’s budget; (b) an amount of EUR - 000 (2014: EUR 499 000) for a European Commission grant (DG ENER) under the 6th Framework Programme for the BIOGAS CHCP project. This project relates to a demonstration power and heat poly-generation programme, implemented using anaerobic treatment of organic waste (the unamortised amount of this grant was returned during FY 2015); and (c) an amount of EUR 2 334 000 (2014: EUR 2 334 000), corresponding to an advance of the European Commission grant (DG ENER) for the GAS-BIOREF project. This project relates to the implementation of a demonstration gasification plant with a capacity of 3 T/H, using 50% SRF and 50% biomass.

22 Provisions

All amounts in EUR '000.

Company figures

	Litigations pending	Tax provisions	Other provisions	Total
1 January 2014	**291**	**704**	**2,450**	**3,445**
Absorption of a subsidiary	-	15	-	15
31 December 2014	**291**	**719**	**2,450**	**3,460**
1 January 2015	**291**	**719**	**2,450**	**3,460**
31 December 2015	**291**	**719**	**2,450**	**3,460**

Analysis of total provisions:

	Company figures	
	31-Dec-15	**31-Dec-14**
Non-current	3,460	3,460

Total	**3,460**	**3,460**

(a) Outstanding litigations

The entire amount of the provision formed pertains to third-party actions against the Company. The amount of the provision is based on estimates made by the Group's Legal Department. The company's management considers the provision amount sufficient, and no additional charges are expected to arise beyond the amounts disclosed as of 31.12.2015.

(b) Other provisions

Other provisions relate to the Company's contingent liabilities for management projects

23 Expenses per category

All amounts in EUR '000.

Company figures

		1-Jan to 31-Dec-15			
	Note	**Cost of sales**	**Distribution expenses**	**Administrative expenses**	**Total**
Employee benefits	26	7,763	44	776	8,583
Inventories used	12	30,446	-	18	30,464
Depreciation of tangible assets	5	894	-	-	894
Amortisation of intangible assets	6	25	-	-	25
Repair and maintenance expenses of tangible assets		388	1	1	390
Operating lease rents	5	1,140	12	160	1,312
Third party fees for technical works		22,691	560	315	23,565
Other		11,832	899	1,131	13,862
Total		**75,180**	**1,516**	**2,400**	**79,095**

		1-Jan to 31-Dec-14			
	Note	**Cost of sales**	**Distribution expenses**	**Administrative expenses**	**Total**
Employee benefits	26	6,262	-	406	6,669
Inventories used	12	22,733	-	-	22,733
Depreciation of tangible assets	5	910	-	2	912
Amortisation of intangible assets	6	-	-	2	2
Repair and maintenance expenses of tangible assets		417	-	2	419
Operating lease rents	5	983	10	149	1,141
Third party fees for technical works		32,142	480	444	33,067
Other		9,761	590	1,457	11,807
Total		**73,208**	**1,080**	**2,462**	**76,750**

24 Other income/(expenses) & Other profits/(losses)

All amounts in EUR '000.

	Company figures
	1-Jan to

	31-Dec-15	31-Dec-14
Impairment of assets available for sale	-	-
(Losses)/profit from the sale and write-off of other tangible assets	12	(66)
Amortisation of grants received (note 21)	259	259
Rents	667	558
Impairment provisions and direct write-offs	-	(457)
Special levy on the turnover of RES companies (Law 4093/2012)	-	(77)
Default interest, based on a contract with the State	1 176	-
Other profit/ (losses)	35	553
Total	**2 149**	**770**

25 Financial income/(expenses) - net

All amounts in EUR '000.

	Company figures	
	1-Jan to	
	31-Dec-15	31-Dec-14
Interest expenses		
- Bank borrowings	(642)	(453)
- Guarantee letter commissions	(1,076)	(871)
- Other financial expenses	(50)	(92)
Total financial expenses	**(1,768)**	**(1,416)**
Interest income	803	1,335
Total financial income	**803**	**1,335**

26 Employee benefits

All amounts in EUR, save the number of employees.

	Company figures	
	1-Jan to	
	31-Dec-15	31-Dec-14
Wages and salaries	6,986	5,216
Social security expenses	1,543	1,391
Cost/(revenue) from defined benefit plans (note 20)	40	30
Other employee benefits	14	31
Total	**8,583**	**6,669**
Number of employees	279	268

27 Income tax

Law 4334/16.07.2015, relating to urgent arrangements for the negotiations and the conclusion of an agreement with the European Stability Mechanism (ESM), was passed on 16.07.2015. According to the new law, the income tax rate for legal entities is increased from 26% to 29%, and the prepayment of income tax is increased from 80% to 100%, effective from the financial year of 2015. The negative effect from the recalculation of deferred taxes for the Company on the income tax of the Income statement is shown in the following table.

All amounts in EUR '000.

	Company figures 1-Jan to	
	31-Dec-15	31-Dec-14
Tax for the year	4 211	2 054
Deferred tax (note 19)	(1 154)	626
Total	**3 057**	**2 680**

Since FY 2011, Greek Sociétés Anonymes and Limited Liability Companies whose annual financial statements are mandatorily audited by legally appointed auditors are required to obtain an ‘Annual Certificate’ under Article 82(5) of Law 2238/1994, which is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a ‘Tax Compliance Report,’ and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically.

The table presenting the analysis of unaudited financial years of all joint operations under consolidation is shown in Note 29. The tax on the Company’s earnings before tax differs from the notional amount which would arise using the tax rate imposed on the Company’s earnings. The difference is as follows:

	Company figures	
	31-Dec-15	31-Dec-14
Accounting profit/(losses) before tax	**5 518**	**16 021**
Tax imputed, based on applicable local tax rates on the parent’s profit (2015: 29% & 2014: 26%)	1 599	4 165
Effect of change to tax rate	(207)	-
Untaxed income	(505)	(2 193)
Expenses not deductible for tax purposes:	1 612	296
Differences from tax audit	558	(21)
Tax losses for which no deferred tax asset was recognised	-	432
Income tax	**3 057**	**2 680**

The average weighted tax rate for the Group for 2015 is 55.40% (2014: 16.73%),

The tax corresponding to Other Comprehensive Income is:

Company figures

	1-Jan to 31-Dec-15			1-Jan to 31-Dec-14		
	Before tax	Tax (debit)/credit	After tax	Before tax	Tax (debit)/credit	After tax
Currency translation differences	(10)	-	(10)	15	-	15
Changes in value of financial assets available for sale	(8)	-	(8)	-	-	-
Actuarial gains/(losses)	(7)	2	(5)	(55)	14	(41)
Effect of tax rate change on actuarial profits/(losses)	-	2	2	-	-	-
	(25)	**4**	**(21)**	**(40)**	**14**	**(26)**

28 Cash Flows from operating activities

All amounts in EUR '000.

		Company figures	
	Note	01.01.2015-31.12.2015	01.01.2014-31.12.2014
Profit before taxes		5 518	16 021
Adjustments for:			

Depreciation of PPE	5	894	912
Depreciation of intangible assets	6	24	1
(Losses)/profit from the sale and write-off of other tangible assets	24	(12)	66
Loss from disposal of property, plant and equipment of VEAL S.A.	24		
Amortization of grants	21	(259)	(259)
Interest income	25	(803)	(1 335)
Income from dividends		(1 740)	(8 438)
Write-offs/provisions of receivables and inventories	13	-	561
Retirement benefit liabilities		27	4
Debit interest and related expenses	25	1 768	1 416
		5 418	**8 951**
Changes in working capital			
(Increase)/decrease in inventory		(304)	-
Decrease/(increase) in receivables (non-current & current)		24 231	9 526
Increase/(decrease) in liabilities (non-current & current except borrowings)		282	(18 750)
		24 209	**(9 224)**
Net Cash Flows from operating activities		**29 627**	**(273)**

29 Contingent assets and liabilities

(a) Disputes in litigation or in arbitration, as well as any pending decisions by judicial or arbitration bodies, are not expected to have a significant impact on the financial standing or operation of the company. The provisions formed in the Company are assessed as adequate.

(b) From FY 2011 onwards, Greek Sociétés Anonymes and Limited Liability Companies whose annual financial statements are mandatorily audited are required to obtain an 'Annual Certificate' under article 82(5) of Law 2238/1994. This 'Annual Certificate' is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a 'Tax Compliance Report,' and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically.

The provisions established by the Company for unaudited years stand at EUR 719 000 (note 22). The Company Helector (excluding Joint Operations, the unaudited years of which are presented in the following table) has not been audited by tax authorities for financial years 2009 and 2010. It has been audited for years 2011, 2012, 2013 and 2014, pursuant to Law 2238/1994, and has obtained a tax compliance certificate from PricewaterhouseCoopers S.A., without any qualification. PricewaterhouseCoopers S.A. has already undertaken the parent's tax audit for financial year 2015. Also, a tax audit for closing year 2015 is underway by the competent audit firms for the Group's subsidiaries based in Greece. The Company's management is not expecting significant tax liabilities, upon completion of the tax audit, other than those recorded and presented in the financial statements. Also, adequate provisions have been established, charging the results of the current and previous years, and no significant extra charges are anticipated.

Joint Ventures

Name	**Unaudited years**
J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	2010-2015
JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	2010-2015
JV HELECTOR-MESOGEIOS (TAGARADES LANDFILL)	2006-2015
JV DETEALA- HELECTOR-EDL LTD	2010-2015
JV HELECTOR SA – MESOGEIOS SA (FYLIS LANDFILL)	2010-2015
JV HELECTOR SA – MESOGEIOS SA (MAVRORACHI LANDFILL)	2010-2015
J/V HELECTOR– ARSI	2010-2015
JV LAMDA – ITHAKI & HELECTOR	2007-2015

J/V HELECTOR– ERGOSYN SA	2010-2015
J/V BILFIGER BERGER - MESOGEIOS- HELECTOR	2010-2015
J/V TOMI SA –HELEKTOR SA	2007-2015
JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	2008-2015
JV HELECTOR –ENVITEC (Recycling & Composting Plant)	2010-2015
JV HELECTOR- LANTEC - ENVIMEC - ENVIROPLAN	2010-2015
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	2011-2015
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	2011-2015
J/V HELECTOR SA – ZIORIS SA	2011-2015
J/V HELECTOR SA – EPANA SA	2011-2015
J/V HELECTOR SA - KONSTANTINIDIS	2012-2015
J/V HELECTOR S.A. - KASTOR S.A. (EGNATIA HIGH FENCING PROJECT)	2013-2015
JV HELECTOR - LANDTEK	2014-2015
JV AKTOR SA - AKTOR BULGARIA SA	2010-2015

(c) The Company has contingent liabilities in relation to banks, other guarantees, and other matters that arise from its normal business activity, and from which no substantial burden is expected to arise.

30 Transactions with related parties

The aggregate amounts of sales and purchases from year start, as well as the closing balances of receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

		Company figures	
		31-Dec-15	**31-Dec-14**
(a)	**Sales of goods and services**	**11 813**	**7 121**
	- Sales to subsidiaries	**7 345**	**6 009**
	Sales	6 852	5 495
	Other operating income	113	-
	Finance income	380	513
	- Sales to associates	**62**	**-**
	Other operating income	35	-
	Finance income	27	-
	- Sales to related parties	**4 406**	**1 112**
	Sales	4 282	1 098
	Other operating income	124	14
(b)	**Purchases of goods and services**	**8 208**	**9 535**
	- Purchases from subsidiaries	**7 657**	**8 598**
	Cost of sales	7 414	8 569
	Administrative expenses	15	-
	Financial expenses	228	29
	- Purchases from related parties	**551**	**937**
	Cost of sales	466	887
	Administrative expenses	85	16
	Other operating expenses	-	33
	Financial expenses	-	2
(c)	**Key management compensation**	**860**	**450**
(d)	**Income from dividends**	**1 740**	**8,438**
(e)	**Closing balance (Receivables)**	**9 094**	**9 835**
	- Receivables from subsidiaries	**6 717**	**7 827**
	Trade	4 171	4 099
	Other receivables	2 546	3 728
	- Receivables from associates	**1 619**	**181**
	Trade	1 355	3
	Other receivables	265	179
	- Receivables from related parties	**758**	**1 827**

	Trade	741	821
	Other receivables	17	1 006
(f)	**Closing balance (Liabilities)**	**11 645**	**6 453**
	- Payables to subsidiaries	**1 049**	**628**
	Suppliers	254	608
	Other payables	795	20
	- Payables to associates	**4 964**	**4 592**
	Suppliers	-	-
	Other payables	-	4 592
	Advances from customers (note 12)	4 964	-
	- Payables to other related parties	**5 632**	**1 233**
	Suppliers	343	326
	Other payables	5,290	907
(g)	**Receivables from key management members**	**-**	**17**
h)	**Amounts payable to key management**	**20**	**47**
(i)	**Dividends receivable**	**1 836**	**6 036**

Services to and from related parties, as well as sales and purchases of goods, are performed in accordance with the price lists that apply to non-related parties.

Amounts payable to and from related parties are not subject to securities, have no specific repayment terms and are interest-free.

		Company figures	
		31-Dec-15	**31-Dec-14**
(i)	**Loans to related parties**		
	Balance as of 1 January	**7,649**	**9,683**
	Financing during the year	6,410	335
	Interest capitalized during the year	406	307
	Repayments during the year	(1,921)	(2,555)
	Prior period interest collected during the year	-	(121)
	Balance as of 31 December	**12,545**	**7,649**
(j)	**Loans from related parties**		
	Balance as of 1 January	**5,669**	**5,910**
	Interest capitalized during the year	264	259
	Repayments during the year	(3,000)	(500)
	Previous year interest, paid during the current year	(458)	
	Balance as of 31 December	**2,476**	**5,669**

The collectability of the above collectable amounts is considered safe, and, therefore, no impairment provision has been made.

31 Other notes

The total fees payable to the Group's legal auditors for the mandatory audit of the annual financial statements for FY 2015 stand at EUR 100 000 (2014: EUR 100 000), and for other services, at EUR 33 000 (2014: EUR 6 000).

32 Events after the date of the Statement of Financial Position

1. During 2016, DOAL S.A. purchased the remaining 25% from ENVITEC and the Company now holds 100% of HELECTOR S.A. - ENVITEC S.A. Partnership, which was renamed HELECTOR S.A. - DOAL S.A.

Kifissia, 26 May 2016

The Chairman of the Board of Directors	The Director	The CFO
Leonidas G. Bobolas (ID Card No. Σ-237945)	Alexandros Ch. Ntekas (ID Card No Φ-023403)	Georgios I. Pliatsikas (ID Card No. AI-559981)