



**ALPHA SUPPORTING SERVICES S.A.**

**ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED**

**31 DECEMBER 2016**

**(In accordance with the International Financial Reporting Standards)**



Athens,  
May 2017

---

**TABLE OF CONTENTS**


---

	<u>Page</u>
Auditor's Report on the Financial Statements .....	1
Management's Responsibility for the Financial Statements.....	1
Auditor's responsibility .....	1
Opinion .....	1
Report on Other Legal and Regulatory Requirements .....	2
Financial Statements as at 31.12.2016.....	3
Income Statement.....	3
Balance Sheet.....	4
Statement of Comprehensive Income.....	5
Statement of Changes in Equity.....	6
Statement of Cash Flows.....	7
Notes to the Financial Statements .....	8
General Information for the company.....	8
1. Accounting Policies Applied.....	10
1.1 Basis of presentation.....	10
1.2 Operating Segments.....	19
1.3 Transactions in foreign currency.....	19
1.4 Property, plant and equipment.....	19
1.5 Intangible assets.....	19
1.6 Impairment losses on property, plant and equipment.....	19
1.7 Financial instruments .....	20
1.8 Fair value measurement.....	21
1.9 Advances to customers.....	21
1.10 Income tax.....	21
1.11 Cash and cash equivalents.....	21
1.12 Employee defined benefit obligations .....	22
1.13 Provisions .....	22
1.14 Leases .....	22
1.15 Income .....	23
1.16 Related parties.....	23
1.17 Comparatives .....	23
Income Statement.....	24
2. Income from services.....	24
3. Other income .....	24
4. Electronic Data Processing Expenses.....	24
5. Depreciation and amortization.....	24
6. Staff costs.....	24
7. Other expenses.....	25
8. Gains less losses in financial transactions.....	25
9. Income tax.....	25
10. Earnings/(losses) per share.....	27
Assets .....	28
11. Property, plant and equipment.....	28
12. Intangible assets.....	28
13. Available for sale securities .....	29
14. Due from customers and other receivables .....	30
15. Cash and cash equivalents.....	30
Equity and Liabilities .....	31
16. Equity .....	31
17. Employee defined benefit obligations.....	31

18. Due to suppliers.....	32
19. Other liabilities.....	33
Additional information .....	34
20. Credit risk management.....	34
21. Related party transactions .....	34
22. Contingent liabilities and obligations .....	35
23. Certified Auditors' fee .....	35
24. Events after the balance sheet date .....	36

## **Independent Auditor's Report**

(Translation from the original in Greek)

To the Shareholders of ALPHA SUPPORTING SERVICES S.A.

### **Auditor's Report on the Financial Statements**

We have audited the accompanying Financial Statements of ALPHA SUPPORTING SERVICES S.A. (the "Company") which comprise the Balance Sheet as of 31 December 2016, the Statements of Income and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing which have been incorporated in Greek legislation. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of ALPHA SUPPORTING SERVICES S.A. as of

31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

### **Report on Other Legal and Regulatory Requirements**

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report, pursuant to the provisions of paragraph 5 of Article 2 (part B) of Law 4336/2015, we note that:

- a) In our opinion, the Directors' Report has been prepared in accordance with the applicable legal requirements of Article 43a of C. L. 2190/1920 and its contents correspond with the accompanying Financial Statements for the year ended 31 December 2016.
- b) Based on the knowledge acquired during our audit, relating to the Company and its environment, we have not identified any material misstatements in the Directors' Report.

Athens, 29 June 2017

KPMG Certified Auditors AE  
AM SOEL 114

Harry Sirounis, Certified Auditor Accountant  
AM SOEL 19071

## Financial Statements as at 31.12.2016

## Income Statement

*(Amounts in Euro)*

	Note	From 1 January to	
		31.12.2016	31.12.2015
Income from services	2	13,589,969.02	12,850,157.58
Other income	3	57,756.55	225,027.57
<b>Total income</b>		<b>13,647,725.57</b>	<b>13,075,185.15</b>
Electronic Data Processing expenses	4	(4,699,468.05)	(4,436,047.59)
Depreciation and amortization	5	(5,063,807.74)	(4,833,385.14)
Staff costs	6	(617,348.21)	(867,453.64)
Other expenses	7	(46,985.42)	(70,157.16)
<b>Total expenses</b>		<b>(10,427,609.42)</b>	<b>(10,207,043.53)</b>
Profit/(losses) from investing activities	13	7,067.12	--
Gains less losses on financial transactions	8	217,265.31	359,290.04
Impairment losses	11,12	(3,976,354.02)	--
<b>Profit/(loss) before income tax</b>		<b>(531,905.44)</b>	<b>3,227,431.66</b>
Income Tax	9	127,797.58	(1,725,627.23)
<b>Profit/(loss) after income tax</b>		<b>(404,107.86)</b>	<b>1,501,804.43</b>
<b>Earnings/(losses) per share –basic and diluted(€)</b>	10	<b>(5.76)</b>	<b>21.42</b>

The attached notes (pages 8-36) form an integral part of these financial statements.

**Balance Sheet***(Amounts in Euro)*

	<u>Note</u>	<u>31.12.2016</u>	<u>31.12.2015</u>
<b>ASSETS</b>			
<b>Non-currents assets</b>			
Property, plant and equipment	11	2,102,045.00	2,948,218.64
Intangible assets	12	33,681,748.63	37,694,651.99
Available for sale securities	13	--	2,156,247.86
<b>Total non-current assets</b>		<b>35,783,793.63</b>	<b>42,799,118.49</b>
<b>Current assets</b>			
Due from customers and other receivables	14	13,366,878.54	8,128,898.58
Cash and cash equivalents	15	29,284,970.02	29,059,478.65
<b>Total current assets</b>		<b>42,651,848.56</b>	<b>37,188,377.23</b>
<b>Total assets</b>		<b>78,435,642.19</b>	<b>79,987,495.72</b>
<b>EQUITY</b>			
	16		
Share Capital		70,100.00	70,100.00
Share Premium		54,189,900.00	54,189,900.00
Reserves		399,473.48	399,473.48
Retained Earnings		15,760,623.79	16,165,375.19
<b>Total Equity</b>		<b>70,420,097.27</b>	<b>70,824,848.67</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Employee defined benefit obligations	17	4,903.77	2,832.46
Deferred tax liabilities	9	6,790,630.90	8,026,750.96
<b>Total non-current liabilities</b>		<b>6,795,534.67</b>	<b>8,029,583.42</b>
<b>Current Liabilities</b>			
Due to suppliers	18	582,761.67	877,863.51
Other liabilities	19	637,248.58	255,200.12
<b>Total Current Liabilities</b>		<b>1,220,010.25</b>	<b>1,133,063.63</b>
<b>Total Liabilities</b>		<b>8,015,544.92</b>	<b>9,162,647.05</b>
<b>Total Equity and Liabilities</b>		<b>78,435,642.19</b>	<b>79,987,495.72</b>

The attached notes (pages 8-36) form an integral part of these financial statements.



## Statement of Comprehensive Income

*(Amounts in Euro)*

	<u>Note</u>	From 1 January to	
		31.12.2016	31.12.2015
<b>Profit/(loss) after income tax</b>		<b>(404,107.86)</b>	<b>1,501,804.43</b>
<b>Other comprehensive income after income tax recognized directly in equity:</b>			
<b>Total amounts that may be reclassified to the Income Statement:</b>			
- Change in valuation reserves of available-for-sale financial assets		--	--
- Income tax		--	--
<b>Total amounts that will not be reclassified to the income statement:</b>			
- Actuarial gains/ (losses) of employee defined benefit obligations	17	(906.39)	11,186.15
- Income tax	9	262.85	(3,148.09)
		<b>(643.54)</b>	<b>8,038.06</b>
<b>Total Comprehensive income, after income tax, recognized directly in equity</b>		<b>(643.54)</b>	<b>8,038.06</b>
<b>Total comprehensive income for the year, after income tax</b>		<b>(404,751.40)</b>	<b>1,509,842.49</b>

The attached notes (pages 8-36) form an integral part of these financial statements.

## Statement of Changes in Equity

	<i>(amounts in Euro)</i>				
	<u>Share capital</u>	<u>Share premium</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Balance 01.01.2015</b>	<b>70,100.00</b>	<b>54,189,900.00</b>	<b>399,473.48</b>	<b>14,655,532.70</b>	<b>69,315,006.18</b>
Total comprehensive income for the year, after income tax	--	--	--	1,509,842.49	1,509,842.49
<b>Balance 31.12.2015</b>	<b>70,100.00</b>	<b>54,189,900.00</b>	<b>399,473.48</b>	<b>16,165,375.19</b>	<b>70,824,848.67</b>
<b>Balance 01.01.2016</b>	<b>70,100.00</b>	<b>54,189,900.00</b>	<b>399,473.48</b>	<b>16,165,375.19</b>	<b>70,824,848.67</b>
Total comprehensive income for the year, after income tax	--	--	--	(404,751.40)	(404,751.40)
<b>Balance 31.12.2016</b>	<b>70,100.00</b>	<b>54,189,900.00</b>	<b>399,473.48</b>	<b>15,760,623.79</b>	<b>70,420,097.27</b>

The attached notes (pages 8-36) form an integral part of these financial statements.

## Statement of Cash Flows

		<i>(Amounts in Euro)</i>	
		From 1 January to	
	Note	31.12.2016	31.12.2015
<b><u>Operating activities</u></b>			
Profit/(loss) before income tax		(531,905.44)	3,227,431.66
<i>Adjustments for gains/ (losses) for:</i>			
Depreciation	5	5,063,807.74	4,833,385.14
Impairment of assets	11,12	3,976,354.02	--
Provisions	17	1,164.92	2,650.11
Profit/(loss) from investing activities	13	(7,067.12)	--
Gains less losses on financial transactions	8	(217,265.31)	(359,290.04)
Losses/(profits) on disposal of tangible and intangible assets	3	(57,756.55)	--
Operating profit/(loss) before changes in working capital		8,227,332.26	7,704,176.87
Decrease/ (increase) in assets		(5,237,979.96)	1,834,543.46
(Decrease) / increase in liabilities		(1,025,668.95)	(2,695,529.09)
Interest expense		(4,301.35)	(3,844.98)
<b>Total inflows/(outflows) from operating activities (a)</b>		<b>1,959,382.00</b>	<b>6,839,346.26</b>
<b><u>Investing activities</u></b>			
Purchase of intangible assets	12	(4,032,205.11)	(1,999,389.54)
Purchase of property, plant and equipment	11	(246,123.10)	(482,186.02)
Sale of intangible assets		155,000.00	
Sale of investment portfolio securities	13	2,163,314.98	
Interest received		226,122.60	363,135.02
<b>Total inflows/(outflows) from investing activities (b)</b>		<b>(1,733,890.63)</b>	<b>(2,118,440.54)</b>
<b><u>Financing activities</u></b>			
<b>Total inflows/(outflows) from financing activities (c)</b>		<b>--</b>	<b>--</b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)</b>		<b>225,491.37</b>	<b>4,720,905.72</b>
<b>Cash and cash equivalents at the beginning of the year</b>	15	<b>29,059,478.65</b>	<b>24,338,572.93</b>
<b>Cash and cash equivalents at the end of the year</b>	15	<b>29,284,970.02</b>	<b>29,059,478.65</b>

The attached notes (pages 8-36) form an integral part of these financial statements.

---

## Notes to the Financial Statements

### General Information for the company

“IONIKI SUPPORTING SERVICES SOCIETE ANONYME” (the “Company”) was established on 18 May 2007 in virtue of the No. 38,946/18.5.2007 deed of the Athens Notary Eirini Emmanouil Vassilikaki, was granted a permit and its statute was approved in virtue of the No. 12,980/07 decision of the Prefect of Athens and on 25 May 2007 was registered in the Register of Societes Anonymes under number 63318/01/B/07/339. The company has the distinctive title “IONIAN SUPPORTING SERVICES S.A.” and is based in Athens, 40, Stadiou Str. Its duration is set for 30 years, until 2037, and may be extended by decision of the General Assembly. On 1 July 2010, the Company’s Minutes of the Extraordinary General Meeting of Shareholders of 24.6.2010 was registered in the Societe Anonyme Registry, which changed its name and distinctive title to “ALPHA ΥΠΟΣΤΗΡΙΚΤΙΚΩΝ ΕΠΙΧΕΙΡΗΣΕΩΝ ΑΝΩΝΥΜΟΣ ΕΤΑΙΡΕΙΑ” and “ALPHA SUPPORTING SERVICES” respectively. Also, on 18 October 2010, the minutes of the Board of Directors of 31.8.2010 were transferred to the Societe Anonyme Registry, by which the base of the Company is relocated to 43, Panepistimiou Str., Athens.

The purpose of the Company, according to the latest amendment of its Articles of Association on 31 March 2015, is:

“To provide, in Greece and abroad, directly or indirectly, independently or in collaboration with third parties, services and advice of economic, accounting, organizational, tax, supportive, research, mediation, strategic and technical nature, in accordance with the terms and conditions of the relevant legislation, and in particular:

- a) To provide supporting and advisory services, as well as conducting studies on strategic issues;
- b) To provide supporting and advisory services, as well as conducting studies on financial management issues, as indicatively is the performance measurement, costing, planning of administrative information systems, cash flow planning, budgeting, and the elaboration of business plans and feasibility studies;
- c) To provide supporting and advisory services, as well as conducting studies on issues relative to operations, as indicatively is the improvement of the performance, the improvement of the procedures followed and renewal of the organizational infrastructure;
- d) To provide supporting and advisory services in relation to IT and Operations, as indicatively: (i) the provision of access and use of the systems, (ii) the provision of the systems’ technical support, (iii) the provision of the systems’ maintenance and upgrading services, (iv) the provision of preservation, retrieval, processing and transfer of data services, (v) the provision of helpdesk services and any other work or technique related to the above and results from technological developments;
- e) To exercise work and advise on real estate exploitation, including valuation;
- f) To provide supporting and advisory services, as well as conducting studies on other issues such as economic growth, market research, and so on.

For the fulfillment of the above purpose, the Company may:

- (i) To establish subsidiaries, branches, agencies, offices, or simply appoint agents anywhere in the country or abroad;
  - (ii) To participate, in Greece and abroad, in companies and associations of persons of any type and form,
  - (iii) To cooperate in any way with any individual or legal person in the country and abroad;
  - (iv) To implement, by appropriate investment, all the above-mentioned purposes and activities; and
  - (v) To carry out any act which, directly or indirectly, is relevant, complementary or supportive of the purposes referred to in Article 4.1.”
-

“ALPHA SUPPORTING SERVICES SOCIÉTÉ ANONYME” is a member of the “ALPHA BANK” Group of companies.

The Company's total shares are held by the parent ALPHA BANK (directly 99% and indirectly through its subsidiary IONIKI HOLDINGS SA 1%).

The financial statements of “ALPHA SUPPORTING SERVICES SOCIÉTÉ ANONYME” are included in the consolidated financial statements of ALPHA BANK by the means of the full consolidation method.

#### **Composition of the Board of Directors**

Eustathios Kakogiannis	Chairman
Lazaros Papagaryfallou	Vice Chairman
Constantinos Furlas	Member
Christos Siokas	Member
Athanasios Syrrakos	Member
Marianna Antoniou	Member
Ioanna Anagnostopoulou	Member

The tenure of the Board of Directors expires on 30.6.2020

#### **Cooperating Banks**

ALPHA BANK

#### **Supervising Authority**

Attica Region - Development Division  
of the Central Sector of Athens

#### **General Commercial Register**

7610801000

#### **Societe Anonyme Registration Number**

63318/01/B/07/339

#### **Tax Identification Number**

998476883

#### **Certified Auditor**

Harry G. Sirounis

#### **KPMG Certified Auditors AE**

The financial statements of the 9<sup>th</sup> fiscal year ended at 31 December 2016, have been approved by the Board of Directors at the meeting held on 31 May 2017.

---

## 1. Accounting Policies Applied

### 1.1 Basis of presentation

These financial statements relate to the fiscal year 1.1 - 31.12.2016 and have been prepared:

- a) in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002 and
- b) on the historical cost basis, with the exception of the following assets and liabilities that were measured at fair value:
  - Available-for-sale securities.

The financial statements are presented in Euro.

The estimates and judgments applied by the Company in making decisions and which affect the preparation of the financial statements are based on historical information and assumptions which at present are considered appropriate.

The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

The financial statements of the company have been prepared on the basis of the going concern principle.

The main factors that cause uncertainties regarding the application of this principle relate to the unstable economic environment in Greece and abroad and to the liquidity levels of the Greek State and the banking system.

The liquidity of the Greek State is covered by the medium-term funding of the Hellenic Republic by the European Support Mechanism (ESM), in accordance with the agreement signed on 19.08.2015, under the condition of implementing economic reforms that are expected to contribute to the economic stability and sustainable development of the Greek economy. At the Eurogroup meeting of 24.05.2016 the measures to strengthen the sustainability of the Greek debt, distinctively for the short, medium and long term, were described broadly. From the above measures, the short term measures have been specialized and implemented, while the discussion on the specification of further measures is in progress. The specialization of the medium-term measures for debt relief is considered important, as debt sustainability is a prerequisite for Greece's participation in the European Central Bank's quantitative easing program, which is expected to significantly increase the country's potential exit to the markets. The debates between the institutions on the debt will continue aiming to draw conclusions at the next Eurogroup meeting scheduled for June 2017. As far as the banking system is concerned, the liquidity needs of credit institutions are mainly supported by the extraordinary liquidity mechanisms of the Bank of Greece. In addition, capital controls were imposed in 2015 that are still in force up to the date of approval of the financial statements, in accordance with the individual Legislative Content Acts specifying their implementation.

The Company, taking into consideration:

- The completion of the first evaluation of the financial support program under which the European Support Mechanism approved the disbursement of the second installment of the program;
- The fact that the second evaluation of the program is in progress and that, in the light of the introduction of pre-requisite measures and actions (Law 4472/2017) which were welcomed by the Eurogroup of 22 May 2017, is expected to be completed in the near future;
- That the imposed capital controls, on the basis of the applicable provisions, at the date of approval of the financial statements of 31 December 2016 do not affect the Company's operations;

- 
- That its cash reserves are adequate and expected in the near future to serve its operational obligations smoothly.

considers that the conditions for the application of the going concern principle regarding the preparation of its financial statements are met.

The accounting policies for the preparation of the financial statements have been consistently applied by the Company to the years 2015 and 2016, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2016:

- **Amendment to International Financial Reporting Standard 10** “Consolidated Financial Statements”, to **International Financial Reporting Standard 12** “Disclosure of Interests in Other Entities” and to **International Accounting Standard 28** “Investments in Associates and Joint Ventures”: Investment Entities: Applying the Consolidation Exception (Regulation 2016/1703/22.9.2016)

On 18.12.2014, the International Accounting Standards Board issued an amendment to the above standards with which it clarified that the exception provided in IFRS 10 and IAS 28, for the preparation of consolidated financial statements and the application of the equity method respectively, applies also to a parent entity that it is a subsidiary of an investment entity which measures all of its subsidiaries at fair value according to IFRS 10. In addition, with the aforementioned amendment it was clarified that the disclosure requirements of IFRS 12 apply to the investment entities which measure all of their subsidiaries at fair value through profit or loss.

The adoption of the above amendment by the Company had no impact on its financial statements.

- **Amendment to International Financial Reporting Standard 11** “Joint Arrangements”: Accounting for acquisition of interests in joint operations (Regulation 2015/2173/24.11.2015)

On 6.5.2014 the International Accounting Standards Board issued an amendment to IFRS 11 with which it is clarified that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business (as defined in IFRS 3), it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11. In addition, it shall disclose the information required by IFRS 3 and other related standards. This applies both when acquiring the initial interest in the joint operation that constitutes a business and when acquiring an additional interest.

The adoption of the above amendment by the Company had no impact on its financial statements.

- **Amendment to International Accounting Standard 1** “Presentation of Financial Statements”: Disclosure Initiative (Regulation 2015/2406/18.12.2015)

On 18.12.2014 the International Accounting Standards Board issued an amendment to IAS 1 in the context of the project it has undertaken to analyze the possibilities for improving the disclosures in IFRS financial reporting. The main amendments are summarized below:

- The restriction to disclose only a summary of significant accounting policies is removed;
- It is clarified that even when other standards require specific disclosures as minimum requirements, an entity may not provide them if this is considered immaterial. In addition, in case the disclosures required by the IFRS are insufficient to enable users to understand the impact of particular transactions, the entity shall consider whether to provide additional disclosures;

- 
- It is clarified that the line items that IFRS require to be presented in the balance sheet and the statements of profit or loss and other comprehensive income are not restrictive and that the entity may present additional line items, headings and subtotals;
  - It is clarified that in the Statement of Comprehensive Income the share of other comprehensive income of associates and joint ventures accounted for using the equity method shall be separated into:
    - amounts that will not be reclassified subsequently to profit or loss and
    - amounts that will be reclassified subsequently to profit or loss;
  - It is clarified that the standard does not specify the presentation order of the notes and that each entity shall determine a systematic manner of presentation taking into account the understandability and comparability of its financial statements.

The adoption of the above amendment by the Company had no impact on its financial statements.

- Amendment to **International Accounting Standard 16** “Property, Plant and Equipment” and to **International Accounting Standard 38** “Intangible Assets”: Clarification of Acceptable Methods of Depreciation and Amortization (Regulation 2015/2231/2.12.2015)

On 12.5.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 38 with which it expressly prohibits the use of revenue as a basis for the depreciation and amortization method of property, plant and equipment and intangible assets respectively. An exception is provided only for intangible assets and only when the following conditions are met:

- (a) when the intangible asset is expressed as a measure of revenue, i.e. when the right over the use of the intangible asset is expressed as a function of revenue to be generated in such a way that the generation of a specific amount of revenue determines the end of the right of use, or
- (b) when it can be demonstrated that the revenue and the consumption of the economic benefits are highly correlated.

The adoption of the above amendment by the Company had no impact on its financial statements.

- Amendment to **International Accounting Standard 16** “Property, Plant and Equipment” and to **International Accounting Standard 41** “Agriculture”: Bearer Plants (Regulation 2015/2113/23.11.2015)

On 30.6.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 41 with which it clarified that bearer plants, which are living plants that:

- a) are used in the production or supply of agricultural produce;
- b) are expected to bear produce for more than one period; and
- c) have remote likelihood of being sold as agricultural produce, except for incidental scrap sales,

shall be accounted for based on IAS 16 instead of IAS 41.

The above amendment does not apply to the activities of the Company.

- Amendment to **International Accounting Standard 27** “Separate Financial Statements”: Equity Method in Separate Financial Statements (Regulation 2015/2441/18.12.2015)

On 12.8.2014 the International Accounting Standards Board issued an amendment to IAS 27 with which it provides the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity’s separate financial statements. In addition, with the above amendment it is clarified that the financial statements of an investor that does not have investments in subsidiaries but

---



has investments in associates or joint ventures, which under IAS 28 are accounted for with the equity method, do not constitute separate financial statements.

The adoption of the above amendment by the Company had no impact on its financial statements.

- **Improvements to International Accounting Standards – cycle 2012-2014** (Regulation 2015/2343/15.12.2015)

As part of the annual improvements project, the International Accounting Standards Board issued, on 25.9.2014, non-urgent but necessary amendments to various standards.

The adoption of the above amendments had no impact on the financial statements of the Company.

Except for the standards mentioned above, the European Union has adopted the following new standards which are effective for annual periods beginning after 1.1.2017 and have not been early adopted by the Company.

- **International Financial Reporting Standard 9** “Financial Instruments” (Regulation 2016/2067/22.11.2016)

Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

#### **Classification and measurement**

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

- i. The entity's business model for managing the financial assets and
- ii. The contractual cash flow characteristics of the financial assets.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contract contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contract should be based on the above requirements for the classification of the financial instruments.

With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognized in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognized directly in other comprehensive income.

#### **Impairment**

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of expected credit losses for the full life of the asset, in those cases where the creditworthiness of issuers has deteriorated significantly after the initial recognition. In the contrary, in the cases of assets where the creditworthiness of issuers has deteriorated significantly after the initial recognition, the provision for 12-month expected credit losses is recognized.

## Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

- more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,
- the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,
- in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.

The Company is examining the impact from the adoption of IFRS 9 on its financial statements.

- **International Financial Reporting Standard 15** "Revenue from Contracts with Customers" (Regulation 2016/1905/22.9.2016)

Effective for annual periods beginning on or after 1.1.2018.

IFRS 15 "Revenue from Contracts with Customers" was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments.

According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The new IFRS 15 supersedes:

- (a) IAS 11 "Construction Contracts";
- (b) IAS 18 "Revenue";
- (c) IFRIC 13 "Customer Loyalty Programmes";
- (d) IFRIC 15 "Agreements for the Construction of Real Estate";

- (e) IFRIC 18 “Transfers of Assets from Customers”;and  
(f) SIC-31 “Revenue—Barter Transactions Involving Advertising Services”.

The Company is examining the impact from the adoption of IFRS 15 on its financial statements.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards as well as IFRIC 22 which have not yet been adopted by the European Union and they have not been early applied by the Company.

- **Amendment to International Financial Reporting Standard 2** “Share-based Payment”: Classification and Measurement of Share-based Payment Transactions

Effective for annual periods beginning on or after 1.1.2018.

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

- in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,
- where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,
- if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Financial Reporting Standard 4** “Insurance Contracts”: applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts*

Effective for annual periods beginning on or after 1.1.2018.

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

- It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 and
- following full adoption of IFRS 9, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The above amendment does not apply to the financial statements of the Company.

- **Amendment to International Financial Reporting Standard 10** “Consolidated Financial Statements” and to **International Accounting Standard 28** “Investments in Associates and Joint Ventures”: Sale or contribution of assets between an investor and its associate or joint venture

Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between

an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary,

which does not contain a business, as defined in IFRS 3, it shall recognize to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognizes the part of the gain or loss resulting from the re-measurement at fair value of the investment retained in that former subsidiary in its profit or loss

only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognized.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 14** “Regulatory deferral accounts”

Effective for annual periods beginning on or after 1.1.2016.

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

The above standard does not apply to the financial statements of the Company.

- **Amendment to International Financial Reporting Standard 15** “Revenue from Contracts with Customers”: Clarifications to IFRS 15 *Revenue from Contracts with Customers*

Effective for annual periods beginning on or after 1.1.2018.

On 12.4.2016 the International Accounting Standards Board issued an amendment to IFRS 15 with which it clarified mainly the following:

- when a promised good or service is separately identifiable from other promises in a contract, which is part of an entity's assessment of whether a promised good or service is a performance obligation,
- how to apply the principal versus agent application guidance to determine whether the nature of an entity's promise is to provide a promised good or service itself (i.e., the entity is a principal) or to arrange for goods or services to be provided by another party (i.e., the entity is an agent),
- for a license of intellectual property, which is a factor in determining whether the entity recognizes revenue over time or at a point in time.

---

Finally, two practical expedients to the transition requirements of IFRS 15 were added for completed contracts under full retrospective transition approach as well as for contract modifications at transition. The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 16 “Leases”**

Effective for annual periods beginning on or after 1.1.2019.

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 “Leases” which supersedes:

- IAS 17 “Leases”
- IFRIC 4 “Determining whether an arrangement contains a lease”
- SIC 15 “Operating Leases – Incentives” and
- SIC 27 “Evaluating the substance of transactions involving the legal form of a lease”.

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Company is examining the impact from the adoption of IFRS 16 on its financial statements.

- **Amendment to International Accounting Standard 7 “Statement of Cash Flows”:** Disclosure Initiative

Effective for annual periods beginning on or after 1.1.2017.

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

- Changes from financing cash flows,
- Changes arising from obtaining or losing control of subsidiaries or other businesses,
- The effect of changes in foreign exchange rates,
- Changes in fair values and
- Other changes.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 12 “Income Taxes”:** Recognition of Deferred Tax Assets for Unrealized Losses

Effective for annual periods beginning on or after 1.1.2017.

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

- Unrealized losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument’s holder expects to recover the carrying amount of the asset by sale or by use.

- 
- The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.
  - During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.
  - The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 40** "Investment Property": Transfers of Investment Property

Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

- **Improvements to International Accounting Standards – cycle 2014-2016**

Effective for annual periods beginning on or after 1.1.2017 and 1.1.2018.

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, non-urgent but necessary amendments to various standards.

The Company is examining the impact from the adoption of the above amendments on its financial statements.

- **IFRIC Interpretation 22** "Foreign Currency Transactions and Advance Consideration"

Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued IFRIC 22. The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non-monetary asset or liability (i.e. advance consideration).

Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The Company is examining the impact from the adoption of the above Interpretation on its financial statements.

---

## 1.2 Operating Segments

Given that the Company has not entered its securities on a regulated market, no operating segment breakdown is required.

## 1.3 Transactions in foreign currency

The functional currency as well as the presentation currency of the Company's financial statements is the euro. Transactions in other currencies do not exist.

## 1.4 Property, plant and equipment

Items of property, plant and equipment are measured at acquisition cost, less accumulated depreciation and any impairment in value.

Subsequent expenditure is added to the carrying value of the item or is booked as a separate item, when it increases future economic benefit and the cost can be accurately and reliably measured. Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation of tangible fixed assets is calculated using the straight line method over their useful life, as follows:

Furniture and utensils	5 years
Computers	5 years
Other equipment	5 years

When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately presented as an expense in profit or loss.

Gains and losses from the sale of property and equipment are recognized in profit or loss.

## 1.5 Intangible assets

Intangible assets, acquired by a business, are carried at acquisition cost less accumulated amortization and impairment losses.

Software: Purchased software licenses are recognized at acquisition cost less accumulated amortization and impairment losses. The cost of research for internally generated software are recognized in profit or loss. Costs incurred for software development programs (related to the design and control of new or improved programs) are recognized as intangible assets when it is probable that the program will be successful, taking into account the commercial and technological potential and only if such costs can be reliably measured. Other development costs incurred are recognized in profit or loss. Development costs recognized in profit or loss are not reversed on assets in subsequent periods.

Development costs of intangible assets, with a limited useful life, which have been capitalized, are amortized from the commencement of the product's commercial production.

Amortization is charged over the estimated useful life of the software, which is estimated up to 15 years.

## 1.6 Impairment losses on property, plant and equipment

According to IFRS, the recoverable amount of property, plant and equipment must be estimated whenever there is evidence of impairment. An impairment loss is recognized when the carrying amount exceeds the recoverable amount of an asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of the future cash flows expected to be derived from an asset until its withdrawal at the end of its useful life.

---

The Company reviews on a periodic basis (on every financial statement date) property, plant and equipment for potential impairment. In those cases where the carrying amount is greater than the recoverable amount, it is impaired (through profit or loss) to coincide with the recoverable amount.

### 1.7 Financial instruments

Financial assets and liabilities are recognized as assets, liabilities or equity, on the basis of the substance and content of the relevant contracts from which they arise.

Financial assets and liabilities are recognized initially at fair value. With the exception of the financial instruments that are measured at fair value through profit or loss, the value at initial recognition is increased by transaction costs and reduced by income and commissions directly related to their acquisition or creation.

Financial assets and liabilities in the balance sheet refer to the cash and cash equivalents, investment portfolio securities (including available-for-sale securities), advances to customers and other receivables (Note 1.9), due to suppliers and other liabilities.

Excluding available-for-sale securities, other financial instruments are measured at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial instrument and of allocating the interest income or expense during the relative period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the contractual life of a financial instrument or the next repricing date, so that the discounted amount equals the carrying amount of the financial instrument including any transaction costs/revenues.

The Company classifies the shares at available-for-sale securities. After initial recognition, available-for-sale securities are measured at fair value, with gains or losses being recognized separately in equity until the sale, impairment or other disposal of the financial instrument, so that the cumulative gain or loss that was included in the net position be transferred to profit or loss.

For financial instruments traded on organized stock markets, fair value is determined by reference to stock prices at the date of preparation of the financial statements. For financial instruments for which there is no trading price, the fair value is determined on the basis of the projected cash flows of the same financial asset. Shares that are not traded on an active market and whose fair value cannot be measured reliably, are measured at acquisition cost.

The impairment test for the aforementioned financial assets is carried out at each date of preparation of the financial statements. In case there is objective evidence that the recoverable amount of these instruments is less than their carrying amount, the carrying amount is adjusted to the recoverable amount with the corresponding loss recognized in profit or loss. As regards, in particular, available-for-sale financial instruments, a significant or prolonged decline in the fair value of investments in shares below their acquisition cost is considered as an objective evidence of impairment. The Company considers as “significant” a decrease of over 20% compared to the cost of the investment. Respectively, “prolonged” is a decrease in the fair value below amortized cost for a continuous period exceeding one year.

When the available-for-sale financial instruments are impaired, the cumulative loss included in net equity is transferred to profit or loss. If, after the impairment loss is recognized, events that lead to a reduction in the already recognized impairment losses, these amounts are recognized as income in profit or loss, only in the case of bonds. Conversely, impairment losses on shares are not reversed in profit or loss.



---

### 1.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cash flows, discount rates, probability of counterparty default and prepayments. In all cases, the Company uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which - fair value is disclosed-, are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets,
- Level 2 inputs: directly or indirectly observable inputs,
- Level 3 inputs: unobservable inputs used by the Company, to the extent that relevant observable inputs are not available.

### 1.9 Advances to customers

Advances to customers, usually with a 30-90 day repayment term, are initially recorded at the value of the transaction.

Advances to customers are reviewed for their collectability at regular intervals. When there is objective evidence that the Company is not in a position to collect all the amounts owed, based on the contractual terms, an impairment is recognized. Impairment losses that arise are recognized directly in profit or loss

### 1.10 Income tax

Income tax for the period consists of current and deferred tax. Income tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity, and hence the tax is also recognized directly in equity.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is calculated based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred tax assets and liabilities are calculated using the tax rates that apply or are expected to apply at the time when the asset or liability is settled. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The deferred tax liabilities are decreased to the extent that it is no longer probable that the respective tax benefit will be realized.

### 1.11 Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, cash at bank accounts and short-term balances (amounts that mature within three months of the balance sheet date) for immediate use.

### 1.12 Employee defined benefit obligations

The obligation for the staff retirement, after ceasing their business activity, is covered by a public insurance body (IKA-EFKA). The Company and its staff contribute to it on a monthly basis. According to Greek labor law, employees are entitled to severance pay, the amount of which depends on their earnings, their service to the Company and the reason for leaving the service (dismissal or retirement). In the case of resignation or dismissal, that right no longer exists.

The amount payable at retirement is 40% of the amount paid in the event of unjustified dismissal.

The amount of the liability is determined annually on the basis of an actuarial study prepared using the projected unit credit method.

The liability recognized in the financial statements for employee defined benefit obligations is the value of accrued benefits less the fair value of the plan's assets. Actuarial gains/losses arising from historical adjustments and changes in actuarial assumptions are recognized directly in equity through the statement of comprehensive income and are not subsequently reclassified to profit or loss.

### 1.13 Provisions

Provisions for contingent liabilities are recognized when the Company has present legal or otherwise substantiated liabilities as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The provisions are reviewed at the dates when the financial statements are prepared and adjusted to reflect the best current estimates. Contingent liabilities for which the outflow of resources is unlikely to be required, are disclosed unless they are not material. Contingent assets are not recognized in the financial statements however they are disclosed when the inflow of economic benefits is probable.

### 1.14 Leases

Lease agreements in which the lessor transfers the right to use an asset for an agreed period of time without, however, transferring the risks and benefits of ownership of the asset, are considered as operating leases. Payments made for operating leases (net of any incentives offered by the lessee) are recognized in profit or loss, proportionately during the lease term.

Financial lease agreements are the leases, where the lessor transfers the risks and benefits of the leased assets to the lessee. In the cases of financial leasing contracts in which the Company operates as a lessee, the leased equipment is included in property, plant and equipment class as well as the investment property, while the relative liability to the lessor is included in Liabilities from finance leases. The property, plant and equipment leased with financial leases and the relative liability are initially recognized at the lower of the fair value of the property, plant and equipment and the present value of the minimum lease payments agreed to be paid to the lessor. The present value of the lease payments is calculated at the discount rate as stated in the lease or, where this is not stated, based on the borrowing rate that would be borne by the Company for its corresponding financing for the same purpose.

After initial recognition, property, plant and equipment is depreciated based on its useful life unless the lease term is shorter and the property, plant and equipment is not expected to be held by the Company at the end of the contract, in which case depreciation is based on the duration of the lease. The rents paid to the lessor are allocated to a reduction in the liability and burden the financial profit or loss, based on the effective interest rate method.

---

### 1.15 Income

Revenue is recognized when it is probable that future economic benefits will flow to the Company and the amount of revenue can be reliably measured. Revenue is recognized as follows:

➤ *Income from services*

Income from services is recognized in the income statement on an accrual basis when the relevant service has been provided.

➤ *Interest income*

Interest income is recognized on an accrual basis.

➤ *Dividend income*

Dividend income from investments in shares is recognized in the income statement when the dividend distribution is approved by the appropriate body of the company that the Company has invested in.

### 1.16 Related parties

According to IAS 24, for the Company, related parties are considered:

- a) Its parent company Alpha Bank and legal entities that constitute for the Company or its parent Alpha Bank
- i) subsidiaries, ii) joint ventures, and iii) associates;
- b) the Hellenic Financial Stability Fund and its subsidiaries, since in the context of Law 3864/2010, the Hellenic Financial Stability Fund participates in the Board of Directors and in significant committees of the Alpha Bank and as a result is considered to have significant influence over the Company.
- c) a person and his close family members, if that person is a member of the key management personnel. The Company considers as key management personnel all the members of the Company's Board of Directors and of Alpha Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependents and the dependents of their spouses or domestic partners. Moreover, the Company discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

### 1.17 Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

The balances of the comparative information derive from the published financial statements for the year 2015.

## Income Statement

### 2. Income from services

The Company's income for the year 2016 amounting to €13,589,969.02 (2015: €12,850,157.58) derives from leasing of software and computer equipment to the parent company Alpha Bank, as per the contract dated 01.10.2008, of €6,000,000.00 (2015: €6,000,000.00) and other services to the parent company amounting to €449,043.81 (2015: € -), to bank's subsidiaries in foreign countries of €5,682,974.38 (2015: €6,388,640.91), to affiliated companies of € 475,749.99 (2015: € 360,000.00), and to third parties of €870,400.84 (2015: € -). Moreover, the above income includes accounting services to other companies of the Group amounting to €111,800.00 (2015: €101,516.67).

### 3. Other income

Other income is analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Revenue from employment contracts		220,243.00
Profit from the sale of fixed assets	57,756.55	
Income from a change in the rate of VAT deduction (pro rata)		4,725.32
Other income		59.25
<b>Total</b>	<b>57,756.55</b>	<b>225,027.57</b>

### 4. Electronic Data Processing Expenses

The cost of the Company's 2016 electronic data processing (EDP) projects amounting to €4,699,468.05 (2015: €4,436,047.59) relates to the support of its electronic data processing (EDP) applications.

### 5. Depreciation and amortization

Depreciation and amortization charged to the Company's income statement are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Depreciation of tangible assets	971,420.65	977,340.11
Amortization of intangible assets	4,092,387.09	3,856,045.03
<b>Total</b>	<b>5,063,807.74</b>	<b>4,833,385.14</b>

### 6. Staff costs

The total number of employees as at 31 December 2016 was 6 (31.12.2015: 8).

Staff costs are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Wages and salaries	157,345.45	225,760.74
Employer contributions	39,307.39	51,503.59
Other staff benefits	2,837.53	2,839.97
Employee defined benefit obligations (Note 17)	1,164.92	2,650.11
Borrowed staff costs	416,692.92	584,699.23
<b>Total</b>	<b>617,348.21</b>	<b>867,453.64</b>

## 7. Other expenses

Other expenses of the Company are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Auditors' fees	9,000.00	17,000.00
Insurance	12,681.53	12,976.15
Publishing costs	50.00	50.00
Rent	13,523.74	6,323.76
Subscriptions	451.91	320.00
Taxes – fees	2,760.86	22,039.20
Various expenses	8,517.38	11,448.05
<b>Total</b>	<b>46,985.42</b>	<b>70,157.16</b>

## 8. Gains less losses in financial transactions

Gains less losses in financial transactions of the Company derive as follows:

	From 1 January to	
	31.12.2016	31.12.2015
<b><i>Gains in financial transactions</i></b>		
Interest of bank and term deposits	221,566.66	363,135.02
	<b>221,566.66</b>	<b>363,135.02</b>
<b><i>Losses in financial transactions</i></b>		
Various bank expenses and other related expenses	4,301.35	3,844.98
	<b>4,301.35</b>	<b>3,844.98</b>
<b>Gains less losses in financial transactions</b>	<b>217,265.31</b>	<b>359,290.04</b>

## 9. Income tax

In accordance with Law 4334/16.07.2015 “Urgent prerequisites for the negotiation and conclusion of an agreement with the European Stability Mechanism (ESM)”, as well as the issuance of the Ministerial Decision 1159/17.07.2015, the corporate income tax rate for legal entities increased from 26% to 29% for profits arising in fiscal years commencing on or after 1.1.2015.

Income tax recognized in profit or loss is analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
-Current tax	(1,098,322.50)	(492,430.73)
-Deferred tax	1,235,857.21	(1,233,196.50)
-Tax differences of previous years	(9,737.13)	
<b>Total income tax in profit or loss (expense)/income</b>	<b>127,797.58</b>	<b>(1,725,627.23)</b>

Deferred tax of the current year charged in profit or loss is analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Property, plant and equipment	27,284.07	(7,816.61)
Intangible Assets	1,399,253.01	(661,399.97)
Employee defined benefit obligations	337.83	1,013.69
Impairment of available-for-sale financial assets	(191,017.70)	19,760.46
Offsetting tax losses	--	(584,754.07)
<b>Total</b>	<b>1,235,857.21</b>	<b>(1,233,196.50)</b>

The tax on the Company's profits differs from the theoretical amount that would arise using the weighted average tax rate on its profits. The difference is as follows:

	From 1 January to			
	%	31.12.2016	%	31.12.2015
<b>Profit/(loss) before taxes</b>		<b>(531,905.44)</b>		<b>3,227,431.66</b>
<b>Income tax based on current tax rate</b>	<b>29.00</b>	<b>154,252.58</b>	<b>29.00</b>	<b>(935,955.18)</b>
<i>Increase/(decrease) due to:</i>				
Non Deductible expenses	3.14	(16,717.87)	0.19	(6,212.22)
Adjustments of tax rates			24.28	(783,604.28)
Other temporary differences	1.83	(9,737.13)		144.45
<b>Income tax in income statement</b>	<b>24.03</b>	<b>127,797.58</b>	<b>53.47</b>	<b>(1,725,627.23)</b>

Deferred taxes are calculated based on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred income taxes are calculated using the tax rate that applies at the time when the assets or liabilities are settled.

The movement of deferred tax assets and liabilities is analyzed as follows:

	Balance 1.1.2016	Recognized in		Balance 31.12.2016
		Income statement	Equity	
Property, plant and equipment	(20,698.69)	27,284.07	--	6,585.38
Intangible assets	(8,197,891.38)	1,399,253.01	--	(6,798,638.37)
Employee defined benefit obligations	821.41	337.83	262.85	1,422.09
Valuation of available-for-sale financial assets	191,017.70	(191,017.70)	--	0.00
Offsetting tax losses	--	--	--	--
<b>Total deferred tax assets/(liabilities)</b>	<b>(8,026,750.96)</b>	<b>1,235,857.21</b>	<b>262.85</b>	<b>(6,790,630.90)</b>

	Balance 1.1.2015	Recognized in		Balance 31.12.2015
		Income statement	Equity	
Property, plant and equipment	(12,882.08)	(7,816.61)	--	(20,698.69)
Intangible assets	(7,536,491.41)	(661,399.97)	--	(8,197,891.38)
Employee defined benefit obligations	2,955.81	1,013.69	(3,148.09)	821.41
Valuation of available-for-sale financial assets	171,257.24	19,760.46	--	191,017.70
Offsetting tax losses	584,754.07	(584,754.07)	--	--
Total deferred tax assets/(liabilities)	<b>(6,790,406.37)</b>	<b>(1,233,196.50)</b>	<b>(3,148.09)</b>	<b>(8,026,750.96)</b>

Deferred tax assets for transferred tax losses are recognized to the extent that future taxable profits are probable. The Company has calculated the deferred tax on the basis of the respective rates that are expected to apply at the time of its recovery.

According to Article 48 of Law 4172/2013, dividends paid by both domestic and foreign companies resident in a Member State of the EU and belonging to the same Group, are exempt from both income tax and withholding tax, as long as the recipient of the dividend holds at least 10% of the share capital of the legal entity that distributes and the minimum holding is held for at least two years.

The above apply as from 1.1.2014.

The Company has been tax audited up to and including fiscal year 2009. A tax audit is in progress for the fiscal year 2012. When assessing the Company's Management, the additional taxes that may be charged to the Company will not materially affect its financial position.

In accordance with article 56 of Law 4410/03.08.2016 the issuance of tax certificate is optional. However, the Company's intention is to continue to obtain the tax certificate.

This certificate is submitted to the audited company within 10 days from the filing of the income tax return and electronically to the Ministry of Finance by the end of the seventh (7th) month after the end of the audited period. For the years 2011 to 2015, the Company has received a tax certificate without a reservation from the Certified Auditors while for the year 2016 the audit for the tax certificate is in progress and it is estimated that no substantial tax charges will incur.

## 10. Earnings/(losses) per share

**Basic:** Basic earnings/(losses) per share are calculated by dividing the Company's profit/(losses) after income tax by the weighted average number of outstanding ordinary shares, excluding the number of treasury shares held by the Company, during the period.

**Diluted:** Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of the Company's ordinary shares outstanding to the presumed conversion amount of all dilutive potential ordinary shares.

The Company does not hold such categories of potential securities with the consequence that basic and diluted earnings/(losses) per share are the same.

	31.12.2016	31.12.2015
Earnings/(losses) after taxes	(404,107.86)	1,501,804.43
Weighted number of shares (units)	70,100	70,100
<b>Basic and diluted earnings/(losses) per share (in €)</b>	<b>(5.76)</b>	<b>21.42</b>

**Assets****11. Property, plant and equipment**

	<b>Furniture and other Equipment</b>
<b>Cost:</b>	
<b>1 January 2015</b>	<b>13,628,855.80</b>
Additions	482,186.02
Reclassifications	--
<b>31 December 2015</b>	<b>14,111,041.82</b>
<b>1 January 2016</b>	<b>14,111,041.82</b>
Additions	246,123.10
Reclassifications	
<b>31 December 2016</b>	<b>14,357,164.92</b>
<b>Accumulated depreciation</b>	
<b>1 January 2015</b>	<b>(10,185,483.07)</b>
Depreciation for the year	(977,340.11)
<b>31 December 2015</b>	<b>(11,162,823.18)</b>
<b>1 January 2016</b>	<b>(11,162,823.18)</b>
Depreciation for the year	(971,420.65)
Impairment loss for the year	(120,876.09)
<b>31 December 2016</b>	<b>12,255,119.92</b>
<b>Net book value</b>	
<b>31 December 2015</b>	<b>2,948,218.64</b>
<b>31 December 2016</b>	<b>2,102,045.00</b>

There are no mortgages and prenotations, or any other weights, on the property, plant and equipment against borrowing.

In the year 2016, impairment loss of the property, plant and equipment was recognized at the amount of €120,876.09, with an equal charge on the profit or loss.

The property, plant and equipment of the Company have been insured against various risks.

**12. Intangible assets**

	<b>Total</b>
<b>Cost</b>	
<b>1 January 2015</b>	<b>62,482,091.54</b>
Additions	1,999,389.54
Reclassifications	
Write-offs	
<b>31 December 2015</b>	<b>64,481,481.08</b>
<b>1 January 2016</b>	<b>64,481,481.08</b>
Additions	4,032,205.11
Disposals	(98,057.32)
<b>31 December 2016</b>	<b>68,415,628.87</b>



<b>Accumulated Depreciation</b>	
<b>1 January 2015</b>	<b>(22,930,784.06)</b>
Depreciation for the year	(3,856,045.03)
Reclassifications	
Write-offs	
<b>31 December 2015</b>	<b>(26,786,829.09)</b>
<b>1 January 2016</b>	<b>(26,786,829.09)</b>
Amortization for the year	(4,092,387.09)
Impairment for the year	(3,855,477.93)
Depreciation of disposals	813.87
<b>31 December 2016</b>	<b>(34,733,880.24)</b>
<b>Net Book value</b>	
<b>31 December 2015</b>	<b>37,694,651.99</b>
<b>31 December 2016</b>	<b>33,681,748.63</b>

In the year 2016, impairment loss on the value of intangible assets was recognized amounting to €3,855,477.93 with an equal charge on the profit or loss.

### 13. Available for sale securities

Available for sale securities included the participation in the listed in the Athens Stock Exchange company “IONIAN HOTEL ENTERPRISES S.A.”, which was recorded in the available-for-sale securities measured at fair value.

	Units	Cost after impairment	Fair value	
			31.12.2016	31.12.2015
IONIAN HOTEL ENTERPRISES S.A..	251,333	2,156,247.86	--	2,156,247.86
<b>Total</b>			<b>--</b>	<b>2,156,247.86</b>

The investment took place in the fiscal year 2012, when the Company acquired 251,333 shares (1.88%) of the aforementioned company, which belonged to the Alpha Bank Group, for the amount of €2,814,929.60. In the year 2015, the Company carried out an impairment test of the aforementioned participation by using the DCF method, according to which the estimated fair value of the holding remained unchanged and no impairment was recognized under the discounted cash flow method. The market capitalization of the aforementioned investment at 31.12.2015, which amounted to €1,417,518.12, was considered to be unrepresentative of the fair value due to the very low volume of transactions and the extremely free float.

In the current fiscal year, the Company proceeded to the transfer of all of the Company's shares from “Ionian Hotel Enterprises S.A.” to “Alpha Bank S.A.” for a consideration of € 2,163,314.98 and made profits amounting to €7,067.12.

**14. Due from customers and other receivables**

	<b>31.12.2016</b>	<b>31.12.2015</b>
Receivables from services	8,880,486.20	4,624,544.20
Prepaid & withheld taxes	120,776.04	120,776.04
Greek state – VAT claims	3,887,825.94	3,283,443.39
Advances	360.78	728.21
Prepaid expenses	477,429.58	99,406.74
<b>Total</b>	<b>13,366,878.54</b>	<b>8,128,898.58</b>

Receivables from services are short-term and secure collection, and the carrying amount of the services does not differ from their fair value.

**15. Cash and cash equivalents**

The balances represent bank deposits available on demand. All cash and cash equivalents of the Company are denominated in Euro.

	<b>31.12.2016</b>	<b>31.12.2015</b>
Current account deposits	274,497.80	5,544,450.87
Term deposits	29,010,472.22	23,515,027.78
<b>Total</b>	<b>29,284,970.02</b>	<b>29,059,478.65</b>

The above balances are deposited in ALPHA BANK SA, which for credit risk classification purposes is classified as CCC+ according to the Standard & Poor's. Term deposits include accrued interest of €10,472.22 (2015: €15,027.78).

## Equity and Liabilities

### 16. Equity

#### i) Share Capital – Share premium:

The share capital of the Company consists of 70,100 common fully paid shares of nominal value €1.00 each. The total share capital amounts to € 70,100.00. This amount resulted:

- a) From the initial capital of €60,000.00 divided into 60,000 shares, of nominal value €1.00 each, which has been paid in full by the shareholders.
- b) From the share capital increase, by virtue of the decision of the Extraordinary General Meeting of 19 July 2007, by €100.00 through the issuance of 100 new ordinary shares, with a nominal value of €1.00 and a selling price of € 5,000.00 each.

From the aforementioned share capital increase, as the selling price was higher than the issuance price, the €499,900.00 “share premium” was formed.

- c) The share capital increase by virtue of the decision of the Extraordinary General Meeting of 25 September 2012 by €10,000.00 through the issuance of 10,000 new ordinary shares, with a nominal value of €1.00 and a selling price of €5,370.00, each.

From the aforementioned share capital increase, as the selling price was higher than the issuance price, a difference of €53,690,000.00 was raised from the share premium, with the consequence that the accumulated balance as at 31.12.2016 of this account reached €54,189.900,00 .

#### ii) Reserves:

The reserves of the Company as at 31.12.2016 are analyzed as follows:

	31.12.2016	31.12.2015
Statutory reserve	399,473.48	399,473.48
<b>Total</b>	<b>399,473.48</b>	<b>399,473.48</b>

Under Greek commercial law, the Company is required to transfer 5% of its annual profit after tax to a statutory reserve. Such withholding ceases to be mandatory when the total statutory reserve exceeds one third of the paid-up share capital. This tax-deductible reserve cannot be distributed throughout the life of the Company and is intended to cover any debit balance of the profit and loss account.

#### iii) Retained earnings:

In the 9<sup>th</sup> fiscal year ended 31 December 2016, losses amounted to €404,107.86, which together with the previous year's profits of €16,165,375.19 and the actuarial losses of employee defined benefit obligations of €643.54, result to the retained earnings of the year at the amount of € 15,760,623.79.

#### iv) Distribution of dividends:

Under Greek commercial law, companies are required to pay dividends annually. In particular, 35% of the net profits after income tax is distributed as a dividend, and after the statutory reserve is formed. However, it is also possible to derogate from the above, following a special approval by the General Meeting of Shareholders with the required quorum and majority.

The Board of Directors will propose to the General Meeting of Shareholders not to distribute a dividend.

### 17. Employee defined benefit obligations

Under Greek Labor Law, every employee is entitled to lump-sum compensation in the event of dismissal or retirement. The amount of the allowance depends on the length of service and on the employee's remuneration on the day of his dismissal or retirement. If a worker remains in the company until he/she retires normally, he/she is entitled to a lump-sum equal to 40% of the compensation that he would have received if he was

dismissed on the same day. The Greek Commercial Law provides that companies should make a provision for all staff and at least for the retirement obligation (40% of the total liability).

Compensation obligations for employees were determined by an actuarial study.

<b><u>Liability movement in Balance Sheet</u></b>	<b>2016</b>	<b>2015</b>
<b>Balance 1 January</b>	2,832.46	11,368.50
Actuarial (gain)/loss due to financial assumptions	761.79	(11,387.31)
Actuarial (gain)/loss due to empirical adjustments	144.60	201.15
Cost included in income statement (note 6)	1,164.92	2,650.11
<b>Balance 31 December</b>	<b>4,903.77</b>	<b>2,832.46</b>
<b>Net Cost of employee defined benefits charged to the income statement:</b>	<b>From 1 January to</b>	
	<b>31.12.2016</b>	<b>31.12.2015</b>
Current employment costs	1,094.11	2,422.74
Financial cost	70.81	227.37
<b>Cost included in income statement</b>	<b>1,164.92</b>	<b>2,650.11</b>
<b>Change in actuarial gains/(losses)</b>	<b>2016</b>	<b>2015</b>
Accumulated gains/(losses) at the beginning of the year	7,989.81	(3,196.34)
Actuarial gains/(losses) directly included in equity	(906.39)	11,186.15
<b>Accumulated gains/(losses) at the end of the year</b>	<b>7,083.42</b>	<b>7,989.81</b>

The results of the valuation depend on the assumptions of the actuarial report.

Therefore:

- If we had used a discount rate of 0.5% higher, then the liability would have been 11% lower, and if we had used a discount rate of 0.5% lower, then the liability would be 13% higher.
- • If we had used a 0.5% higher remuneration assumption then the liability would have been 13% higher, and if we had used a 0.5% lower wage growth case then the liability would be lower by 11%.

Moreover, the key assumptions on which the actuarial programs were based for the calculation of the liability due to the staff dismissal are as follows:

	<b>31.12.2016</b>	<b>31.12.2015</b>
Discount rate	1.8%	2.5%
Estimated wage growth rate	1.8%	1.8%
Average residual working life	32.60	27.66

## 18. Due to suppliers

	<b>31.12.2016</b>	<b>31.12.2015</b>
Suppliers of tangible and intangible assets	225,725.15	508,600.54
Other creditors	357,036.52	369,262.97
<b>Total</b>	<b>582,761.67</b>	<b>877,863.51</b>

The fair value of the due to suppliers does not differ materially from its book value, due to its short-term maturity.

**19. Other liabilities**

	<b>31.12.2016</b>	<b>31.12.2015</b>
Tax liabilities	626,361.26	231,065.03
Insurance funds	10,887.32	10,135.09
Accrued expenses		14,000.00
<b>Total</b>	<b>637,248.58</b>	<b>255,200.12</b>

Withholding taxes and contributions in favor of third parties are reimbursed within the time limits set by the relevant provisions.

**Additional information****20. Credit risk management****Credit risk factors:**

The main financial instruments of the Company consist of cash and short-term deposits. The main purpose of these financial instruments is to provide funding for its operations. The Company also holds various other financial instruments, such as trade receivables and trade payables arising directly from its operations. The Company's policy during the year has been and remains to be not to engage in the trading of financial instruments.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board of Directors examines and approves principles for managing each of these risks, which are summarized below.

❖ **Interest rate risk:**

The Company does not have bank loans and therefore has minimized interest rate risk.

❖ **Credit risk:**

The Company provided services exclusively to recognized and trustworthy counterparties. The Company's policy is that all customers who have been serviced on credit should be subject to credit review procedures. In addition, trade receivables are monitored on an ongoing basis, resulting in minimizing the risk of bad debts. As at 31.12.2016 the Company's receivables are, as a whole, derived from the ALPHA BANK Group and are therefore safe to collect.

Regarding the rest financial assets of the Company, the maximum exposure to credit risk is no different from the carrying amount of the instruments.

The cash balance of the Company is deposited to ALPHA BANK, which is rated by CCC+ by Standard & Poor's.

❖ **Liquidity risk:**

The Company's liquidity risk is limited because its cash is sufficient to cover its liabilities. Moreover, its assets derive, in total, from the ALPHA BANK Group and therefore there are no delays in collection.

**21. Related party transactions**

The Company is controlled by the parent company ALPHA BANK S.A., which is established in Greece and which holds (directly and indirectly) 100% of its shares.

Transactions relating to sales, purchases, receivables and payables to and from related parties of the Group are as follows:

	From 1 January to	
	31.12.2016	31.12.2015
<b><u>Income</u></b>		
Services	12,719,568.16	13,070,400.58
Interest	221,566.66	363,191.02
<b>Total Income</b>	<b>12,941,134.82</b>	<b>13,433,591.60</b>
<b><u>Expenses</u></b>		
Interest and bank expenses	4,301.35	3,844.98
Rents and utilities	13,523.74	6,323.76
Borrowed staff costs	416,692.92	584,699.23
Support services	300,000.00	300,000.00
<b>Total Expenses</b>	<b>734,518.01</b>	<b>894,867.97</b>

	31.12.2016	31.12.2015
<b><u>Assets</u></b>		
Deposits	29,284,970.02	29,059,478.65
Customers	8,587,868.23	4,624,544.20
	<b>37,872,838.25</b>	<b>33,684,022.85</b>
<b><u>Liabilities</u></b>		
Liabilities from borrowed personnel	331,001.13	351,556.04
	<b>331,001.13</b>	<b>351,556.04</b>

The aforementioned transactions were conducted based on arm's length condition and are eliminated at the preparation of Alpha Bank's consolidated financial statements.

No transactions have been conducted with members of the Management.

In addition, no loans have been granted to members of the Board of Directors or other senior management of the Group and their relatives, as well as to other affiliated members.

## 22. Contingent liabilities and obligations

There are no legal or under arbitration disputes between judicial or arbitration bodies that have a significant impact on the financial position or operation of the Company.

There are no pledges or other weights in Company's assets.

### Obligations from operational leases – The Company as a lessee:

The Company has signed private lease agreements with its parent company ALPHA BANK regarding the properties where its business is hosted. The minimum rents under this contract are analyzed as follows:

	31.12.2016	31.12.2015
Less than one year	13,256.46	6,323.76
Between one and five years	29,682.72	21,507.18
Over five years	9,962.00	16,994.00
Total	<b>52,901.18</b>	<b>44,824.94</b>

### Obligations from financial leases:

There are no obligations from financial leases.

### Tax Unaudited fiscal years:

The Company has closed the fiscal years up to and including 31.12.2009 based on Law 3888/2010. For the unaudited fiscal years, reference is made to Note 9 "Income Tax".

## 23. Certified Auditors' fee

The fees of the elected Certified Auditors per year, are analyzed below, as stated in paragraph 2 and 32, article 29, of Law 4308/2014.

	31.12.2016	31.12.2015
For the audit of financial statements	8,000.00	8,000.00
Fees related to tax certificates	7,000.00	7,000.00
	<b>15,000.00</b>	<b>15,000.00</b>

**24. Events after the balance sheet date**

There are no significant events following the date of preparation of the Company's financial statements.

Athens, 31 May 2017

The Chairman of the Board of  
Directors

The member of the Board of  
Directors

The Chief Financial  
Officer

Eustathios A. Kakogiannis  
ID No. A H 060501

Christos N. Siokas  
ID No. AE 545986

Anastasios Th. Karakostas  
ID No. AZ 619504  
O.E.E. License No. 001382 A'  
CLASS