Reg. Number: 35197/06/B/96/101

General Registration Number: 004465901000

Semi-Annual Financial Statements of 30th June, 2014 (1st January – 30th June 2014)

According to Article 5 of Law 3556/2007

It is being certified that the accompanying interim Financial Statements are those approved by the Board of «PAPERPACK SA" on 26.8.2014 and published by posting them on company's website www.paperpack.gr

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A.STATEMENT BY MEMBERS OF THE BOARD

In accordance with Article 4, paragraph 2 of Law 3556/2007

The members of the Board of Directors of the company PAPERPACK INDUSTRIAL & COMMERCIAL S.A located in Kifissia, Viltanioti 24 & Menexedon:

1. Tsoukaridis John, Chairman of the Board and Chief Executive Officer,
2. Korina Fasouli Grafanaki, Vice Chairman, elected from the 26.08.2014 decision of the Board of Directors,
3. Julianna Tsoukaridis, Board Member, elected from the 26.08.2014 decision of the Board of Directors.

declare and certify that to the best of their knowledge that:

(a) The semi-financial statements of the company “PAPERPACK SA” for the period 1st January 2014 to 30th June 2014 have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and present fairly, in all material respects, the financial position of PAPERPACK SA as at June 30, 2014, its financial performance and its cash flows as defined in paragraphs 3 to 5 of Article 5 of Law 3556/2007.

(b) the semi-annual report of the Board of Directors present a true course of business, performance and position of the Company and the principal risks and uncertainties that the company faces, as defined in paragraphs 3 to 5 of Article 5 of Law 3556/2007.

Kifissia, 26th August,2014

The Certified

President and CEO	Vice President	Member of the Board
John Tsoukarides	Korina Fasouli	Tzouliana Tsoukarides
ID No. I 192855	ID No. P 110434	ID No. T 196593

B. First Semester's Report of the Board of Directors (for the period 1st January 2014 to 30th June 2014)

Dear Shareholders,

The present Semi-Annual Report of the Board of Directors which follows (hereinafter referred to as the "Report"), refers to the period of the half of the current year 2014 (1.1.2014-30.6.2014). The report is prepared in accordance with the relevant provisions of Law 3556/2007 and the relevant executive decisions of the HCMC.

The report summarizes financial information of the Company PAPERPACK SA (hereinafter referred to as the "Company") for the first half of the current year, significant events that took place in this period and their impact on the interim financial statements. Also identifies the principal risks and uncertainties that the Company may face in the second half of the year and finally significant transactions between the Company and its related parties. The Corporate Governance Code is available to the public from the offices of the company and has been posted on the website of the company http://www.paperpack.gr/investor-relations/code-of-corporate-governance/

The sections of the report and the contents are as follows:

A. Report of the first half of 2014

Development Activities - Changes in financial figures of the Company

Despite the negative operating framework which is formed by the recession of the Greek economy, the operations of the Company in the first half of the current year remained relatively stable. Moreover, the measures taken by the company's management in order to reduce operating costs and the efficient management of cash and cash equivalents improved the results for this period compared to the same period of the previous year.

The Key financials and ratios of the Company are structured as follows :

The company's sales totaled € 7.203 thousands compared to € 7.166 thousands of their respective sales in 2013, marking a slight increase of 0.52%. This increase in turnover in combination with an increase in the gross margins which reached 29.86% versus 29.61% in the corresponding period of 2013.

During the first half of 2014 the administrative expenses of the company increased by 0.77% and totaled € 1.437 thousand compared to € 1.426 thousand in the corresponding period of the previous year.

The operating results before interest, taxes, depreciation and amortization (EBITDA) in the first half of 2014 amounted to € 1.215 thousand compared to € 1.354 thousand in the corresponding period of 2013, thus a decrease of 10,26%.

The company's liabilities relate primarily to borrowings totaling € 6.134 thousand, which represents 68,52% of the total liabilities. Note that on 30/6/2014 the average cost for the above loans was 5,28%, resulting the interest expense of the Company to reach € 162 thousand versus € 178 thousand compared to the same period in 2013.

Total current liabilities totaled € 3.416 thousand, while the current assets amounted € 8.904 thousand, resulting to positive working capital of € 5.488 thousand.

We note that the positive cash flows from operating activity of the company amounted to € 1.480 thousand compared to € 995 thousand in the previous year. The major part of these flows was used for investments in tangible assets, that will enhance the productive capacity of the company, at a time when there are reclassifications in the industry, and as well as maintain a high quality of service and improve efficiency.

Investments in tangible and intangible assets during the current period totaled € 1.287 thousand compared to € 50 thousand in the corresponding period of 2013.

Significant Events

During the first half of the year 2014 and after that and at the date of this report, the following important events took place:

- On 10/4/2014, the Annual General Meeting of PAPERPACK SA resolved the following:
    1. The approval of the Annual Financial Statements of the Company and the Company for the year 2013 and the reports of the Directors and the Auditor.
    2. The discharge of the Directors and the Auditors from any liability for the fiscal year 2012.
    3. The approval of the list of results of the year 2013 (01/01/2013-31/12/2013).
    4. The approval of the proposal of the Board not to distribute a dividend for the year 2013.
    5. The authorization in accordance with paragraph 1 of article 23 of Codified Law 2190/1920, to the members of the Board and directors of the company to attend Board Meetings and to the Company companies (associated), which serve the same or close purpose to the company.
    6. The approval of the remuneration paid to the members of the Board for the year 2013 and the approval of remuneration for the fiscal year 2014, which have been paid or will be paid by the resolutions of the Board which will determine the timing and amount of the payment, the beneficiaries of such remuneration and the amounts to be received by each beneficiary.
    7. The election, of the company "MAZARS SA (A.M.ELTE 17) for the statutory audit of the fiscal year 1/1 - 31/12/2014 and set their remuneration.
    8. Approval of Replacement of Board members.
    9. Approval of Replacement of a member of the Control Committee par.37 L.3693/2008.
    10. Granting permission for a contract between the company and associate directorships, according to art. 23a, paragraph 2 of Law 2190/1920 concerning the acquisition of land.
- On 21/5/2014 PAPERPACK SA received the Tax Compliance Report by its auditors in accordance with the Article 82 § 5 of Law 2238/1994. The Tax

Compliance Report was acompanied with an unqualified opinion. The audit did not reveal any tax disputes.

- During the first semester the company purchased equipment and machinery, in accordance with its Board decision which took place on on 31/12/2013for the amount of € 1.187 thousands.

B. Risks and uncertainties

The company operates in the carton sector, which is highly competitive. Based on the know-how and on investment in production equipment, tries to differentiate qualitatively from the existing competition.

Along the same lines contribute the brand awareness and the development of lasting relationships at both supplier and customer level.

The company is exposed to a limited range of financial risks. The usual risks which falls in theory, are market risk (including foreign exchange risk and price risk), credit risk and liquidity risk which are analyzed as follows:

Credit risk

The company's clients' financial situation is constantly monitored and assessed by the Management by adjusting the credit terms of customers' accounts. Where there is likelihood of non-recovery of receivables, provision is made for doubtful debts. Any further deterioration in market conditions that will lead to a general failure to collect receivables from customers, could result in liquidity problems to the company.

Note that the amount of the provision for doubtful debts, amounts for the current period € 310 thousand (2013: € 279 thousand).

Liquidity risk

Liquidity risk is limited as the company takes care to maintain sufficient cash and / or credit limits. However, a further deterioration of the market and the global banking system in general, although in our view is considered quite remote, could cause liquidity problems to the company.

Market risk

Market risk is the risk of changes in commodity prices, exchange rates and interest rates that affect the Company's results.

Foreign Currency Risk

The Company is exposed to foreign currency risk on exports invoiced in U.S. dollars, as well as imports invoiced in other foreign currencies. In addition to the risk associated with the U.S. dollar, the remaining risks are negligible, since they derive from low-value transactional activity. This currency risk is formed by the prospect of future transactions, and the difference in the respective rates between the date of the transaction (export or import) and the date the transaction is completed (or recover a claim payment obligation). The Company is not exposed to high currency risk as most transactions are carried out in euros, the effective rate of the company. Also, the company does not participate in foreign companies or investments that operate in foreign currency terms, so there is no currency risk associated with assets.

Interest rate Risk

This risk arises from the possibility of an increase in the short and long term interest rates, given that the total borrowings relate to floating rate. On a daily basis, working capital is fully covered primarily by the operating cash flows of the company.

C. Related Party Transactions

The significant transactions between the Company and its related parties as defined by IAS 24, are shown below and in particular note the following:

1. There are no other related parties (legal entities) other than those mentioned in this report.
2. No other loans are granted to the members of the Board of Directors or other directors of the company which are not presented in the following tables.
3. There were no changes in the transactions between the company and its related parties that could have a material effect on the financial position of the company for the first half of 2014.
4. Transactions described in the tables below have been concluded under normal market conditions and contain no exceptional or individual treatment which would need an individually further analysis.
5. During the current year no intercompany sales and purchases took place, as from 1/6/2012 and then the economic data of "PROMOKARTON SA" are included in the results of the parent company and the acquiring company PAPERPACK SA.

   Related parties under IAS 24 refer to subsidiaries, companies with common ownership and / or management with the company, related with it, as well as members of the Board of Directors and Directors of the company. Transactions and remuneration of members of the Management and the directors are as follows:

Amounts are expressed in € '	**30/6/2014**	**30/6/2013**
Salaries and other compensation to BoD members	67.301,68	61.372,96
Salaries and other compensation to key management personnel	118.276,13	118.286,13
Compensation to BoD members approved by the General Meeting	249.999,98	180.000,00
Total	**435.577,79**	**359.659,09**

In detail the obligations and requirements to and from the members of the Board and management are as follows:

Receivables from the BoD and Directors

Amounts are expressed in € '	**30/6/2014**	**31/12/2013**
Loans to related parties	15.600,66	15.600,66
Other receivables	892,50	892,50

	16.493,16	**16.493,16**

Liabilities to the BoD and Directors

Amounts are expressed in € '	**30/6/2014**	**31/12/2013**
Salaries and other compensation payable	17.209,95	17.382,96
Compensation to BoD members approved by the A.G.M. payable	40.174,49	0,00
	57.384,44	**17.382,96**

D. Data and estimates for the development of the business during the second half of 2014

Although it is not possible to predict accurately the effect on the economic environment of the implementation of the government support measures in the year 2014, management estimates that the turnover will have a slight increase compared to levels in 2013. Conservation efforts of profit margins will continue.

The aim of the administration during the second half of 2014 is to gradually improve the turnover levels, resulting in retaining the EBITDA over € 1.500 thousands and consequently strengthen the company's net assets.

We continue to manage our business with long-term investment horizon, retaining our main strategic plan for positive cash flows from our operations, reduction of credit risk and improvement of the working capital.

Kifissia, 26th August 2014

On behalf of the BoD

John Tsoukarides

The president

C. Report on Review of Interim Financial Information

To the Shareholders of “PAPERPACK S.A.”

Introduction

We have reviewed the accompanying separate condensed statement of financial position of “PAPERPACK S.A.” (the “Company”), as at 30th June 2014 and the related separate condensed Statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month period financial report by the Law 3556/2007.

Management is responsible for the preparation and fair presentation of this interim condensed financial statement in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial information (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Conclusion

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

Reference to other legal requirements

Based on our review, we concluded that the content of the six-month financial report, as required by article 5 of L.3556/2007, is consistent with the accompanying condensed interim financial information.

Athens, 26 August, 2014
The Certified Public Accountant

MICHALIS PAPAZOGLOU
SOEL. Reg. No: 22921
MAZARS Certified Public Accountants
Business Advisors S.A.
SOEL Reg No: 154

D. Interim Financial Statements of
1st January 2014 – 30th June 2014

according to

International Financial Reporting Standards

1. Interim Statement of Financial Position

Amounts are expressed in dollars

ASSETS	Note	30/6/2014	31/12/2013
Non Current Assets			
Goodwill		265.128,99	265.128,99
Intangible assets		126.728,88	89.687,75
Tangible assets		1.780.272,55	729.242,71
Available for sale financial assets		67.783,48	67.783,48
Deferred tax assets		119.195,06	104.806,77
Other non current assets		85.722,85	85.916,85
		2.444.831,81	**1.342.566,55**
Current assets			
Inventories		2.000.327,87	2.303.918,08
Trade and other receivables	5.6	4.268.459,34	4.349.557,27
Other current assets		429.593,20	539.588,54
Cash and cash equivalents		2.205.788,19	2.519.283,00
Total current assets		**8.904.168,60**	**9.712.346,89**
Non current assets held for sale		**366.500,00**	**366.500,00**
Total assets		**11.715.500,41**	**11.421.413,44**
Equity and Liabilities			
Equity attributable to shareholders of the parent			
Share capital	5.7	1.185.927,00	1.185.927,00
Share premium	5.7	1.187.780,32	1.187.780,32
Reserves		526.814,45	526.814,45
Profit / (Losses) carried forward		(138.580,54)	(763.371,01)
Total Equity		**2.761.941,23**	**2.137.150,76**
Long term liabilities			
Long term loans	5.8	5.350.000,00	5.875.000,00
Defined benefit liability		187.920,31	179.712,81
Total long term liabilities		**5.537.920,31**	**6.054.712,81**
Short term liabilities			
Trade and other payables		1.157.534,06	1.327.938,44
Current tax liabilities		861.781,90	712.189,58
Short term loans	5.8	784.546,27	847.510,39
Other short term liabilities		611.776,64	341.911,46
Total short term liabilities		**3.415.638,87**	**3.229.549,87**
Total liabilities		**8.953.559,18**	**9.284.262,68**
Total Equity and liabilities		**11.715.500,41**	**11.421.413,44**

Accompanying notes are an integral part of these interim financial statements

2. Interim Statement of Comprehensive Income for the first half and for the second quarter of the year

Amounts are expressed in dollars

	Note	1/1 - 30/6/2014	1/4 - 30/6/2014	1/1 - 30/6/2013	1/4 - 30/6/2013
Turnover	5.5	7.202.594,98	3.707.156,93	7.165.684,74	3.635.264,84
Cost of sales		(5.051.893,84)	(2.505.736,91)	(5.044.010,82)	(2.446.305,53)
Gross profit		**2.150.701,14**	**1.201.420,02**	**2.121.673,92**	**1.188.959,31**
Other income		90.921,33	81.977,86	28.903,70	22.959,02
Administrative expenses		(370.978,10)	(187.917,43)	(349.856,66)	(178.297,11)
Distribution expenses		(853.597,12)	(435.185,03)	(811.515,63)	(420.985,98)
Research and development expenses		(312,00)	(234,00)	(2,64)	(1,32)
Other expenses		(1.601,15)	(458,20)	(38.864,64)	(38.604,02)
Earnings before taxes, financial and investing activities		**1.015.951,15**	**660.420,27**	**950.338,05**	**574.029,90**
Financial expenses		7.454,51	1.383,64	40.513,40	(6.549,42)
Financial income		(167.183,85)	(74.934,80)	(202.658,29)	(98.218,20)
Profit / (Loss) before tax		**856.221,81**	**586.869,11**	**788.193,16**	**469.262,28**
Tax		(231.431,34)	(157.405,25)	(258.049,69)	(299.208,21)
Net profit / (loss) (a)		**624.790,47**	**429.463,86**	**530.143,47**	**170.054,07**
Other comprehensive income					
Items not to be reclassified to profit or loss in subsequent periods:					
Other comprehensive income		*0,00*	*0,00*	*0,00*	*0,00*
Total comprehensive income (after tax) (b)		**0,00**	**0,00**	**0,00**	**0,00**
Total comprehensive income (a+b)		**624.790,47**	**429.463,86**	**530.143,47**	**170.054,07**
Total comprehensive income is distributed as follows:					
Sherholders' of the parent		*624.790,47*	*429.463,86*	*530.143,47*	*170.054,07*
Non-controlling interests		*0,00*	*0,00*	*0,00*	*0,00*
Total comprehensive income					
Earnings / (losses) per share	5.12	*0,1581*	*0,1086*	*0,1341*	*0,0430*
Basic (€ / share)					

Accompanying notes are an integral part of these interim financial statements

3. Interim statement of changes in equity

	Share Capital	Share Premium	Reserves	Profit / (Losses) carried forward	Total
Balance as at 1/1/2013	**1.185.927,00**	**1.187.780,32**	**526.814,45**	**(1.527.263,90)**	***1.373.257,87***
Profit/(loss) for the period 1/1 - 30/6/2013	0,00	0,00	0,00	530.143,47	530.143,47
Other comprehensive income 1/1 - 30/6/2013	0,00	0,00	0,00	0,00	0,00
Total comprehensive income 1/1 - 30/6/2013	0,00	0,00	0,00	530.143,47	*530.143,47*
Dividends	0,00	0,00	0,00	0,00	0,00
	0,00	0,00	0,00	0,00	*0,00*
Balance as at 30th June 2013	**1.185.927,00**	**1.187.780,32**	**526.814,45**	**(997.120,43)**	***1.903.401,34***
Balance as at 1st January 2014	**1.185.927,00**	**1.187.780,32**	**526.814,45**	**(763.371,01)**	***2.137.150,76***
Profit/(loss) for the period 1/1 - 30/6/2014	0,00	0,00	0,00	624.790,47	624.790,47
Other comprehensive income 1/1 - 30/6/2014	0,00	0,00	0,00	0,00	0,00
Total comprehensive income 1/1 - 30/6/2014	0,00	0,00	0,00	624.790,47	624.790,47
Dividends	0,00	0,00	0,00	0,00	0,00
	0,00	0,00	0,00	0,00	*0,00*
Balance as at 30th June 2014	**1.185.927,00**	**1.187.780,32**	**526.814,45**	**(138.580,54)**	***2.761.941,23***

Accompanying notes are an integral part of these interim financial statements

4. Interim statement of cash flows

Amounts are expressed in € '	Half of a Year	
	2014	**2013**
<u>**Cash flows from operations**</u>		
Profit / (Loss) before tax	856.221,81	788.193,16
Adjustments to profit / (loss)		
Depreciation & amortization	198.895,16	403.378,47
Bad debt provisions	8.207,50	108.938,91
	1.063.324,47	**1.300.510,54**
Results (income, expenses, gains and losses) from investment activities	(81.222,10)	14.275,15
Interest expenses	167.183,85	202.658,29
Plus / minus adjustments for changes in working capital related to operating activities:		
(Increase) / decrease in inventories	303.590,21	(593.843,42)
(Increase) / decrease in receivables	191.287,27	(681.128,68)
Increase / (decrease) in liabilities	99.460,80	856.452,65
Minus:		
Interest paid	(167.183,85)	(202.658,29)
Payments for taxes	(96.227,31)	98.612,70
Net cash flows from operating activities	**1.480.213,34**	**994.878,94**
<u>**Cash flows from investing activities**</u>		
Purchase of tangible assetsPurchase of intangible assets	(1.287.055,07)	(49.627,49)
Sale of tangible assets	80.568,50	425.000,00
Interest received	742,54	6.770,68
Net cash flows from investing activities	**(1.205.744,03)**	**382.143,19**
<u>**Cash flows from financing activities**</u>		
Debt repayments	(587.964,12)	(234.709,01)
Net cash flows from financing activities	**(587.964,12)**	**(234.709,01)**
Net increase / (decrease) in cash and cash equivalents	**(313.494,81)**	**1.142.313,12**
Cash and cash equivalents at the beginning of the period	**2.519.283,00**	**2.383.036,88**
Cash and cash equivalents at the end of the period	**2.205.788,19**	**3.525.350,00**

Accompanying notes are an integral part of these interim financial statement

5. Notes to the interim financial statements for the period from January the 1st 2014 to 30th of June 2014

5.1 General Information

The interim financial statements for the period January 1st to June 30th, 2014 include the financial statements of PAPERPACK SA (hereinafter the "Company").

PAPERPACK SA was founded in 1996, derived from the merger of corporate interests of Mr. John Tsoukaridis. It is a Societe Anonyme registered in Greece with Reg.No.35197/06/V/96/101 and General Register Number 004465901000.

The headquarters are located in the Municipality of Kifissia, Attica, on 24 Viltanioti Menexedon street, PC 145 64.

The company's website is www.paperpack.gr.

The interim financial statements for the period from 1/1-30/06/2014 were approved by the Board of Directors on 26/08/2014.

The Board consists of:

1. Tsoukarides John, President and CEO - Executive Member.
2. Korina Fasouli - Grafanaki, Vice Chairman - Non Executive Member.
3. Julianna Tsoukarides, Director - Executive
4. Zetos Nicholaos, Director - Executive.
5. Lambros Frangos, Director - Non Executive Member.
6. Papapetropoulos Theodore, Director - Non Executive and Independent Director.
7. Titos Vasilopoulos, Director - Non Executive and Independent Director.

5.2 Nature of activities

PAPERPACK SA's activity is printing and carton box manufacturing, supplying mainly industrial units of cartons printed on the packaging to promote products such as cosmetics, food, drinks, cigarettes, drugs and detergents.

In particular, it operates a fully integrated plant in which take place the design, printing and production of documents and boxes with specific quality requirements. Special offset machines are used during printing process. These activities refer to the Carton Packaging segment.

According to the bulletin of the Statistical Classification of Economic Activities 2003 of the National Statistical Service of Greece (NSSG), company's principal activity falls under the category of firms in " Manufacture of corrugated paper and paperboard and packaging of paper and cardboard" (NACE Rev. 212.1) .

Additionally, through the merger of PROMOCARTON SA, the company has been expanded its activity and trade paper propellants (sector propellants), as displays, stands, etc., so penetrating and commercial customers with a portfolio of primarily consumer products.
These activities are categorized to promotional materials segment.
The principal activities of the company have not been changed from last year.

5.3 Basis of preparation of financial statements

The accompanying interim financial statements PAPERPACK SA covering the period from 1st January 2013 to 30th June 2014, and the corresponding comparative statements of 2013 have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities at current values, the ongoing business (going concern) and comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and their interpretations, as issued by the Financial Reporting Interpretations Committee (IFRIC) of IASB as adopted by the European Union. Specifically these statements comply with IAS 34 Interim Financial Reporting.

The interim financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of December 31, 2013.

5.3.1 Basic accounting principles

The accounting principles applied in the preparation of the financial statements are consistent with those followed in the annual financial statements for the year ended December 31, 2013.

In the current period is the first time that are being applied the following Standards and Interpretations:

<u>Standards and Interpretations effective for the fiscal year 2014</u>

New standards, amendments of published standards and interpretations effective for accounting periods beginning on 1st January 2014. The Company's assessment of the impact of these new and amended standards and interpretations is set out below:

IAS 32 (Amendment) "Financial Instruments: Presentation" (COMMISSION REGULATION (EC) No.1256/2012 of 13th December 2012, L 360 29/12/2012)

This applies to annual accounting periods starting on or after 1st January 2014.

The amendment clarifies the assets and liabilities offsetting criteria in order to address inconsistencies in current practice. This amendment does not affect Company's financial statements.

IFRS 10 "Consolidated Financial Statements" (COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted.

In May 2011 the IASB issued IFRS 10 "Consolidated Financial Statements". IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements in IAS 27 "Consolidated and Separate Financial Statements" and in SIC-12 "Consolidation —Special Purpose Entities". IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group implemented IFRS 10 on 1st January 2014 , with no impact on the consolidation of investments held by the Group.

IFRS 11 "Joint Arrangements" (COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted. In May 2011 the IASB issued IFRS 11 "Joint Arrangements ". IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities—Non - Monetary Contributions by Ventures". IFRS 11 "Joint Arrangements" provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method (equity method) to account for interests in jointly controlled entities. The Company implemented IFRS 11 on 1st January 2014 , changing the consolidation method for jointly controlled entities from proportionate to equity method.

IFRS 12 "Disclosure of Interests in Other Entities" (COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 -29/12/2012)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted. In May 2011 the IASB issued IFRS 12 "Disclosure of Interests in Other Entities". IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Group implemented IFRS 12 on 1st January 2014.

IFRS10, IFRS11 & IFRS12 (amendments) "Transition Guidance" (COMMISSION REGULATION (EC) No. 313/2013 of 4th April 2013, L95/9 05.04.2013)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted. In June 2012 the IASB issued additional transition relief in IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" limiting the requirement to provide adjusted comparative information. The amendments explain that the 'date of initial application' in IFRS 10 means 'the beginning of the annual reporting period in which IFRS 10 is applied for the first time'. Consequently, an entity is not required to make adjustments to the previous accounting for its involvement with entities if the consolidation conclusion reached at the date of initial.

application is the same when applying IAS 27 “Consolidated and Separate Financial Statements” and SIC-12 “Consolidation—Special Purpose Entities” and when applying IFRS 10. As a result, the IASB confirms that relief from retrospective application of IFRS 10 would also apply to an investor’s interests in investees that were disposed of during a comparative period in such a way that consolidation would not occur in accordance with either IAS 27/SIC-12 or IFRS 10 at the date of initial application. The amendments also clarify how an investor shall adjust comparative period(s) retrospectively if the consolidation conclusion reached at the date of initial application is different when applying IFRS 10 when compared with applying IAS 27/SIC-12. Additional transition relief is provided by limiting the requirement to present adjusted comparative information to the period immediately preceding the date of initial application (the ‘immediately preceding period’). Presentation of adjusted comparatives for earlier periods is permitted but not required. The IASB has also amended IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities” to provide similar relief from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. IFRS 12 is further amended to provide additional transition relief by eliminating the requirement to present comparatives for the disclosures relating to unconsolidated structured entities for any period before the first annual period for which IFRS 12 is applied. The Company implemented these amendments on 1st January 2014.

IAS 27 (amendment) “Separate Financial Statements” (COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 - 29/12/2012)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted. In May 2011, when the IASB issued IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities” also amended IAS 27 that now contains the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The Standard requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9 “Financial Instruments”. The Company implemented IAS 27 on 1st January 2014.

IAS 28 (amendment) “Investments in Associates and Joint Ventures” (COMMISSION REGULATION (EC) No.1254/2012 of 11th December 2012, L 360 - 29/12/2012)

According to E.U., this applies to annual accounting periods starting at the latest on or after 1st January 2014. Earlier application is permitted. In May 2011, when the IASB issued IFRS 10 “Consolidated Financial Statements ”, IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities” also amended IAS 28 that now contains the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Company implemented IAS 28 on 1st January 2014.

IFRS10, IFRS12 & IAS27 (amendments) "Investment Entities" (COMMISSION REGULATION (EC) No.1174/2013 of 20th November 2013, L 312 -21/11/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted. In October 2012 the IASB issued additional transition amendments in IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 27 "Separate Financial Statements". The amendments define an investment entity and introduce an exception to consolidating particular subsidiaries for investment entities. These amendments require an investment entity to measure those subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments in its consolidated and separate financial statements. The amendments also introduce new disclosure requirements for investment entities in IFRS 12 and IAS 27 for investment entities. This amendment does not affect Company's financial statements.

IAS 36 (amendment) "Impairment of Assets" (COMMISSION REGULATION (EC) No.1374/2013 of 19th December 2013, L 346 - 20/12/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted when the entity has already applied IFRS 13. In May 2013 the IASB issued amendments in IAS 36 "Impairment of Assets" to require disclosures about

the recoverable amount of impaired assets. The amendments clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. This amendment does not affect Company's financial statements.

IAS 39 (amendment) "Financial Instruments: Recognition & Measurement" (COMMISSION REGULATION (EC) No.1375/2013 of 19th December 2013, L 346 - 20/12/2013)

This applies to annual accounting periods starting on or after 1st January 2014. Earlier

application is permitted. On June 2013 the IASB issued amendments in IAS 39 "Financial Instruments: Recognition & Measurement". The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met (in this context, a novation indicates that parties to a contract agree to replace their original counterparty with a new one). This amendment does not affect Company's financial statements.

IFRIC 21 "Levies"

This applies to annual accounting periods starting on or after 1st January 2014. Earlier application is permitted. On May 2013 the IASB issued IFRIC 21 "Levies". The Interpretation describes how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. The principal question raised was about when the entity should recognise a liability to pay a levy. This is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. The Group does not expect this interpretation to affect its financial statements. This amendment has not yet been endorsed by the European Union.

Standards and Interpretations compulsory after 31 December 2014

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2015 and have not been adopted from the Company earlier.

IFRS 9 "Financial Instruments"

This applies to annual accounting periods starting on or after 1st January 2015. Earlier application is permitted. The IASB intends to ultimately replace IAS 39 in its entirety with IFRS 9, however the replacement will be divided into phases. In November 2009, the IASB issued the chapters of IFRS 9 relating to classification and measurement of financial assets. In October 2010, the IASB added the requirements related to the classification and measurement of financial liabilities and decided to carry forward unchanged from IAS 19 the requirements related to the derecognition of financial assets and financial liabilities to IFRS 9. In November 2013, the IASB added to IFRS9 the requirements related to hedge accounting. In next phase of the project the new requirements related to impairment of financial instruments will be added. The Group is in the process of evaluating the effect of IFRS 9 on its financial statements. IFRS 9 has not been endorsed yet by the European Union and cannot, therefore, be implemented earlier by the Group. Only when it has been endorsed will the Company decide whether or not it will implement IFRS 9 before 1st January 2015.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"

This applies to annual accounting periods starting on or after 1st January 2015. Earlier application is permitted. On 16.12.2011, the IASB issued an amendment in IFRS7, adding in the Standard disclosures related to the transition to IFRS 9. The amendment has not yet been endorsed by the European Union. The Company is in the process of evaluating the effect of the amendment on its financial statements.

IAS 19 (amendment) "Employee Benefits"

This applies to annual accounting periods starting on or after 1st July 2014. Earlier application is permitted. In November 2013 the IASB issued narrow scope amendments in IAS 19 "Employee Benefits". The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Company will assess the impact of the amendment on its financial statements. This amendment has not yet been endorsed by the European Union.

5.4 Seasonality

According to the International Financial Reporting Standards, the activities of the company are not affected by seasonal or cyclical factors.

5.5 Segment reporting

IFRS 8 requires the Company to identify operating segments based on the information provided and communicated to management in allocating resources and assessing performance of the operating segment. The operating segments are managed and monitored by the Board. The operating segments have been aggregated and reported as areas where exhibit similar long-term financial performance and have similar economic characteristics. The Company reports for the following areas: Paper Packaging and Promotional Materials.

Operating segments

The following tables present the sales results and the depreciation of the operating sectors for the period from January 1st to June 30th, 2014 and 2013 , respectively:

1/1 - 30/6/2014

Amounts in Euro	**Carton Packaging**	**Promotional Materials**	**Total**
Sales to external customers	6.671.047,28	531.547,70	7.202.594,98
Sales to other segments	0,00	0,00	0,00
Net sales to external customers	**6.671.047,28**	**531.547,70**	**7.202.594,98**
Operating Profit	**872.984,10**	**142.967,05**	**1.015.951,15**
Financial Revenues	7.454,51	0,00	7.454,51
Financial expenses	(167.183,85)	0,00	(167.183,85)
Profit / (Loss) before tax	**713.254,76**	**142.967,05**	**856.221,81**
Tax	(194.259,91)	(37.171,43)	(231.431,34)
Profit after tax	**518.994,85**	**105.795,62**	**624.790,47**
Depreciation and amortization	**198.435,31**	**459,85**	**198.895,16**
Earnings before taxes, financial and investing activities and depreciation and amortization(EBITDA)	1.071.419,41	143.426,90	1.214.846,31

1/1 - 30/6/2013

Amounts in Euro	**Carton Packaging**	**Promotional Materials**	**Total**
Sales to external customers	6.770.853,57	394.831,17	7.165.684,74
Sales to other segments	0,00	0,00	0,00
Net sales to external customers	**6.770.853,57**	**394.831,17**	**7.165.684,74**
Operating Profit	**710.867,09**	**239.470,96**	**950.338,05**
Financial Revenues	40.513,40	0,00	40.513,40
Financial expenses	(202.658,29)	0,00	(202.658,29)
Profit / (Loss) before tax	**548.722,20**	**239.470,96**	**788.193,16**
Tax	(195.787,24)	(62.262,45)	(258.049,69)
Profit after tax	**352.934,96**	**177.208,51**	**530.143,47**

Depreciation and amortization	**402.651,37**	**727,10**	**460.438,99**
Earnings before taxes, financial and investing activities and depreciation and amortization(EBITDA)	1.113.518,46	240.198,06	1.353.716,52

The assets and liabilities by operating segment are presented as follows:

30/6/2014

Amounts in Euro	**Carton Packaging**	**Promotional Materials**	**Total**
Total Assets	11.325.006,47	23.993,94	11.349.000,41
Non distributed assets	366.500,00	0,00	366.500,00
Total Consolidated Assets	**11.691.506,47**	**23.993,94**	**11.715.500,41**
Liabilities	8.953.559,18	0,00	8.953.559,18
Non distributed liabilities	0,00	0,00	0,00
Total Consolidated liabilities	**8.953.559,18**	**0,00**	**8.953.559,18**
Additions in tangible and intangible assets	*1.287.055,07*	*0,00*	***1.287.055,07***

31/12/2013

Amounts in Euro	**Carton Packaging**	**Promotional Materials**	**Total**
Total Assets	11.419.294,02	2.119,42	*11.421.413,44*
Non distributed assets	0,00	0,00	0,00
Total Consolidated Assets	***11.419.294,02***	***2.119,42***	***11.421.413,44***
Liabilities	*9.284.262,68*	*0,00*	*9.284.262,68*
Non distributed liabilities	0,00	0,00	0,00
Total Consolidated liabilities	***9.284.262,68***	***0,00***	***9.284.262,68***
Additions in tangible and intangible assets	*92.482,22*	*0,00*	***92.482,22***

Sales service line are as follows:

Amounts are expressed in € '	**1/1 – 30/06/2014**	**1/1 – 30/06/2013**
Sale of goods	712.465,93	394.831,17
Sale of products	6.051.479,83	6.329.317,74
Sale of other stocks	187.259,05	225.551,56
Revenues from services	251.390,17	215.984,27
Total	**7.202.594,98**	**7.165.684,74**

5.6 Trade receivables

The trade receivables are as follows:

Amounts are expressed in € '	**30/6/2014**	**31/12/2013**
Receivables from trade receivables	3.996.192,06	3.808.987,34
Prepayments to suppliers	44.011,25	109.062,43
Cheques receivable	538.748,04	710.749,97
Total trade receivables	**4.578.951,35**	**4.628.799,74**
Minus: Bad debt provision	(310.492,01)	(279.242,47)
Total trade receivables (net)	**4.268.459,34**	**4.349.557,27**

All the above receivables are short-term. The fair value of these short-term financial assets is determined independently, as the carrying value is considered to be approximate to their fair value.

For all trade receivables there has been a assessment for possible impairment. Certain receivables are impaired. The impaired receivables relate mainly to the company's customers who deal with financial difficulties and their balances are, as estimated, irrecoverable.

Moreover, some of the receivables that are not impaired are in delay. For the above receivables there have been sufficient collateral (eg pledges, mortgages, etc.).

5.7 Share Capital

During the current period, there has been no change in the share capital of the company. The company's share capital consists of 3.953.090 ordinary shares of nominal value € 0,30.

The amounts received, additional to the par value of shares issued during the year are included in equity under the heading "Share premium" after deduction of registration fees, legal fees and other related tax benefits.

The movement of the share capital is as follows :

		Amounts are expressed in Euros		
	Number of shares	**Share capital**	**Number of shares**	**Total**
Balance as at 1/1/2013	**3.953.090**	**1.185.927,00**	**1.187.780,32**	**2.373.707,32**
Capital decrease	-	0,00	0,00	0,00
Balance as at 31/12/2013	**3.953.090**	**1.185.927,00**	**1.187.780,32**	**2.373.707,32**

New shares issue	-	0,00	0,00	0,00
Balance as at 30/6/2014	**3.953.090**	**1.185.927,00**	**1.187.780,32**	**2.373.707,32**

5.8 Borrowings

The breakdown of the borrowings is as follows:

Amounts are expressed in € '	30/6/2014	31/12/2013
Long Term Bank Loans		
Corporate bonds	5.350.000,00	5.875.000,00
Total long term loans	**5.350.000,00**	**5.875.000,00**
Short term loans		
Corporate bonds (short term portion)	700.000,00	525.000,00
Short term loans (Working Capital)	84.546,27	322.510,39
Total short term loans	**784.546,27**	**847.510,39**
Total Borrowings	**6.134.546,27**	**6.722.510,39**

The maturity dates of the loans are as follows :

Amounts are expressed in € '	Less than 1 year	1 to 5 years	More than 5 years	Total
30 June 2014				
Corporate bonds	700.000,00	5.350.000,00	0,00	**6.050.000,00**
Other loans	84.546,27	0,00	0,00	**84.546,27**
Less: fair value adjustments	0,00	0,00	0,00	**0,00**
Total loans	**784.546,27**	**5.350.000,00**	**0,00**	**6.134.546,27**
31 December 2013				
Corporate bonds	525.000,00	5.875.000,00	0,00	**6.400.000,00**
Other loans	322.510,39	0,00	0,00	**322.510,39**
Less: fair value adjustments	0,00	0,00	0,00	**0,00**
Total loans	**847.510,39**	**5.875.000,00**	**0,00**	**6.722.510,39**

The fair value of debt approximates its carrying amount.

The average interest rates on borrowings are analyzed as follows :

Amounts are expressed in € '	**30/6/2014**	**31/12/2013**
Euribor 3m+5,00%	3.650.000,00	4.000.000,00
Euribor 3m+2,75%	2.400.000,00	2.400.000,00

Euribor 3m+4,75%	84.546,27	71.010,92
Euribor 3m+6,00%	0,00	251.499,47
Total	**6.134.546,27**	**6.722.510,39**

To secure the bank loans between the company and the Bondholders, the company provided additional collateral to the Bondholders and therefore, the Company has established the following pledges:

- Over 132.300 shares of the share capital of "FOCAS BROS SA'
- Over 1.520 shares of the share capital of "VLACHOU BROS SA"
- On deposit accounts maintained by the company in the banks of the Bondholders, with zero balance
- On paper stock owned by the company, which equals at least 1.000.000 Euros throughout the duration of the loan,
- On equipment owned by the company, worth at least EUR 1.000.000 thus on the following and, finally,
- On the company's receivables of the insurance coverage of the stocks and machinery mentioned above.

Besides the foregoing, there are no mortgages or pledges on the assets of the company.

5.9 Collaterals

There are no collaterals and guarantees granted to secure the obligations of the Company to its creditors.

There are the following pledges to secure bank loans:

- Over 132.300 shares of the share capital of "FOCAS BROS SA'
- Over 1.520 shares of the share capital of "VLACHOU BROS SA"
- On deposit accounts maintained by the company in the banks of the Bondholders
- On paper stock owned by the company, which equals at least 1.000.000 Euros throughout the duration of the loan,
- On equipment owned by the company, worth at least EUR 1.000.000 thus on the following and, finally,
- On the company's receivables of the insurance coverage of the stocks and machinery mentioned above.

5.10 Contingent assets – liabilities

Information related to the Contingent liabilities

There are no pending issues that may have a significant impact on the company's financial statements.

The Company establishes provisions for the additional taxes that might arise from future tax audits, based on historical data on the outcome of the respective inspections. The year 2010 has not been audited while the company has not made any provisions for additional tax liabilities. For the years 2011-2013 the company has been audited by its statutory auditors according to article 82 paragraph 5 of Law 2238/1994. The audit was completed and the auditors issued an unqualified report on tax compliance.

Information on contingent claims

Besides disputed claims amounting 618.656,46 Euros, for which adequate securities and expected judicial vindication, there are no requirements that do not appear in the Financial Statements or should be disclosed otherwise.

5.11 Number of employees

The number of employees for the six months of 2014 and 2013, is as follows:

	30/6/2014	30/6/2013
White collar	38	34
Blue collar	62	70
Total	**100**	**104**

5.12 Earnings per share

Earnings per share are calculated as follows:

	1/1 - 30/6/2014	1/1 - 30/6/2013
Profit / (loss) of the period	624.790,47	530.143,47
Weighted average of shares outstanding	3.953.090	3.953.090
Basic (€ / share)	**0,1581**	**0,1341**

5.13 Transactions with related parties

The following transactions and balances are transactions with related parties.

Related entities are considered companies involved with a large stake in the parent company, companies belonging to major shareholders and the companies controlled by members of the Board and managers of the Company. The company has no related companies and thus there are no such transactions for disclosure.

Compensation

	30/6/2014	30/6/2013
BoD Members and key management personnel	435.577,79	359.659,09
Total	**435.577,79**	**359.659,09**

Loans

	30/6/2014	31/12/2013
BoD Members and key management personnel	15.600,66	15.600,66
Total	**15.600,66**	**15.600,66**

Outstanding balances from compensation given

	30/6/2014	31/12/2013
BoD Members and key management personnel	57.384,44	17.382,96
Total	**57.384,44**	**17.382,96**

Receivables

	30/6/2014	31/12/2013
BoD Members and key management personnel	892,50	892,50
Total	**892,50**	**892,50**

Payables

	30/6/2014	31/12/2013
BoD Members and key management personnel	57.384,44	17.382,96
Total	**57.384,44**	**17.382,96**

The transactions of Board Members and managers with the Company are analyzed below. Key management personnel, as defined by IAS 24, refer to : CFO , Accounting Manager , Commercial Manager , Technical Director and any relatives of Board members and managers working in the Company.

Compensation to key management personnel

Amounts in Euro	30/6/2014	30/6/2013
Salaries and other compensation to BoD members	67.301,68	61.372,96
Salaries and other compensation to key management personnel	118.276,13	118.286,13
Compensation to BoD members approved by the A.G.M.	249.999,98	180.000,00
Total	**435.577,79**	**359.659,09**

Receivables from Board members and key management personnel

Amounts in Euro	30/6/2014	30/6/2013
Loans provided	15.600,66	15.600,66
Other receivables	892,50	892,50
Total	**16.493,16**	**16.493,16**

Liabilities to Board members and key management personnel

Amounts in Euros	30/6/2014	30/6/2013

Liabilities from salaries and other compensation	17.209,95	17.382,96
Liabilities from compensation to BoD members approved by the General Meeting	40.174,49	0,00
	57.384,44	**17.382,96**

No loans have been granted to members of the Board of Directors (and their families).

In addition to the above there are no other transactions with related parties.

5.14 Events after the balance sheet date

Apart from this, there are no events after the balance sheet date that may have a significant impact on the financial statements of the company.

Those responsible for the preparation

The PresidentCEO	Vice President	The Board Member	CFO
Ioannis Tsoukaridis **ID No. I 192855**	**Korina Fasouli** **ID No. P 110434**	**Juliana Tsoukaridi** **ID No. T 196593**	**Nikolaos Zetos** **ID No. AE 519511**