Singular Logic

ANNUAL FINANCIAL REPORT

for the period from

1 January to 31 December 2015

in accordance with the International Financial Reporting Standards

Nea Ionia, 21 March 2016

Singular Logic

CONTENTS

A. Audit Report prepared by Independent Certified Public Accountant

To the Shareholders of SingularLogic S.A.

Report on the Separate and Consolidated financial statements

We have audited the attached separate and consolidated financial statements of "SingularLogic S.A.”, which comprise the separate and the consolidated statement of financial position on 31 December 2015, the separate and consolidated income statements and statements of comprehensive income, the statements of changes in equity and the cash flow statements for the fiscal year ended on the above date, along with a summary of important accounting policies and methods and other explanatory notes.

Management responsibility for the separate and consolidated financial statements

Management is responsible for preparing and fairly presenting these separate and consolidated financial statements in accordance with the International Financial Reporting Standards, as adopted by the European Union, and for those internal checks and balances which Management considers necessary to make it possible to draw up the separate and consolidated financial statements free of material misstatements due to fraud or error.

Auditor’s responsibility

It is our responsibility to express an opinion on these separate and consolidated financial statements on the basis of our audit. We performed our audit in accordance with the International Standards of Auditing. These standards require that we comply with the code of conduct and that we plan and perform our audit so as to provide a fair assurance as to what extent the separate and consolidated financial statements are free of material misstatements.

The audit includes the performance of procedures for the collection of audit evidence with regard to the sums and disclosures included in the separate and consolidated financial statements. The procedures selected are at the auditor’s discretion, including an assessment of the risk of material misstatements in the separate and consolidated financial statements whether due to fraud or error. When carrying out the risk assessment, the auditor examines the internal checks and balances on preparation and fair presentation of the company's separate and consolidated financial statements for the purpose of designing auditing procedures which are suitable under the circumstances, and not in order to express an opinion on the effectiveness of the company’s internal checks and balances. The audit also includes an evaluation of the suitability of the accounting policies and methods applied and the fairness of the assessments made by Management, and an evaluation of the overall presentation of the separate and consolidated financial statements.

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

Opinion

In our opinion, the attached separate and consolidated financial statements reasonably depict in all material respects the financial position of “SingularLogic S.A.” and its subsidiaries on 31 December 2015, their financial performance and cash flows for the accounting period which ended on that date in line with the International Financial Reporting Standards as adopted by the European Union.

Report on other Legal and Regulatory Requirements

We have verified that the content of the Board’s Management Report corresponds to and matches that of the attached separate and consolidated financial statements in the context of the provisions of Articles 43a(3a), 108 and 37 of Codified Law 2190/1920.

Athens, 22 March 2016
The Certified Public Accountant

Dimitris Douvris
ICPA (GR) Reg. No. 33921

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B. Annual Report of the Board of Directors on the consolidated and separate financial statements on the year from 1 January 2015 to 31 December 2015

1. Economic Review

In 2015, IT market circumstances remained difficult, mainly due to the protracted political instability, macroeconomic uncertainty and drastic deterioration of liquidity conditions which arose from the imposition of capital controls. These factors have suspended private-sector investments in IT projects while also generating serious delays in launching tenders for public works. Once more, small and medium-sized enterprises were the segment which registered the highest losses.

Despite the challenging business environment, 2015 was a stabilising year in terms of business for SingularLogic, with the Group's sales amounting to €49.4 million compared to €50 million in 2014. This result was enabled by: (a) performance of two elections (January and September) on behalf of the Ministry of Interior and the referendum in July, and (b) gradual penetration into international markets.

The Group's operating profitability (EBITDA) rose by 36% to €6.0 million (compared to €4.4 million in 2014), owing to the ongoing decrease in cost base and to further improvement of the income mix favouring self-constructed solutions. EBITDA margin rose to 12% from 9% last year.

Finally, on 23 July 2015, all corporate bonds of SingularLogic were refinanced by EFG Eurobank, Piraeus Bank and Alpha Bank, thus restoring fully the company's liquidity ratios to sound levels.

Further to the agreement on refinancing of its corporate bonds by the involved banks (EFG EUROBANK ERGASIAS, PIRAEUS BANK and ALPHA BANK), the company initially entered into a Memorandum of Understanding (MOU) and a Termsheet on 25.02.2015 and subsequently executed the new loan agreements on 15.06.2015 concerning the issue of two ordinary corporate bonds totalling €56.9 million. This amount includes the option to issue Pay-in–Kind (PIK) bonds totalling €3.3 million. The issue of corporate bonds totalling €53.6 million was completed on 23.07.2015.

The new loan agreements shall expire in January 2018 and they shall have the same interest rate set as 6-month EURIBOR plus an incremental spread.

The new corporate bonds provide, among others, for mandatory compliance with specific financial ratios by which the company abides. To secure its corporate bonds, pledges have been raised on all shares of SingularLogic and on its trademarks and trade receivables according to criteria specified in the loan agreements. Moreover, the company has raised a pledge on all shares issued by one of its subsidiaries which will also apply to the dividends of such shares.

By refinancing its loans, the company restored its liquidity ratios to sound levels.

Sales breakdown

Implementing a customer-oriented approach to business monitoring, the Group classifies customers in three categories:

- Large corporations
- SMEs
- State

Below is given a breakdown of Group sales per customer category:

SALES PER BUSINESS ACTIVITY

(Amounts in euro)	01/01/2015-31/12/2015	%	01/01/2014-31/12/2014	%
Large corporations	28,663,579	57.98	33,480,338	66.94
Small and medium-sized enterprises	9,814,194	19.85	10,446,024	20.88
Public sector	10,958,858	22.17	6,090,934	12.18
Total	**49,436,631**	**100.00**	**50,017,295**	**100.00**

The table below sets out the breakdown of Group sales per revenue category for the period 01.01.2015-31.12.2015:

SALES BREAKDOWN PER CATEGORY

(Amounts in euro)	01/01/2015-31/12/2015	%	01/01/2014-31/12/2014	%
Sales of software user licences	3,485,830	7.05	4,050,575	8.10
Software maintenance sales	15,201,999	30.75	16,657,775	33.30
Sales of services	25,164,796	50.90	22,579,221	45.15
Sales of Merchandises	5,584,007	11.30	6,729,725	13.45
Total	**49,436,631**	**100.00**	**50,017,295**	**100.00**

2. Risk Management

The Group is exposed to such risks as foreign exchange risk, the risk from technological developments, credit and interest rate risks.

(a) Foreign exchange risk

The Group mainly operates in the EU and, therefore, its exposure to the foreign exchange risk is not considerable. Nevertheless, risk arises from commercial transactions in foreign currency and also from net investments in foreign operations, the net assets of which are exposed to foreign exchange risk (mainly in USD and the Romanian RON). The amount of these transactions is not significant and no exchange risk hedging is implemented.

(b) Risk from Technological Developments

The technological developments pertaining to the business of IT companies may affect their competitiveness, thus giving rise to the need for ongoing update and renewal. Certain important and necessary variations in the existing technology may eventually call for major investments and a period of operational consolidation with the current activity.

In all events, it is noted that the Company uses its best efforts to be hedged at all times against the risk of diminished technological development in the following ways:

- By developing its products in widespread international platforms with an extensive lifecycle, which entail the respective investment in know-how on the part of the Company's clientele;
- By being an expert in adopting and adapting its product development to state-of-the-art operating systems and technologies;
- By taking part in European projects such as “BROKER@CLOUD”, “SIIP" and "RAPID”, for the unique purpose of being updated and recognising the most innovative technologies and eventually incorporating them in its product development process.

(c) Credit risk and liquidity risk

The Group does not have any credit risk consolidation in terms of receivables since such risk is spread along a large number of customers. These receivables are monitored on an ongoing basis and in case an eventual risk is recognised, the adequate measures are taken.

The Group manages its liquidity needs by carefully monitoring its debts, long-term and short-term financial liabilities and also the payments made daily.

Liquidity requirements are monitored in various time zones on a daily and weekly basis and on a rolling 30-day basis. Long-term liquidity requirements for the 6 months ahead and the following year are calculated each month.

The maturity of financial liabilities on 31 December 2015 for the Group is broken down as follows:

31/12/2015

Amounts in €	Short-term		Long-term	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**more than 5 years**
Bonds payable next year	321,106	317,775	52,327,323	-
Finance lease obligations	-	2,493	12,733	-
Trade liabilities	2,167,795	2,754,457	-	-
Other short-term liabilities	11,916,944	8,609,361	-	-
Short-term borrowing	2,654,502	-	-	-
	17,060,347	**11,684,086**	**52,340,056**	**0**

31/12/2014

Amounts in €	Short-term		Long-term	
	Within 6 months	**6 to 12 months**	**Within 6 months**	**6 to 12 months**
Bonds payable next year	53,628,000	-	-	-
Trade liabilities	3,665,174	3,230,013	-	-
Other short-term liabilities	11,933,648	8,516,522	-	-
Short-term borrowing	3,675,198	-	-	-
	72,902,019	**11,746,535**	**0**	**0**

Following refinancing, corporate bonds were recognised at amortised cost in accordance with the provisions of IAS 39 and on 31.12.2015 the balance amounts to €52,966,204 of which the amount of €52,327,323 concerns long-term liabilities maturing on 31.01.2018.

Refinancing resulted directly in the restoration of the liquidity ratio.

d) Interest rate risk

The Group is exposed to the variation risk of future cash flows due to a change in the interest rates since it has issued corporate bonds and has obtained short-term loans at a floating rate.

3. Major events occurring after the end of the fiscal year

During the meeting of the Board of Directors on 26.02.2016, SingularLogic SA decided to take part in the share capital increase of SENSE ONE TECHNOLOGIES SA – IT, TELECOM AND ENERGY SOLUTIONS (trade name: SENSE ONE TECHNOLOGIES SA), which is engaged in the production of "Internet of Things" software, laying emphasis on design, research, deployment of automation advanced software, measurements and interventions to attain optimum energy efficiency of all types of buildings, and in services to energy distributors, distribution network operators, energy retail companies and end consumers. Specifically, the increase concerns the total amount of €501,270 and corresponds to the acquisition of 32,550 shares with a nominal value of €15 out of a total of 63,830 shares, namely a 50.99% shareholding.

4. Outlook for 2016

The prospects of the domestic IT market for the next 2 years point to a weak recovery while there are still many risks associated with political and macroeconomic stability. In view of the persistent challenging business environment but always in line with its long-term growth strategy, SingularLogic systematically strengthens its presence abroad on an independent basis as well as through partnerships, while also entering new investment sectors and vertically integrated markets.

Meanwhile, further cost reduction, the effective cash flow management, the strengthening of its customer-oriented approach to large corporations as well as the development of innovative solutions based on leading-edge technologies are top priorities of SingularLogic Management, which aim at enhancing the competitiveness of Group products and services.

Nea Ionia, 21 March 2016

The Chairman	The Managing Director
Michail Kariotoglou	Stavros Krasadakis

C. financial statements

1 Income Statement

(Amounts in €)	Note	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Sales	12	49,436,631	50,017,295	45,286,517	44,910,498
Cost of Goods Sold	13.23	(34,181,345)	(38,012,394)	(31,705,914)	(35,044,434)
Gross Profit		**15,255,286**	**12,004,901**	**13,580,604**	**9,866,064**
Other operating income	13.24	4,011,551	3,682,143	3,888,263	3,822,412
Selling expenses	13.23	(10,145,920)	(9,141,678)	(9,052,106)	(7,970,790)
Administrative expenses	13.23	(4,620,978)	(5,663,947)	(3,681,004)	(4,807,614)
Other operating expenses	13.24	(1,869,008)	(1,904,295)	(1,466,791)	(1,802,795)
Operating income		2,630,931	(1,022,876)	3,268,966	(892,723)
Financial income	13.25	2,896,412	115,813	2,893,373	93,580
Financial expenses	13.25	(3,233,256)	(4,489,054)	(3,151,959)	(4,402,227)
Other financial results	13.26	7,104	(26,443)	181,606	200,720
Profits /(Losses) from associates	13.5	(8,850)	14,974	-	-
Earnings / (losses) before tax		**2,292,341**	**(5,407,586)**	**3,191,986**	**(5,000,650)**
Income tax	13.27	(690,399)	1,679,063	(711,146)	1,752,008
Profits / (losses) net of tax		**1,601,942**	**(3,728,524)**	**2,480,840**	**(3,248,643)**
Period profit attributable to:					
Parent company owners		1,705,143	(3,800,192)	2,480,840	(3,248,643)
Non-controlling interests		(103,200)	71,668	-	-
		1,601,942	**(3,728,524)**	**2,480,840**	**(3,248,643)**

The accompanying notes form an integral part of the financial statements.

2 Statement of Comprehensive Income

	THE GROUP		THE COMPANY	
(Amounts in €)	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Earnings net of tax for the period	**1,601,942**	**(3,728,524)**	**2,480,840**	**(3,248,643)**
Other comprehensive income				
Amounts not reclassified to the Income Statement during subsequent periods:				
Reassessment of liability for employee benefits	15,401	(83,001)	(1,386)	(55,717)
Deferred tax on reassessment of liability for employee benefits	(4,466)	21,580	402	14,486
Deferred taxes on actuarial gains/(losses) due to change in tax rate	(61,149)	0	(58,152)	0
Amounts reclassified to the Income Statement during subsequent periods:				
FX differences of foreign operations conversion	**(1,675)**	**(1,801)**	0	0
Other comprehensive income for the period net of tax	***(51,889)***	***(63,222)***	***(59,137)***	***(41,230)***
Consolidated comprehensive income for the period	**1,550,054**	**(3,791,746)**	**2,421,703**	**(3,289,873)**
Consolidated comprehensive income for the period attributable to:				
Parent company owners	**1,650,995**	**(3,863,414)**	2,421,703	(3,289,873)
Non-controlling interests	**(100,941)**	**71,668**	-	-

The accompanying notes form an integral part of the financial statements.

3 Statement of financial position

	Note	THE GROUP		THE COMPANY	
ASSETS		**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Non-current assets					
Tangible assets	13.1	505,865	414,808	437,014	331,746
Goodwill	13.3	54,293,293	54,293,293	51,636,150	51,636,150
Intangible assets	13.2	21,611,173	22,202,773	21,287,583	21,785,809
Investments in subsidiaries	13.4	-	-	794,595	794,595
Investments in affiliates (consolidated using the equity method)	13.5	398,823	407,672	0	0
Deferred tax assets	13.13	3,093,044	2,316,637	3,055,022	2,281,462
Financial assets available for sale	13.7	59,932	59,932	59,932	59,932
Other long-term receivables	13.6	488,870	410,645	483,205	404,961
		80,451,000	**80,105,760**	**77,753,501**	**77,294,655**
Current Assets					
Inventories	13.8	303,328	497,490	223,906	398,481
Customers and other trade receivables	13.9	21,762,620	26,718,938	21,482,216	25,615,878
Other receivables	13.10	3,153,720	2,871,856	3,195,880	2,450,498
Assets presented at fair value through P&L	13.12	3,192,379	0	3,192,379	0
Other current assets	13.11	3,233,622	3,103,088	3,197,541	3,058,692
Cash and cash equivalents	13.15	2,587,960	3,544,323	611,630	1,876,153
		34,233,630	**36,735,695**	**31,903,552**	**33,399,703**
Total assets		**114,684,630**	**116,841,456**	**109,657,053**	**110,694,357**
EQUITY & LIABILITIES					
Share Capital	13.16.1	20,643,215	20,643,215	20,643,215	20,643,215
Share Premium	13.16.1	70,547,001	70,547,001	70,547,001	70,547,001
Other reserves	13.16.2	104,326	222,494	73,296	230,678
Reorganisation Balance Sheet Reserves	13.16.2	(22,560)	(20,885)	0	0
Results carried forward		(62,906,748)	(64,677,586)	(64,441,375)	(67,020,460)
Equity attributed to parent company shareholders		**28,365,234**	**26,714,240**	**26,822,137**	**24,400,434**
Non-controlling interests		141,127	440,068	-	-
Total equity		**28,506,361**	**27,154,307**	**26,822,137**	**24,400,434**
Long-term liabilities					
Long-term loan liabilities	13.18	52,340,056	0	52,327,322	0
Deferred tax liabilities	13.13	2,710,045	2,745,948	2,659,003	2,662,184
Staff termination liabilities	13.17	1,787,612	1,696,524	1,656,505	1,561,237
Total long-term liabilities		**56,837,713**	**4,442,472**	**56,642,831**	**4,223,421**
Short-term liabilities					
Suppliers and other liabilities	13.20	4,922,252	6,895,186	4,522,311	6,623,503
Current tax liabilities	13.21	1,550,305	94,709	1,542,462	0
Short-term bank liabilities	13.18	3,295,877	57,303,198	2,070,899	56,060,018
Other short-term liabilities	13.22	18,976,000	20,355,461	17,464,577	18,795,144
Short-term provisions	13.19	596,123	596,123	591,837	591,837
Total short-term liabilities		**29,340,556**	**85,244,676**	**26,192,085**	**82,070,502**
Total Liabilities		**86,178,269**	**89,687,148**	**82,834,915**	**86,293,923**
Total equity and liabilities		**114,684,630**	**116,841,456**	**109,657,053**	**110,694,357**

The accompanying notes form an integral part of the financial statements.

4 Consolidated Statement of Changes in Equity

		Equity attributed to parent company shareholders								
(amounts in €)	**Note**	**Share Capital**	**Premium on capital stock**	**Other reserves**	**Cash flow hedge reserves**	**FX difference from subsidiary's balance sheet conversion**	**Results carried forward**	**Total**	**Non-controlling interests**	**Total equity**
Balance of Equity on 31.12.2013	13.16	**20,643,215**	**70,547,001**	**312,944**	**0**	**(19,084)**	**(60,906,423)**	**30,577,654**	**606,000**	**31.183.653**
Transfers between reserves and results carried forward		0	0	(90,450)	0	0	90,450	0	0	**0**
Profit distribution		0	0	0	0	0	0	0	(237,600)	**(237,600)**
Transactions with owners		**0**	**0**	**(90,450)**	**0**	**0**	**90,450**	**0**	**(237,600)**	**(237,601)**
Net results for the period 01.01 – 31.12.2014							(3,800,192)	(3,800,192)	71,668	**(3,728,524)**
Net results for the period (a)		***0***	***0***	***0***	***0***	***0***	***(3,800,192)***	**(3,800,192)**	***71,668***	**(3,728,524)**
Reassessment of liability for employee benefits							(83,001)	(83,001)		**(83.001)**
Deferred tax on reassessment of liability for employee benefits							21,580	21,580		**21.580**
Foreign exchange differences						(1,801)	0	(1,801)		**(1,801)**
Other comprehensive income for the period (b)		***0***	***0***	***0***	***0***	***(1,801)***	***(61,421)***	**(63,222)**	***0***	**(63,222)**
Consolidated comprehensive income for the period (a) + (b)		**0**	**0**	**0**	**0**	**(1,801)**	**(3,861,613)**	**(3,863,414)**	**71,668**	**(3,791,746)**
Balance of Equity on 31.12.2014		**20.643.215**	**70,547,001**	**222,494**	**0**	**(20,885)**	**(64,677,586)**	**26,714,240**	**440,068**	**27,154,307**

		Share Capital	Premium on capital stock	Other reserves	Cash flow hedge reserves	FX difference from subsidiary's balance sheet conversion	Results carried forward	Total	Non-controlling interests	Total equity
Balance of Equity on 31.12.2014	13.16	**20,643,215**	**70,547,001**	**222,494**	**0**	**(20,885)**	**(64,677,586)**	**26,714,240**	**440.068**	**27.154.307**
Transfers between reserves and results carried forward		0	0	(118,168)	0	0	118,168	0		**0**
Distributions		0	0	0	0	0	0	0	(198,000)	**(198,000)**
Transactions with owners		**0**	**0**	**(118,168)**	**0**	**0**	**118,168**	**0**	**(198,000)**	**(198,000)**
Net results for the period 01.01 – 31.12.2015							1,705,142	1,705,142	(103,200)	**1,601,942**
Net results for the period (a)		***0***	***0***	***0***	***0***	***0***	***1,705,142***	***1,705,142***	***(103,200)***	***1,601,942***
Reassessment of liability for employee benefits							10,283	10,283	***5,118***	**15,401**
Deferred tax on reassessment of liability for employee benefits							(3,092)	(3,092)	***(1,375)***	**(4,466)**
Deferred taxes on actuarial gains/(losses) due to change in tax rate							(59,664)	(59,664)	***(1,484)***	**(61,149)**
Foreign exchange differences						(1,675)	0	(1,675)		**(1,675)**
Other comprehensive income for the period (b)		***0***	***0***	***0***	***0***	***(1,675)***	***(52,473)***	**(54,148)**	***2,259***	**(51,889)**
Consolidated comprehensive income for the period (a) + (b)		**0**	**0**	**0**	**0**	**(1,675)**	**1,652,670**	**1,650,995**	**(100,941)**	**1,550,054**
Balance of Equity on 31.12.2015		**20,643,215**	**70,547,001**	**104,326**	**0**	**(22,560)**	**(62,906,748)**	**28,365,234**	**141,127**	**28,506,361**

The accompanying notes form an integral part of the financial statements.

5 Statement of Changes in Equity of Parent Company

(amounts in €)	Note	Share Capital	Premium on capital stock	Other reserves	Cash flow hedge reserves	Results carried forward	Total equity
Balance of Equity on 31.12.2013	13.16	**20,643,215**	**70,547,001**	**323,133**	**0**	**(63,823,042)**	**27,690,307**
Transfers between reserves and results carried forward		0	0	(92,455)	0	92,455	0
Amounts from subsidiaries' absorption		0	0	0	0	0	0
Transactions with owners		**0**	**0**	**(92,455)**	**0**	**92,455**	**0**
Net results for the period 01.01 – 31.12.2014						(3,248,643)	(3,248,643)
Net results for the period (a)		***0***	***0***	***0***	***0***	***(3,248,643)***	***(3,248,643)***
Reassessment of liability for employee benefits						(55,717)	(55,717)
Deferred tax on reassessment of liability for employee benefits						14,486	14,486
Other comprehensive income for the period (b)		***0***	***0***	***0***	***0***	***(41,230)***	***(41,230)***
Consolidated comprehensive income for the period (a+b)		**0**	**0**	**0**	**0**	**(3,289,873)**	**(3,289,873)**
Balance of Equity on 31.12.2014		**20,643,215**	**70,547,001**	**230,678**	**0**	**(67,020,460)**	**24,400,434**

		Share Capital	Premium on capital stock	Other reserves	Cash flow hedge reserves	Results carried forward	Total equity
Balance of Equity on 31.12.2014	13.16	**20,643,215**	**70,547,001**	**230,678**	**0**	**(67,020,460)**	**24,400,434**
Transfers between reserves and results carried forward		0	0	(157,381)	0	157,381	0
Amounts from subsidiaries' absorption		0	0	0	0	0	0
Transactions with owners		**0**	**0**	**(157,381)**	**0**	**157,381**	**0**
Net results for the period 01.01 – 31.12.2015						2,480,840	2,480,840
Net results for the period (a)		***0***	***0***	***0***	***0***	***2,480,840***	***2,480,840***
Reassessment of liability for employee benefits						(1,386)	(1,386)
Deferred tax on reassessment of liability for employee benefits						402	402
Deferred taxes on actuarial gains/(losses) due to change in tax rate						(58,152)	(58,152)
Other comprehensive income for the period (b)		***0***	***0***	***0***	***0***	***(59,137)***	***(59,137)***
Consolidated comprehensive income for the period (a+b)		**0**	**0**	**0**	**0**	**2,421,703**	**2,421,703**
Balance of Equity on 31.12.2015		**20,643,215**	**70,547,001**	**73,296**	**0**	**(64,441,375)**	**26,822,137**

The accompanying notes form an integral part of the financial statements.

6 Cash Flow Statement

(amounts in €)	Note	THE GROUP 31.12.2015	THE GROUP 31.12.2014	THE COMPANY 31.12.2015	THE COMPANY 31.12.2014
Cash flow from operating activities	**13.28**	**6,343,541**	**4,516,608**	**5,536,909**	**3,885,831**
Interest paid		(2,091,402)	(2,817,388)	(2,013,270)	(2,758,985)
Income tax paid		(65,457)	(164,845)	(1,576)	0
Net cash flow from operating activities		**4,186,682**	**1,534,375**	**3,522,064**	**1,126,845**
Cash flow from investing activities					
Purchases of tangible assets	13.1	(533,253)	(307,726)	(504,538)	(277,769)
Purchases of intangible assets	13.2	(2,333,337)	(4,687,095)	(2,259,052)	(4,635,099)
Gains on sale of tangible assets		800	374	800	0
Gains on sale of intangible assets		30,527	50,153	30,527	50,153
Purchase of financial assets at fair value through P&L		(6,445,250)	0	(5,295,250)	0
Sales of assets presented at fair value through P&L		3,249,308	13,496	2,100,000	13,496
Interest collected		38,966	101,436	36,316	78,622
Dividends received		0	0	202,000	242,400
Grants received		1,902,611	1,938,199	1,902,611	1,938,199
Net cash flow from investing activities		**(4,089,629)**	**(2,891,164)**	**(3,786,587)**	**(2,589,998)**
Cash flow from financing activities					
Dividends paid to non-controlling interests		(47,948)	(237,469)	0	0
Loans raised		3,798,932	0	3,800,000	0
Loans assumed from affiliated parties		0	300,000	0	300,000
Loan repayments		(4,804,401)	(659,533)	(4,800,000)	(641,389)
Net cash flow from financing activities		**(1,053,417)**	**(597,002)**	**(1,000,000)**	**(341,389)**
Net (decrease) / increase in cash and cash equivalents		**(956,363)**	**(1,953,790)**	**(1,264,523)**	**(1,804,542)**
Cash and cash equivalents at start of period		**3,544,323**	**5,498,113**	**1,876,153**	**3,680,695**
Cash and cash equivalents at end of period		**2,587,960**	**3,544,323**	**611,630**	**1,876,153**

The accompanying notes form an integral part of the financial statements.

7 General Information

7.1 General Information on the Company

On 24.07.2009, “TOWER TECHNOLOGY HOLDINGS S.A.” was set up in accordance with Decision No. EM-21014/24.07.2009 of the Prefecture of Athens with the notice of entry in the Companies Register published in Government Gazette Issue No. 9312/29.07.2009.

Pursuant to the decision dated 30.07.2009 of the General Meeting of shareholders, the Company was renamed into “MIG TECHNOLOGY HOLDINGS S.A.”, which was validated on 4.8.2009 by decision No. EM-21523/09 of the Prefecture of Athens.

Based on the decision dated 11.05.2010 of the General Meeting of the Company’s shareholders, the merger of the Company with the Company under corporate name "SINGULAR LOGIC S.A. - IT SYSTEMS AND APPLICATIONS" and trade name “SingularLogic S.A.” was approved, through absorption of the latter according to the provisions of Article 78 and Articles 69-77a of Codified Law 2190/1920 and the provisions of Legislative Decree 1297/1972, as in force. Meanwhile, it was decided to change the Company's corporate name and trade name into "SingularLogic S.A. – IT SYSTEMS AND APPLICATIONS" and trade name “SingularLogic S.A.”, hereinafter referred to as the Company. The absorption that took place on 16.06.2010 was validated by Decision No. EM-9195/10 of the Prefecture of Athens on 16.06.2010.

7.2 General information on the financial statements.

The Group’s financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board. SingularLogic S.A. is the parent company of SingularLogic Group. The address of SingularLogic Group, where the Company keeps its registered office, is at Al. Panagouli St. & Siniosoglou St., Nea Ionia and its URL address is www.singularlogic.eu.

The financial statements as at 31 December 2015 were approved to be published by the Board of Directors on 21.03.2016.

8 Business Activities

SingularLogic operates in the following sectors:

- Study, design, development, processing, manufacture, trade and marketing of IT systems and high-tech products
- Software production, development and support
- Services on the operation of customer IT systems, integrated solutions, and all types of applications in IT sector
- Trade of software, hardware and systems software.

The primary objective of SingularLogic is to meet in due time the needs of enterprises and organisations, offering them top quality and competitive integrated solutions.
As part of this strategy, SingularLogic provides a wide range of integrated IT solutions to public and private sector enterprises and organisations, which are based on the portfolio of software products designed and developed by SingularLogic as well as on software applications obtained through strategic partnerships with internationally reputed software firms such as SAP HELLAS S.A., MICROSOFT HELLAS S.A. and ORACLE HELLAS S.A.
SingularLogic has a strong distribution network covering the entire Greek territory and numbering more than 400 partners, thus ensuring the distribution and support of SingularLogic products even in the remotest regions of Greece. The distribution network aims at marketing and also at providing direct, continuous and quality support to the products provided by SingularLogic.
Currently, the Company provides advanced and integrated solutions for all modern enterprises, irrespective of their size and business. Its clientele consists of more than 40,000 small and medium-sized enterprises and more than 700 large and multinational enterprises.

9 Basis of preparation of the financial statements

The consolidated financial statements of SingularLogic S.A. dated 31 December 2015 have been prepared on the basis of the historical cost principle modified by adjusting specific assets and liabilities at fair value and the going concern principle, and are in line with the International Financial Reporting Standards (IFRS), as they have been issued by the IASB and their interpretations issued by the IASB's IFRIC and have been approved by the European Union.

Euro is the currency of presentation (currency of the country in which the Group's parent company has its registered office) and all amounts are presented in Euro, unless otherwise indicated.

The accounting policies used in the preparation of 2014 financial statements applied to the financial statements, adapted to the new Standards and the revisions required by IFRS for the financial years beginning on 1 January 2015 (see paragraphs 9.1.1 - 9.1.2).

9.1. Changes to accounting policies

9.1.1 New standards, interpretations, revisions and amendments to the existing standards which are in effect and have been adopted by the EU

The following amendments and interpretations of the IFRS were published by the International Accounting Standards Board (IASB), have been adopted by the European Union and their application is mandatory as of 01.01.2015 or thereafter.

- Annual Improvements to IFRSs 2011-2013 Cycle (effective for annual accounting periods beginning on or after 01.01.2015)

In December 2013, the IASB issued the “Annual Improvements to IFRSs 2011-2013 Cycle”, which incorporates a series of adjustments to 4 standards and forms part of the annual improvement project. The amendments apply to annual accounting periods beginning on or after 1 July 2014, although the entities are allowed to implement them earlier. The issues included in this cycle are the following: **IFRS 1:** The meaning of effective IFRSs, **IFRS 3**: Exceptions for joint ventures, **IFRS 13**: Scope of paragraph 52 (portfolio exception) and **IAS 40**: Clarifying the interrelationship of IFRS 3 “Business Combinations” and IAS 40 “Investment property” when classifying property as investment property or owner-occupied property. The amendments to Standards have no impact on the consolidated or separate financial statements.

- **Amendment to IAS 19: Defined benefit plans: Employee contributions (effective for annual accounting periods beginning on or after 01.02.2015).**

In November 2013 the IASB issued a narrow-scope amendment to IAS 19 “Employee Benefits” entitled “Defined benefit plans: Employee Contributions (Amendments to IAS 19). This amendment is applicable to employee or third party contributions to defined benefit plans. The objective of this amendment is to simplify how contributions which are independent of the number of years of employee service are accounted for, such as employee contributions computed as a fixed percentage of salary. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements.

- **Annual Improvements to IFRSs 2010-2012 Cycle (effective for annual accounting periods beginning on or after 01.02.2015)**

In December 2013, the IASB issued the “Annual Improvements to IFRSs 2010-2013 Cycle”, which incorporates a series of adjustments to 8 standards and forms part of the annual improvement project. The amendments apply to annual accounting periods beginning on or after 1 July 2014, although the entities are allowed to implement them earlier. The issues included in this cycle are the following: IFRS 2: Definition of vesting conditions, IFRS 3: Accounting for contingent consideration in business combinations, IFRS 8: Aggregation of operating segments, IFRS 8: Reconciliation of the total assets for the reportable segments with the entity's assets, IFRS 13: Short-term receivables and liabilities, IAS 7: Interest paid that is capitalised, IAS 16/IAS 38: Revaluation method – proportionate restatement of accumulated depreciation and IAS 24: Key management personnel. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements.

- **Amendment to IAS 27: “Equity method in separate financial statements” (effective for annual periods beginning on or after 01.01.2016)**

In August 2014, the IASB issued a narrow-scope amendment to IAS 27 “Equity Method in Separate financial statements”. According to this amendment, an entity may use the equity method as accounting option for investments in subsidiaries, joint ventures and associates in its separate financial statements, this being an option that was not available until said amendment was issued. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements.

- **Annual Improvements to IFRSs 2012-2014 Cycle (effective for annual accounting periods beginning on or after 01.01.2016)**

In September 2014, the IASB issued the "Annual Improvements to IFRSs 2012-2014 Cycle", which incorporates a series of adjustments to 4 standards and forms part of the annual improvement project. The amendments apply to annual accounting periods beginning on or after 1 January 2016, although the entities are allowed to implement them earlier. The issues included in this cycle are the following: **IFRS 5**: Change in methods of disposal, **IFRS 7**: Servicing contracts and implementation of the requirements of IFRS 7 to Interim financial statements, **IAS 19**: Discount rate and **IAS 34**: Disclosure of information in the interim financial report. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements.

- **Amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants (effective for annual periods beginning on or after 01.01.2016)**

In June 2014 the IASB issued amendments which change the financial reporting of bearer plants. Through this amendment it was decided that bearer plants, which are used solely to grow produce, must be accounted for in the same way as property, plant and equipment (IAS 16). Therefore, these amendments bring bearer plants into the scope of IAS 16 instead of IAS 41. Produce growing on bearer plants continues to be accounted for under IAS 41. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements though none is expected.

- **Amendments to IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations" (effective for annual periods beginning on or after 01.01.2016)**

In May 2014 the IASB issued amendments to IFRS 11. Said amendments add new guidance on accounting for the acquisition of an interest in a joint operation, which constitutes a business, and clarify the adequate accounting for such acquisitions. The Group will consider the effect of all the above on the consolidated and separate financial statements although none is expected.

- **Amendments to IAS 1: "Disclosure Initiative" (effective for annual periods beginning on or after 01.01.2016)**

In December 2014 the IASB issued amendments to IAS 1. Said amendments aim to settle issues concerning the existing presentation and disclosure requirements and ensure that entities apply judgment in determining what information to disclose in their financial statements. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements.

- **Amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective for annual periods beginning on or after 01.01.2016)**

In May 2014 the IASB issued amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 establish principles that clarify how amortisation is treated in the expected consumption of the future economic benefits embodied in the asset. The IASB has specified that a revenue-based method should not be used to calculate the charge for depreciation and/or amortisation because the revenue generated from an activity including the use of an asset generally reflects factors other than the consumption of the future economic benefits embodied in the asset. The Group will consider the effect of all the above on the consolidated and separate financial statements although none is expected.

9.1.2 New standards, interpretations, revisions and amendments to the existing standards which are in effect and have been adopted by the EU

The following new standards and revisions to standards, as well as the following interpretations for existing standards, have been published, but either they are not yet in effect or they have not been approved by the EU. More specifically:

- **IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods beginning on or after 01.01.2016)**

In January 2014, the IASB issued a new standard, IFRS 14. The objective of this interim standard is to enhance the comparability of financial reporting by entities with rate-regulated activities. In many countries there are sectors that are subject to special rate regulation according to which government authorities regulate the supply and pricing of particular types of activity by private entities. The Group will consider the effect of all the above on the consolidated and separate financial statements although none is expected. The above has not been adopted by the European Union.

- **Amendments to IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (effective date expected to be defined)**

In September 2014, the IASB issued narrow-scope amendment "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (amendments to IFRS 10 and IAS 28). The amendment will be applied by entities in the future to sales or contributions of assets during the annual periods beginning on or after 01.01.2016. Earlier application is permitted with the relevant disclosure in the financial statements being necessary. The Group will consider the effect of all the above on the consolidated and separate financial statements although none is expected. The above has not been adopted by the European Union.

- **Amendments to IFRS 10, IFRS 12 and IAS 28: "Investment entities: Applying the Consolidation Exception (effective for annual periods beginning on or after 01.01.2016)**

In December 2014 the IASB issued narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28. Said amendments introduce explanations about accounting requirements of investment entities while also providing exceptions on specific occasions which will reduce the costs related to the application of standards. The Group will consider the effect of all the above on the consolidated and separate financial statements although none is expected. The above has not been adopted by the European Union.

- **Amendments to IAS 12 "Deferred taxation – Recognition of deferred tax assets for unrealised losses" (applicable to annual periods beginning on or after 01.01.2017)**

In January 2016 the IASB issued narrow-scope amendments to IAS 12. Said amendments aim to clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements. The above has not been adopted by the European Union.

- **IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 01.01.2017)**

In May 2014, the IASB issued a new standard, IFRS 15. The said standard is fully in line with requirements concerning the recognition of revenues under the principles of both IFRS and US GAAP. The new standard will replace IAS 18 "Revenue", IAS 11 "Construction Contracts" and some interpretations related to revenue. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements. The above has not been adopted by the European Union.

- **IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 01.01.2018)**

In July 2014, the IASB issued the final version of IFRS 9. The improvements made by the new standard include a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements. The above has not been adopted by the European Union.

- **IFRS 16 "Leases" (effective for annual periods beginning on or after 01.01.2019)**

In January 2016, the IASB issued a new standard, IFRS 16. The purpose of IASB's project was to develop a new Standard concerning leases which shall specify the principles applied by both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"), for providing information on leases in a manner that faithfully represents those transactions. To attain this objective, the lessee should recognise the assets and liabilities arising from the lease. The Group will consider the effect of all the foregoing on the consolidated and separate financial statements. The above has not been adopted by the European Union.

9.2. Important accounting judgements, estimates and assumptions

Preparing the financial statements in line with the IFRS requires that Management make judgements and estimates and use assumptions which affect the published assets and liabilities, and that it disclose contingent assets and liabilities on the date of the financial statements and the published income and expenses for the reporting period. The actual results may differ from the estimated ones.

Estimates and judgements are continuously re-evaluated based both on past experience and other factors, including expectations about future events, which are considered reasonable based on the specific circumstances.

Judgments

The basic evaluations carried out by the Group Management (save the evaluations associated with estimates, outlined below) with the most significant impact on the amounts recognised in the financial statements mainly relate to the following:

- **Investment categorisation**

- Financial instruments held for trading. This category includes investments and derivatives which are made mainly to achieve short-term profits.
- Financial assets and financial liabilities at fair value through profit or loss. Classification of an investment in this category depends on the manner in which Management assesses the profitability and risk of said investment. Therefore, this category includes investments not included in the trading portfolio but which are included in the equity investments portfolio and are monitored internally, according to the Group's strategy, at fair value.
- Held-to-maturity financial assets. These are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group's Management intends and is able to hold to maturity.
- Available-for-sale financial assets. These are financial assets which Management assesses they cannot be classified in any of the above categories.

- **Estimates and assumptions**

Specific amounts included or affecting the financial statements and the relevant disclosures are estimated via assumptions on values or conditions, which cannot be known with certainty in the period of financial statements compilation. An accounting estimate is considered significant when it is important for the view of the Company's financial situation and results and requires most difficult, subjective or complex Management judgments, mainly as a result of the need to make estimates about the impact of assumptions which are uncertain. The Group evaluates such estimates on a continuous basis, based on past results and experience, meetings with experts, market trends and other methods deemed reasonable under specific conditions; along with forecasts the Group also evaluates provisions as to possible future changes. As a result of the foregoing, the Group makes the following estimates:

- Works Contracts
  - Estimates as regards the outcome of works contracts and the total budgeted contractual cost used in establishing the percentage of completion. Whenever it is not possible to determine reliably the outcome of a works contract, at the initial stage of works contracts, the Group estimates revenues to the extent that it is likely that the assumed contractual cost will be recovered while the cost is recognised in the expenses of the period in which it was assumed.

- Software programme development
  - The expenses attributed to the development of the Group's software programs as intangible assets are recognised in the financial statements only when it is likely that the future economic benefits arising from the intangible assets will accrue to the entity. When estimating the future economic benefits, the Group takes also into account the technical capability to complete the intangible asset and make it available for sale or use, the existence of a market for the product producing the intangible asset or, in case it will be internally used, the usefulness of the intangible assets as well as the capability to measure reliably the expenses attributable to the intangible asset during its development.

- Useful life of depreciable items
  - Management examines the useful life of depreciable assets during each annual reporting period. On 31.12.2015 Management estimates that useful life represents the expected usefulness of assets.

- **Assessment of impairment**

The Group tests annually the existing goodwill and the intangible assets with indefinite useful life in terms of impairment and examines the events or conditions making possible such impairment, such as a considerable adverse change in the corporate climate or a decision on sale or disposal of a unit or an operating segment. To determine whether impairment applies or not requires the valuation of the respective unit which is carried out by using the cash flow discount method. When information is available, the market multiples method is applied in order to double check the results that have been generated using the discounted cash flow method. When applying this methodology, the Group is based on a number of factors including actual operating results, future corporate plans and market data (statistical and non-statistical).

If such analysis shows the need for goodwill impairment, the measurement of impairment requires the estimate of fair value for every recognised tangible or intangible asset. In this case, the aforementioned cash flow approach is used and is carried out by independent assessors when deemed appropriate.

Moreover, other recognised intangible assets with definite useful life, which are subject to depreciation are tested annually in terms of impairment in case there are signs of impairment, by comparing the carrying amount with the sum of discounted cash flows that are expected to arise from the asset. Intangible assets with indefinite useful life are tested on an annual basis using a fair value method such as discounted cash flows.

- **Income tax**

Group companies are subject to income tax imposed by various tax authorities. Significant estimates are needed when making income tax provisions. There are many transactions and calculations for which the final level of tax is uncertain during normal business operations. The Group recognises liabilities for expected tax audit issues, based on estimates about the amount of any additional taxes that may be due. When the final result from the taxes of these cases is other than the amount initially recognised in the financial statements, such differences have an impact on income tax and on provisions for deferred taxes for the period in which these amounts are finalised.

- **Provisions**

Bad debt is shown as the amounts which may be recovered. Estimates about the amounts expected to be recovered are made after analysis and based on the Group's experience concerning the likelihood of customer bad debt. Once it is known that a specific account is at risk above the normal credit risk level (e.g. low credit rating for customer, disagreement over existence of receivable or level thereof, etc.) the account is analysed and a record is made of whether the conditions indicate that the receivable will not be collected.

- **Contingent events**

The Group is involved in court claims and compensations during its normal operating activities. The Management judges that any settlements would not significantly influence the Group's financial position on 31 December 2015. However, determination of contingent liabilities relative to court disputes and claims is a complex procedure involving evaluations on probable consequences and interpretations of laws and regulations. Any changes in judgments or interpretations may eventually result in an increase or decrease in the Group's contingent liabilities in the future.

10.Summary of accounting policies

10.1. General

The significant accounting policies which have been used in the preparation of these consolidated financial statements are summed up below.

10.2. Consolidation and investments in associates

(a) Subsidiaries

Subsidiaries are all entities which the parent has the power to control directly or indirectly through other subsidiaries. The companies also considered subsidiaries are those in which the Company, being their single major shareholder has the ability to appoint the majority of the members in the Board of Directors. The existence of potential voting rights which are exercisable during the financial statements preparation is taken into consideration in order to assess whether the Company controls the subsidiaries.

The Group's consolidated financial statements include the financial statements of the parent company and also of the subsidiaries controlled by the Group using the full consolidation method.

The separate financial statements recognise investments in subsidiaries at acquisition cost less any accumulated impairment losses. Impairment test is carried out in accordance with the requirements of IAS 36.

Subsidiaries are consolidated using the full consolidation method from the date on which the Group acquires control of them and cease to be consolidated from the date on which this control is no longer exercised. The acquisition of a subsidiary by the Group is accounted for based on the acquisition method. On the acquisition date, the acquirer recognises the goodwill arising from the acquisition as the excess between:

- the aggregate of (i) the consideration transferred measured at fair value; (ii) the amount of any non-controlling interest in the acquiree (measured at their fair value or the proportion of the non-controlling interests over net identifiable assets of the acquiree); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; less
- the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is tested annually for impairment and the difference between the book and the recoverable value is recognised as impairment loss through profit or loss of the period.

The costs related to the acquisition of investments in subsidiaries (e.g. advisory, legal, accounting, valuation and other professional or consulting fees) are recognised as expenses through profit or loss of the period in which the costs are incurred.

Otherwise, in case the acquirer acquires an equity interest in which the net value of the assets acquired and the liabilities assumed exceeds the consideration transferred on the acquisition date, it is a bargain purchase. Once the necessary reviews are carried out, the excess of the above difference is recognised as profit through profit or loss of the period.

Intra-company accounts of receivables and liabilities as well as any transactions generating income and expenses are crossed out. Unrealised losses are also crossed out unless the transaction shows indications of impairment of the asset transferred.

The subsidiaries' accounting principles have been amended, when necessary, to be consistent with those adopted by the Group. Note 11 provides a full list of the consolidated subsidiaries alongside the Group's shareholdings.

The reporting date of the subsidiaries' financial statements which was used in full consolidation does not vary from the reporting date of the parent company.

(b) Changes in ownership interests in subsidiaries

When changes are made in the ownership interests in a subsidiary, then it is considered whether these change result in the entity losing control of the subsidiary or not.

- When changes in ownership interests do not give rise to the loss of control, they are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such cases, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent.
- Otherwise, i.e. when changes in ownership interests lead to loss of control, the parent accounts for the necessary sales entries and recognises the result of sale (derecognition of assets, goodwill and liabilities of the subsidiary on the date control is lost, derecognition of the carrying amounts of the non-controlling interests, measurement of result from sale). Once control of a subsidiary is lost, any investment held in the former subsidiary is recognised in accordance with the requirements of IAS 39.

(c) Non-controlling interests

A non-controlling interest is the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent. The losses pertaining to a subsidiary's non-controlling interests may exceed the rights of the non-controlling interests to the subsidiary's equity. The profit or loss and each component of other comprehensive income is attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

(d) Associates

An associate is an entity over which the Group may exercise a significant influence but does not control. Significant influence means the power to participate in the financial and operating policy decisions of the investee but is not control of those policies. Significant influence usually exists when the Group holds 20-50% of voting rights through the ownership of shares or other type of arrangement.

Investments in associates are initially recognised at cost and, for consolidation purposes, the equity method is used. At the end of each reporting period, the cost is increased or decreased to recognise the Group's proportionate interest in changes in the investee's equity. The Group's share of the investee's profit or loss following acquisition is recognised through profit or loss ("(Loss)/Profit of Investees" account) while the share of changes in post-acquisition reserves is recognised through reserves.

Any changes directly recognised in shareholder's equity which are not related to results, such as dividend distribution or other transactions with the associate's shareholders, are recorded to the carrying amount of the interest. No effect on the net results or equity is recognised in the context of these transactions. Nevertheless, when the Group's share of losses in an associate is equal to or exceeds the carrying amount of the investment, including any other unsecured receivables, the Group does not recognise further losses unless the investor has assumed commitments or has made payments on behalf of the associate. If subsequently the investee records profits, the investor starts recognising anew its share of the profits provided that its share of the profits is equal to the share of the losses the investor had not recognised.

Unrealised profits on transactions between the Group and its associates are crossed out to the extent of the Group's interest in the associate. Unrealised losses are also crossed out unless the transaction provides evidence of an impairment of the asset acquired from the associate.

The subsidiaries' accounting principles have been amended, when necessary, to ensure consistency with those adopted by the Group.

Investments in associates in the separate financial statements are measured at fair value according to IAS 39 provisions for available-for- sale financial assets. Investments are initially recognised at fair value while any subsequent change in such value is recognised directly through equity to the extent it does not concern loss from permanent impairment of the investment.

10.3. Conversion of items into foreign currency

The Group's consolidated financial statements are presented in Euro (€), which is the functional currency of the parent company.

Transactions in foreign currencies are converted into Euro using the applicable exchange rates on the transaction dates. In the consolidated financial statements, all separate financial statements of subsidiaries and jointly controlled entities, which are initially presented in a currency other than the Group's functional currency (none of which has a currency of a hyperinflationary economy), have been converted into Euro. Assets and liabilities have been converted into Euro at the applicable closing rates during the reporting period. Income and expenses have been converted into the Group's presentation currency using the average exchange rates during the reporting period. Any differences arising from this procedure have been transferred to the translation reserve of financial statements to equity.

10.4. Recognition of income and expenses

Income: Income is recognised when it is likely that future economic benefits will accrue to the entity and these benefits can be reliably measured.

Income is measured at the fair value of the consideration collected and is net of value added tax, refunds, all manner of discounts and once intra-Group sales are restricted.

It is believed that the amount of income can be reliably measured when all sale-related contingent liabilities have been settled.
Intra-group revenue is completely written-off.

Income is recognised as follows:
- *Sales of goods:* Income from the sale of goods is recognised when the substantive risks and rewards of ownership of the goods have been transferred to the purchaser, usually upon dispatch of the goods.
- *Services:* Income from contracts at a predetermined price is recognised in line with the stage of completion of the transaction on the date of the Statement of Financial Position. According to the percentage-of-completion method, the income is generally recognised in line with the provision of services and performance to date as a percentage of all services that must be provided.
When the result of the transaction relating to service provision cannot be reliably estimated, income is recognised solely to the extent that the recognised expenses are recoverable.
The amount of selling price relating to an agreement for services to be provided at a later stage is posted to a transitory account and is recognised in the income of the period in which services are provided. This income is included in the "Other Short-term Liabilities" account.
Whenever the initial estimates of income, expenses or the percentage of completion are likely to change, they are revised. Such revisions may lead to increases or decreases of the estimated income or expenses and are recognised through the income of the period.

- *Income from interest:* Income from interest is recognised on a time-proportion basis and the effective interest rate method which is the interest rate which precisely discounts future payments in cash or takings for the duration of the expected life of the financial instrument or when necessary for a shorter time, at the net book value of the financial asset or liability. When there is an indication of impairment of the receivables, the book value is reduced to the recoverable amount which is the present value of expected future cash flows discounted using the initial effective interest rate. Following this, interest is recorded using the same interest rate based on the impaired (new book) value.
- *Dividends:* Dividends are recognised as income when the right to receive payment is established.

Expenses: Expenses are recognised through profit or loss on an accrual basis. Payments made for operating leases are presented through profit or loss as expenses during the time the leased property is used. Expenses from interest are recognised on an accrual basis.

10.5. Works Contracts

Works contracts concern the construction of assets or a group of associated assets (special software development projects) specifically for customers pursuant to the terms stipulated in the respective contracts and whose execution usually takes longer than one fiscal year.

The expenses associated with a construction contract are recognised when incurred.

In case it is not possible to measure reliably the outcome of a project construction contract and mainly in case the project is at an early stage:

- income is recognised to the extent the assumed contractual cost is likely to be recovered, and
- contractual cost is recognised in the expenses of the period in which it was incurred.

Therefore, the income recognised for these contracts is such that profit from the specific project be nil.

When the outcome of a works contract can be reliably measured, the income and expenses arising from the contract are recognised throughout the contract as income and expenses respectively. The Group applies the percentage-of-completion method to determine the appropriate amount of income and expense that the Group will recognise in a specific time period.

The stage of completion is determined on the basis of the contractual cost incurred until the date of the Statement of Financial Position in relation to the total estimated construction cost of each project. When it is probable that the contract's total cost will exceed the total income, the expected loss is directly recognised in the income statement as an expense.

For the cost realised until the end of the period to be calculated, any expenses pertaining to contract-related future works shall be exempted and appear as work in progress. The total cost incurred and the profit/loss recognised for each contract is compared to the progressive invoicing till the end of the year.

When the incurred expenses plus the net profits (less losses) that have been recognised exceed progressive invoicing, the difference is posted as receivable from customers of works contracts in the "Other current assets" account. When progressive invoicing exceeds the incurred expenses plus the net profits (less losses) that have been recognised, the balance is posted as liability to customers of works contracts in the "Other short-term liabilities" account.

10.6. Intangible assets

An intangible asset is initially recognised at cost. The cost of an intangible asset which was acquired in a business combination is the fair value of the asset on the business combination date.

Following initial recognition, the intangible assets are measured at acquisition cost less accumulated amortisation and any accumulated impairment loss. Amortisation is recorded based on the straight-line method during the useful life of the said assets. The period and the amortisation method are revised at least at the end of each annual reporting period.

(a) Industrial property rights

Industrial property rights include the purchase of copyright for software sale and are measured at acquisition cost less amortisation and any impairment loss. Amortisation is recorded using the straight-line method over the useful life of the assets which is 5 years.

(b) Goodwill

Goodwill represents the difference between the acquisition cost and fair value of a share of the equity in a subsidiary/ affiliated company on the acquisition date. Goodwill arising from acquisitions of affiliated entities is recognised in the "Interests in affiliated entities" account. Goodwill is tested every year (or earlier if there are indications of eventual impairment) for impairment and recognised at cost less any impairment losses. Profits and losses from the sale of an enterprise include the book value of goodwill which corresponds to the enterprise sold.

(c) Software development expenses

Research expenses are recognised as expenses in the income statement in the accounting period in which they arise. Any expenses relating to software development, which is likely to provide the company with future economic benefits, are recognised as intangible assets. Development expenses which had been posted as expenses in the income statement in previous accounting periods are not recognised as intangible assets in a subsequent accounting period if it is established that this particular software development will result in future economic benefits.

The development of programmes acquired in a business combination is recognised at their fair value according to the cost the Group would incur to develop the product in-house.

Development expenses which have been capitalised are depreciated from the start of commercial production of the product based on the straight-line method of amortisation during the period that the product is expected to generate benefits. The useful life estimated by the Group ranges from 5 to 8 years.

(d) Software

Software licences are valued at acquisition cost less amortisation. Amortisation is recorded using the straight line method over the useful life of the assets which is 5 years.

When software is sold, differences between the price received and the book value are recognised as profits or losses through profit or loss.

When the book value of intangible assets exceeds the recoverable amount the differences (impairment) are directly recognised as expenses through profit or loss.

(e) Trade name/ trademark

Trademarks are words, names, symbols or other means used in commerce to indicate the source of a product and distinguish it from the products of other manufacturers. A service mark qualifies and distinguishes the source of a service instead of a product. General marks are used to qualify merchandise or goods of a Group's members. Certification marks are used to certify the geographical origin or other characteristics of a good or service. Trademarks, trade names, service marks, general marks and certification marks may be legally secured by being registered to government bodies, their continuing commercial use or using other means. If legally secured through registration or other means, a trademark or other mark acquired in a business combination is an intangible asset meeting the contractual-legal criterion. The trade name in the Group's financial statements arose from the acquisition of SingularLogic S.A. Group.

Trademarks are measured at acquisition cost less accumulated amortisation and any accumulated impairment loss.

Below is a summary of the policies applied to the useful life of the Group's intangible assets:

Recognised intangible asset	Effective term	Useful life
Trade name	Indefinite	
Purchased software	Definite	5 years, straight-line method
Proprietary software	Definite	5-8 years, straight-line method

10.7. Tangible assets

Tangible assets are measured at acquisition cost less accumulated amortisation and any impairment losses. The cost of acquisition includes all directly payable expenses for acquiring assets.

Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is likely that the future financial benefits will accrue to the Group and the cost can be reliably measured. The cost of repair and maintenance works is recognised through profit or loss when the said works are carried out.

Amortisation of other tangible assets is calculated using the straight-line method over their useful life as follows:

Site arrangement	Based on a leasing agreement
Machinery & equipment	10 years
Transportation means	6 years
Furniture and parts	5 – 10 years

Residual value and the useful life of tangible assets are subject to review on each date of the Statement of Financial Position.

When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses through profit or loss.

When the book value of tangible assets exceeds the recoverable amount, the differences (impairment) are directly recognised as expenses through profit or loss.

10.8. Leases

10.8.1 Operating Leases

Leases where in effect all risks and rewards of ownership remain with the lessor are posted as operating leases. Payments made with regard to operating leases are recognised through profit or loss for the period.

10.8.2 Finance Leases

Leases of assets where the Company substantially retains all risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the asset and the present value of the minimum lease payments. Finance lease payments are allocated between the financial expenses and the decrease in financial liability in order to achieve a fixed interest rate for the remaining liability balance. The financial expenses are recognised through profit or loss. The capitalised leased assets are depreciated based on the smallest period between the expected useful life of the assets or the duration of the lease.

10.9. Non-financial assets (goodwill, intangible assets, tangible assets)

Group goodwill, intangible and tangible assets are subject to impairment tests.

To estimate impairment, assets are classified at the smallest group of assets that can generate cash inflows regardless of other assets or groups of assets within the Group (cash-generating units). Thus, certain assets are tested for impairment separately while others are tested at the level of cash-generating units.

An impairment loss is recognised for the amount by which the carrying amount of an asset or a cash-generating unit is higher than its recoverable amount which is the higher of its fair value less costs to sell and the value in use. To determine the value in use, Management specifies the estimated future cash flows for each cash-generating unit by setting a suitable discount rate in order to calculate the present value of such cash flows. The elements used in impairment test derive directly from the most recent, Management-approved budgets, after being properly adjusted to exclude future reorganisations and improvements of assets. Discount rates are specified separately for each cash-generating unit and reflect the respective risks designated by Management for each one of them.

Impairment losses of cash-generating units first reduce the book value of the goodwill allocated to them. The remaining impairment losses are charged pro rata to the other assets of the specific cash-generating unit.

Save goodwill, all assets are subsequently re-measured in case the impairment loss that had been initially recognised is no longer applicable. Impairment losses are recognised as expenses through profit or loss when incurred and may be reversed in a subsequent accounting period save impairment losses relating to goodwill.

10.10. Financial Instruments

A financial instrument is defined as an agreement creating either a financial asset in a company and a financial liability, or, a shareholding in another company.

The financial assets and liabilities are recognised as of the transaction date being the date when the Group has committed to buy or sell the asset.

The financial assets and financial liabilities are initially measured at fair value adding the corresponding transaction costs except for the financial assets and liabilities measured at fair value through profit or loss.

Financial assets and liabilities are offset and the net amount is presented in the Statement of Financial Position only when the Group has the legal right and intends to realise the financial asset and settle the financial liability on a net basis.

Income and expenses are offset only if such an act is permitted by the standards or when they refer to gains or losses that arose from a group of similar transactions such as trading portfolio transactions.

The Group's financial assets include the following categories of assets:

- loans and receivables;
- financial assets at fair value through profit and loss;
- available-for-sale financial assets

Financial instruments are classified in different categories in line with the characteristics (substance of agreement) and the purpose for which they were acquired.

The category in which each financial instrument is classified is different from the others since different rules apply to each category separately as regards valuation and how each designated result is recognised through profit or loss in the Statement of Comprehensive Income or through other comprehensive income in the Statement of Comprehensive Income and cumulatively through equity.

Impairment is assessed at least on each date on which financial statements are published or when there is objective evidence that a certain financial asset or group of financial assets has been impaired.

10.10.1.Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets classified either as held for trading (securities purchased to attain profit from short-term variations in prices) or are designated by the Company on initial recognition as assets to be measured at fair value through profit or loss (because (i) they are assets which pursuant to the group's strategy are managed, assessed and monitored at fair value or (ii) they are assets including embedded derivatives which vary considerably the flows of the host contract and the group chooses to classify the entire complex financial instrument in this category).

Financial assets of this portfolio are measured at fair value and changes in fair value are recognised through profit or loss in the Statement of Comprehensive Income as a result of financial transactions. Financial instruments of this category are included in the account "Financial instruments at fair value through profit or loss" in the group's Statement of Financial Position.

10.10.2.Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets, which are classified as available-for-sale or do not meet the criteria to be classified in any other financial asset category. All the financial assets falling into this category are measured at fair value, only when such fair value can be reliably estimated, with changes in fair value recognised in other comprehensive income and cumulatively in equity.
When available-for-sale assets are sold or impaired, accumulated profits or losses which had been recognised in equity are reclassified in the income statement.
In cases of impairment, the amount of accumulated losses which is transferred from equity and is recognised through profit or loss derives from the difference between acquisition cost (following deduction of principal repayments and depreciation) and the fair value less any loss from impairment previously recognised.
Impairment losses pertaining to equity instruments classified as available-for-sale assets, which had been recognised through profit or loss, cannot be reversed. Losses deriving from the impairment of debt instruments, which were recognised in the consolidated financial statements for preceding periods, can be reversed through the income statement if the increase (reversal of impairment) in value relates to events that occurred after the impairment recognition in the income statement.
The current value of the aforementioned investments traded in organised stock markets derives from the closing price on the reporting date. The fair value of investments not listed in an active market derives by using generally accepted valuation techniques. These techniques are based on recent bilateral transactions involving similar investments, reference to the market value of another investment with similar characteristics with those of the assessed investment, analysis of discounted cash flows and investment valuation models.
Interest income from the available for sale portfolio is recognised through profit or loss using the effective interest rate method. Dividends from assets available for sale are recognised through profit or loss when the Group has the right to earn dividends. Foreign exchange differences from the valuation of available-for-sale debt securities are recognised through profit or loss of the period.

10.10.3. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which the Group does not intend to sell in the near future. They are generated when the Group provides money, products or services directly to a debtor without any intention to commercially exploit them.

Loans and receivables are measured at amortised cost based on the effective rate method less any provisions for impairment. Each change in the value of loans and receivables is recognised in the income statement when they are crossed out or are subject to impairment as well as when they are depreciated.

Loans and receivables are included in the current assets apart from those maturing more than 12 months after the date of the Statement of Financial Position. These are classified as non-current assets. They are classified as trade and other receivables in the Statement of Financial Position and account for the largest part of the Group's financial assets.

A financial asset is derecognised when the Group loses control of the contractual interests included in the said asset. This happens when the said interests expire or are transferred and the Group has actually transferred all the risks and rewards that arise from ownership thereof.

10.11. Fair value

The fair value of financial assets and financial liabilities traded in an active market is specified by the current bid prices without excluding the costs to sell. If a financial asset or a financial liability is not traded in an active market, the Group fixes the fair value by using generally accepted valuation techniques. The use of a valuation technique aims at determining the transaction price that would arise on the measurement date for an arm's-length transaction driven by standard business factors. The valuation techniques include the analysis of recent arm's-length transactions, reference to the current fair value of a substantially relevant instrument, the analysis of discounted cash flows.

10.12. Inventories

Inventories include merchandise, consumables and non-distributed software licenses.

On the date of the Statement of Financial Position, inventories are recognised at the lower between acquisition cost and net realisable value.

The net realisable value is the estimated selling price in the normal course of business less the estimated cost required to make the sale.

The cost is designated using the average weighted cost method.

The cost includes all expenses incurred to make inventories reach the current situation, which are directly attributable to the production process, and a part of production-related overheads, which is absorbed on the basis of normal operating capacity of manufacturing plants.

A provision for slow-moving or impaired inventories is formed when necessary.

10.13. Income tax accounting

10.13.1.Current income tax

The current tax asset/ liability includes those liabilities or receivables from tax authorities which are related to the current or previous reporting periods and have not been paid till the date of the Statement of Financial Position.

It is calculated according to the tax rates and tax laws applying to the accounting period to which they refer, based on the taxable profits for the period.

10.13.2. Deferred income tax

Deferred taxes are the taxes or the tax relieves from the financial encumbrances or benefits of the financial year in question, which have been allocated or shall be allocated to different financial years by tax authorities.

Deferred income tax is calculated using the liability method which focuses on interim differences. This includes a comparison of the book value of receivables and liabilities in the consolidated financial statement and their corresponding tax bases.

Deferred tax assets are recognised to the extent that it is likely that they will offset against future income tax.

Deferred tax liabilities are recognised for all taxable interim adjustments.

No deferred tax is recognised for the interim adjustments related to investments in subsidiaries and interests in joint ventures if the reversal of these interim adjustments can be controlled by the Company while it is expected that the interim adjustment will not be reversed in the future. No deferred tax is recognised on initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction does not affect the book profit or the taxable profit/loss.

Deferred tax assets and liabilities are calculated using the tax rates which are expected to apply in the period in which the asset or liability is settled taking into account the tax rates which have been enacted or substantively enacted by the date of the Statement of Financial Position. Where it is not possible to clearly determine the time needed to reverse the temporary differences, the tax rate to be applied is the one in force in the financial year after the date of the Statement of Financial Position.

The Group recognises a deferred tax asset that had not been recognised in the past to the extent it is probable that a future taxable profit will enable the recovery of the deferred tax asset.

The deferred tax asset is re-examined on each date of the Statement of Financial Position and is reduced to the extent that it is no longer likely that an adequate taxable profit will be available to permit use of the beneficial part or all of the deferred tax asset.

Most changes in deferred tax assets and liabilities are recognised as a part of tax expenses in the income statement for the financial year. Only changes in the assets or liabilities affecting temporary differences are directly recognised through the Group's equity, result in the relevant change in deferred tax assets or liabilities being charged to the relevant account of equity.

10.14. Cash and cash equivalents

Cash and cash equivalents include cash with banks and the treasury and short-term, highly-liquid investments such as securities on money markets and bank deposits with a maturity date of 3 months or less. Money market securities are financial assets which are presented at fair value through profit or loss.

10.15. Equity

The share capital is calculated based on the nominal value of shares which have been issued. Ordinary shares are posted as equity.

The share capital increase through payment in cash includes all premiums on capital stock at the initial share capital issue. All transaction costs related to issuing shares and any related resultant income tax benefit are deducted from the share capital increase.

The items of a financial instrument: a) generating a financial liability of the entity and b) providing the instrument holder with an option to convert it to an equity instrument of the entity are separately recognised as financial liabilities, financial assets or equity instruments.

The foreign exchange differences arising from the conversion of subsidiaries' financial statements in the Group's functional currency are included in the translation reserve. Retained earnings include current and prior-period results as disclosed in the income statement.

10.16. Government Grants

The Group receives government and European grants for its participation in specific research projects. Government grants are recognised at the time the amount of the grant is acquired. All grants related to the expenses incurred are offset against research expenses.

10.17. Pension benefits and short-term employee benefits

10.17.1.Pension benefits

The Group has designated both defined benefit and defined contribution plans.

A defined benefit plan is a retirement plan which is not a defined contribution plan. Typically, defined contribution plans designate an amount of benefits which the employee will receive upon retirement, usually dependent on factors such as age, length of service and compensation.

(a) Defined benefit plans

The Company pays its employees severance pay or retirement compensation in accordance with Laws 2112/20 and 4093/2012. The amount of paid compensation depends on the years of past service, the amount of earnings and the way of withdrawal from the company (dismissal or retirement). Entitlement to these plans is vested based on the employee's years of past service until retirement.

The liability recognised in the Statement of Financial Position in relation to defined benefit plans is the current value of the defined benefit obligation on the date of the Statement of Financial Position less the fair value of the assets of the plan, calculating the adjustments in non-recognised actuarial gains or losses and expenses for prior service. The defined benefit obligation is calculated annually by independent actuaries based on the projected unit credit method. The current value of defined benefit obligations is designated by discounting the expected future cash outflows using a high yield corporate bond interest rate which is presented in the currency in which the benefits will be paid whose maturity terms are similar to the terms of the relevant pension obligation.

A defined benefit plan designates specific liabilities for payable benefits, based on various factors such age, years of past service, and salary. The provisions for the period are included in the relevant personnel cost in the attached separate and consolidated Income Statements and consist of the current and past cost of service, the relevant financial cost, actuarial gains or losses and any eventual surcharges. As regards unrecognised actuarial gains or losses, revised IAS 19 is applied, which includes a series of amendments to the accounting treatment of defined benefit plans including among others:

- the recognition of actuarial gains/losses through other comprehensive income and definite exemption from the profit or loss of the period;
- the expected returns on the plan's investments are no longer recognised through profit or loss of the year but the relevant interest involving the net liability/(receivable) of the benefit is recognised, such interest being calculated based on the discount rate used to measure the defined benefit liability;
- the cost of past service is recognised through profit or loss of the period earlier than the plan's amendment dates or when the relevant restructuring or termination benefit is recognised;
- other changes include new disclosures, such as quantitative sensitivity analysis.

(b) Defined contribution plan

A defined contribution plan is a retirement plan in which the Group pays defined contributions to an independent management body on a mandatory, contractual or optional basis. The undertaking has no legal or presumed obligation to pay further contributions in the case where the body does not have adequate assets to pay all employee benefits for the service provided in current or prior periods. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognised as an expense in the income statement.

10.17.2.

10.17.3.Short-term benefits

Staff termination benefits are paid when employment is terminated by the Group before the normal retirement date or when an employee agrees to voluntary retirement in return for such benefits.

The Group recognises these termination benefits when it is recognised as bound to either terminate employment in line with a detailed standard scheme without the likelihood of departure or by providing termination benefits as a result of an offer in order to promote voluntary retirement. When termination benefits are payable more than 12 months after the date of the Statement of Financial Position, they should be discounted at present value.

Any unpaid amount is recognised as a liability, whereas in case the amount already paid exceeds the amount of benefits, the entity identifies the excessive amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a future payment reduction or refund.

10.18. Financial liabilities

The Group's financial liabilities include bank loans, trade and other payables and finance leases. Financial liabilities are recognised when the Group is party to a financial instrument agreement and are deleted when the Group's contractual commitment to pay cash or other financial instruments matures, is cancelled or crossed out.

Interest is recognised as an expense in the "Financial Expenses" account in the Income Statement.

Finance lease liabilities are measured at initial value less the capital of financial repayments.

Trade liabilities are initially recognised at their nominal value and then measured at depreciated cost less settlement payments.

Dividends to shareholders are included in the "Other short-term financial liabilities" account when dividends are approved by the General Meeting of Shareholders.

Profits and losses are recognised in the Income Statement when liabilities are deleted and when depreciation is recorded.

When an existing financial liability is replaced by the same lender but with substantially different terms, or when the terms of an existing liability are substantially modified, such as an exchange or modification, this is accounted for as an extinguishment of the original financial liability (derecognition) and recognition of a new liability. Every difference in the respective book values is recognised through profit or loss.

10.19. Loans

Bank loans ensure long-term financing of the Group's operations. All loans are initially recognised at cost which is the fair value of the consideration received less the cost of issuing with respect to borrowing. After initial recognition, loans are measured at the amortised cost using the effective interest rate method. Loans are classified in short-term liabilities unless the group unconditionally reserves the right to transfer the settlement of the liability at least 12 months after the reporting date of the financial statements.

10.20. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has present legal or imputed liabilities as a result of past events; their settlement is possible through an outflow of resources and the exact liability amount may be estimated reliably. Provisions are reviewed on the date on which the financial statements are drafted and are adjusted in order to reflect the current value of the expense which is expected to be required to settle the liability. Restructuring provisions are identified only if there is a thorough restructuring plan and if Management has informed the affected parties on the plan's key points. When the impact on the value of money over time is significant, the amount of the provision is the current value of the expenses expected to be required in order to settle the liability.

If it is not probable that an outflow of resources will be required in order to settle a liability for which a provision has already been raised, then it is reversed.

In cases where the outflow of economic resources due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognised in the financial statements.

Contingent liabilities are not recognised in the financial statements but are disclosed unless the likelihood of a resource outflow incorporating economic benefits is remote. Possible inflows from economic benefits of the Group which do not meet the criteria of an asset are considered a contingent asset and are disclosed when the inflow of economic benefits is probable.

11.Group Structure

On 31.12.2015, Company shareholders were:

1. "MARFIN INVESTMENT GROUP HOLDINGS S.A." by 63.20%
2. "TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LTD" by 22.50%
3. "GLOBAL EQUITY INVESTMENTS S.A." by 14.30%.

As of 07.02.2011, "MARFIN INVESTEMENT GROUP HOLDINGS S.A." owns 100% of the share capital of "TOWER TECHNOLOGY HOLDINGS (OVERSEAS) LTD".

On 31.12.2015 the Group's financial statements were consolidated by applying the full consolidation method of accounting by MARFIN INVESTMENT GROUP Holdings S.A. In the financial statements the investments in subsidiaries and associates have been measured at impaired acquisition cost.

In detail, the Group's structure and company consolidation method are broken down below.

Note	Company name	County of establishment	Type of participation	% of participation 31.12.15	Consolidation Method on 31.12.15	% of participation 31.12.14	Consolidation Method on 31.12.14
	SINGULARLOGIC S.A.	Greece	Parent company				
	PCS S.A.	Greece	Direct	50.50%	Full	50.50%	Full

	INFOSUPPORT S.A.	Greece	Direct	34.00%	Equity	34.00%	Equity
	LOGODATA S.A.	Greece	Direct	23.88%	Equity	23.88%	Equity
	METASOFT S.A.	Greece	Direct	68.80%	Full	68.80%	Full
	METASOFT S.A.	Greece	Indirect	31.20%	Full	31.20%	Full
	SINGULARLOGIC ROMANIA SRL	Romania	Direct	100.00%	Full	100.00%	Full
	SINGULARLOGICBULGARIA EOOD	Bulgaria	Direct	100.00%	Full	100.00%	Full
1	DPS LTD.	Greece	Direct	94.40%	Not consolidated	94.40%	Not consolidated
2	TASIS CONSULTANTS S.A.	Greece	Direct	59.60%	Not consolidated	59.60%	Not consolidated
3	VELVET JOINT VENTURE	Greece	Direct	50.00%	Not consolidated	50.00%	Not consolidated
4	MODULAR S.A.	Greece	Direct	60.00%	Not consolidated	60.00%	Not consolidated
5	BUSINESS LOGIC S.A.	Greece	Direct	97.40%	Not consolidated	97.40%	Not consolidated
5	HELP DESK S.A.	Greece	Indirect	87.00%	Not consolidated	87.00%	Not consolidated
	SYSTEM SOFT S.A.	Greece	Direct	66.00%	Full	66.00%	Full
	SYSTEM SOFT S.A.	Greece	Indirect	34.00%	Full	34.00%	Full
	SINGULARLOGIC CYPRUS LTD	Cyprus	Direct	98.80%	Full	98.80%	Full
	G.I.T. HOLDING S.A.	Greece	Direct	100.00%	Full	100.00%	Full
	G.I.T. CYPRUS	Cyprus	Indirect	100.00%	Full	100.00%	Full
	DYNACOMP S.A.	Greece	Indirect	24.99%	Equity	24.99%	Equity
	INFO S.A.	Greece	Indirect	35.00%	Equity	35.00%	Equity
6	CHERRY S.A.	Greece	Indirect	33.00%	Not consolidated	33.00%	Not consolidated

Notes:

1. DPS LTD has been inactive since 1995. SingularLogic does not exercise any management influence over it. DPS Ltd. was not included in the consolidation on 31.12.2015.
2. TASIS - CONSULTING S.A. was put into liquidation by decision of its General Meeting on 20.07.2005. Approval for this decision was granted by the Prefecture. SingularLogic exerts no management influence over it. The liquidation had not been completed by 31.12.2015. TASIS–CONSULTING S.A. was not included in the consolidation on 31.12.2015.
3. VELVET Joint Venture has been inactive since 1995. SingularLogic does not exercise any management influence over it. VELVET joint venture was not included in the consolidation on 31.12.2015.

4. Modular S.A. was placed in liquidation by decision of its General Meeting on 30.06.2005. On 15.11.2005 approval for this decision was granted by the Prefecture. The liquidation had not been completed by 31.12.2015. Modular S.A. was not included in the consolidation on 31.12.2015.
5. The company Business Logic S.A. and its subsidiary Helpdesk S.A. were placed in liquidation by decision of their General Meetings on 30.06.2005. Approval for these decisions was granted by the Prefecture. SingularLogic exercises no management influence on these companies. The liquidation had not been completed by 31.12.15. These companies were not included in the consolidation on 31.12.2015.
6. CHERRY S.A. was put in a state of liquidation by decision of its General Meeting on 13.07.2006. On 31.07.2006 approval for this decision was granted by the Prefecture. The liquidation had not been completed by 31.12.2015. CHERRY S.A. was not included in the consolidation on 31.12.2015.

Based on IAS 10, according to which a parent company loses control of a subsidiary where the subsidiary is subject to state, judicial, managerial or supervisory control, on 31.12.2015 the Company did not include in the consolidation the companies in liquidation since control of those companies lies with their liquidators.

12.Additional information on business sectors

The Group's activities are:

- Study, design, development, processing, manufacture, trade and marketing of IT systems and high-tech products.
- Software production, development and support.
- IT - computing services.
- Software, hardware and systems software

The Group sales per category are analysed as follows:

Breakdown of sales per category	**31/12/2015**	**31/12/2014**
Amounts in €		
Sales of software user licences	3,485,830	4,050,575
Software maintenance sales	15,201,999	16,657,775
Sales of services	25,164,796	22,579,221
Sales of Merchandises	5,584,007	6,729,725
Total	**49,436,631**	**50,017,295**

The Company applies a customer-focused approach in monitoring its business activities, by placing its customers in three categories, which also constitute its business sectors:

- Large enterprises
- SMEs and
- the public sector.

Sales in each sector are cited in the table below and include more than one of the aforementioned activities. Group results per business sector are broken down as follows:

01/01-31/12/2015 *Amounts in euro*	**Large corporations**	**SMEs**	**State**	**Total**
Revenue	28,663,579	9,814,194	10,958,858	**49,436,631**
Earnings before interest, taxes, depreciation and amortisation				**5,967,537**
Depreciation				**3,336,606**
Operating profit/ losses				**2,630,931**
Other non-allocated net income				(1,746)
Financial expenses				(336,844)
Earnings before tax				**2,292,341**
Income tax				(690,399)
Net profits/ losses				**1,601,942**

01/01-31/12/2014 *Amounts in euro*	**Large corporations**	**SMEs**	**State**	**Total**
Revenue	33,480,338	10,446,024	6,090,934	**50,017,295**
Earnings before interest, taxes, depreciation and amortisation				**4,398,919**
Depreciation				**5,421,795**
Operating profit/ losses				**(1,022,876)**
Other non-allocated net income				(11,470)
Financial expenses				(4,373,240)
Earnings before tax				**(5,407,586)**
Income tax				1,679,063
Net profits/ losses				**(3,728,524)**

Consolidated assets and liabilities are allocated to these business sectors as follows:

01/01-31/12/2015 *Amounts in euro*	**Large corporations**	**SMEs**	**State**	**Total**
Assets per sector	62,649,124	21,450,589	23,952,448	108,052,261

Non-allocated assets				6,632,469
Consolidated Assets				**114,684,630**
Liabilities per sector	17,708,583	6,063,286	6,770,468	30,542,337
Non-allocated liabilities				55,635,933
Consolidated liabilities				**86,178,269**

01/01-31/12/2014				
Amounts in euro	**Large corporations**	**SMEs**	**State**	**Total**
Assets per sector	75,190,292	23,459,726	13,679,047	112,329,065
Non-allocated assets				4,512,391
Consolidated Assets				**116,841,456**
Liabilities per sector	21,677,014	6,763,331	3,943,606	32,383,951
Non-allocated liabilities				57,303,198
Consolidated liabilities				**89,687,148**

Geographical information reporting:

The Group primarily operates in Greece where it has its registered office while also operating in European countries, the latter accounting for 8% of its consolidated turnover.

01.01 - 31.12.2015	**Greece**	**European countries**	**Other countries**	**Total**
Income from clients	45,375,067	4,019,912	41,652	**49,436,631**
Non-current assets	76,785,448	512,576	0	**77,298,024**
01.01 - 31.12.2014	**Greece**	**European countries**	**Other countries**	**Total**
Income from clients	45,511,342	3,928,592	577,362	**50,017,295**
Non-current assets	77,242,052	487,139	0	**77,729,191**

Non-current assets do not include Financial Assets or Deferred Tax Assets.

Customer concentration:

During the year, the amount of €5.4 million of the total income of SingularLogic Group originated from MIG Group and accounts for approximately 11.02% of sales. The income of these customers is included in the "Large Corporations" sector. Moreover, the Public Sector accounts for sales of 22.17% of the total consolidated turnover.

13.Notes to the financial statements

13.1. Tangible assets

On 31.12.2015, the tangible assets of the Group and the Company are broken down as follows:

	THE GROUP				
(amounts in €)	**Buildings and facilities**	**Transportation means**	**Machinery**	**Furniture and other equipment**	**Total**
Book value on 31.12.2013	**200.751**	**51.369**	**25.956**	**339.413**	**617.488**
Gross book value	1,920,651	196,224	707,988	5,244,024	**8,068,887**
Accumulated depreciation	(1,875,758)	(161,055)	(669,054)	(4,948,212)	**(7,654,080)**
Book value on 31.12.2014	**44,893**	**35,169**	**38,934**	**295,812**	**414,808**
Gross book value	1,920,651	215,852	711,569	5,676,881	**8,524,951**
Accumulated depreciation	(1,919,938)	(182,688)	(680,219)	(5,236,241)	**(8,019,086)**
Book value on 31.12.2015	**713**	**33,164**	**31,350**	**440,640**	**505,865**

(amounts in €)	**Buildings and facilities**	**Transportation means**	**Machinery**	**Furniture and other equipment**	**Total**
Book value on 31.12.2013	**200,751**	**51,369**	**25,956**	**339,413**	**617,488**
Additions	0	0	24,210	283,506	**307,716**
Acquisition cost of disposals/ revoked products	(17,847)	0	0	(206,509)	**(224,356)**
Depreciation of disposals/ revoked products	17,723	0	0	205,905	**223,628**
Depreciation	(155,733)	(16,200)	(11,253)	(326,493)	**(509,678)**
Net foreign exchange differences	0	0	21	(10)	11
Book value on 31.12.2014	**44,893**	**35,169**	**38,934**	**295,812**	**414,808**
Additions	0	19,627	3,667	510,035	**533,329**
Acquisition cost of disposals/ revoked products	0	0	0	(77,215)	**(77,215)**
Depreciation of disposals/ revoked products	0	0	0	77,215	**77,215**
Depreciation	(44,180)	(21,633)	(11,165)	(365,244)	**(442,222)**
Net foreign exchange differences	**0**	**0**	**(87)**	**11**	**(76)**
Book value on 31.12.2015	**713**	**33,164**	**31,350**	**440,640**	**505,865**

Transportation means include the transportation means acquired through leasing of the subsidiaries "SingularLogic CYPRUS LTD" and "SingularLogic BULGARIA EOOD", which are broken down as follows:

(amounts in €)	Transportation means through leasing
Book value on 31.12.2013	**49,662**
Gross book value	142,694
Accumulated depreciation	(105,582)
Book value on 31.12.2014	**37,112**
Gross book value	162,321
Accumulated depreciation	(123,039)
Book value on 31.12.2015	**39,282**

(amounts in €)	Transportation means through leasing
Book value on 31.12.2013	**49,662**
Depreciation	(12,550)
Book value on 31.12.2014	**37,112**
Additions	19,627
Depreciation	(17,457)
Book value on 31.12.2015	**39,282**

THE COMPANY

(amounts in €)	Buildings and facilities	Transportation means	Machinery	Furniture and other equipment	Total
Book value on 31.12.2013	**200,320**	**1,707**	**7,315**	**317,612**	**526,953**
Gross book value	1,440,442	7,466	120,162	3,356,561	**4,924,631**
Accumulated depreciation	(1,395,828)	(6,175)	(112,666)	(3,078,215)	**(4,592,884)**
Book value on 31.12.2014	**44,615**	**1,291**	**7,496**	**278,347**	**331,746**
Gross book value	1,440,442	7,466	120,657	3,783,389	**5,351,954**
Accumulated depreciation	(1,440,008)	(7,090)	(114,779)	(3,353,062)	**(4,914,940)**
Book value on 31.12.2015	**435**	**376**	**5,878**	**430,328**	**437,014**

	Buildings and facilities	Transportation means	Machinery	Furniture and other equipment	Total
Book value on 31.12.2013	**200,320**	**1,707**	**7,313**	**317,612**	**526,953**
Additions	0	0	4,762	273,007	**277,769**
Acquisition cost of disposals/ revoked products	0	0	0	(68,881)	**(68,881)**
Depreciation of disposals/ revoked products	0	0	0	68,881	**68,881**
Depreciation	(155,707)	(416)	(4,581)	(312,273)	**(472,976)**
Book value on 31.12.2014	**44,615**	**1,291**	**7,496**	**278,347**	**331,746**
Additions	0	0	494	504,044	**504,538**
Acquisition cost of disposals/ revoked products	0	0	0	(77,215)	**(77,215)**
Depreciation of disposals/ revoked products	0	0	0	77,215	**77,215**

Depreciation	(44,180)	(915)	(2,113)	(352,062)	**(399,271)**
Book value on 31.12.2015	**435**	**376**	**5,878**	**430,328**	**437,014**

There are no mortgages or mortgage liens or other encumbrances registered in respect of the fixed assets.

Group's operating leases as a lessee:

The future rental fees from buildings' operating leases of the Group and the Company are broken down as follows:

THE GROUP

01/01-31/12/2015	**Up to 1 year**	**From 2 to 5 years**	**After 5 years**	**Total**
Buildings	589,400	1,946,537	138,263	**2,674,200**
Vehicles	453,016	576,884	-	**1,029,900**

THE COMPANY

01/01-31/12/2015	**Up to 1 year**	**From 2 to 5 years**	**After 5 years**	**Total**
Buildings	504,980	1,747,257	124,825	**2,377,063**
Vehicles	404,313	521,776	-	**926,089**

THE GROUP

01/01-31/12/2014	**Up to 1 year**	**From 2 to 5 years**	**After 5 years**	**Total**
Buildings	280,460	463,521	57,355	**801,337**
Vehicles	487,023	591,238	-	**1,078,261**

THE COMPANY

01/01-31/12/2014	**Up to 1 year**	**From 2 to 5 years**	**After 5 years**	**Total**
Buildings	194,540	218,641	23,035	**436,217**
Vehicles	436,338	501,301	-	**937,639**

The operating lease rental fees which were recognised as expenses during the period 01.01-31.12.2015 for all fixed assets of the Group and the Company amount to €1,626,135 (01.01-31.12.2014: €2,301,699) and €1,449,570 (01.01-31.12.2014: €2,131,030. On 31.12.2015 a new building leasing agreement was signed by the company which will expire on 12.03.2021. Vehicle leases have a 4-year term.

13.2. Intangible assets

The largest part of the Group's intangible assets pertains to the recognised mark of the absorbed company "SingularLogic S.A." on software developed by Group companies and also on purchased software licenses. The book values of the above are broken down in the tables below.

THE GROUP

(amounts in €)	**Software**	**Development**	**Trade name**	**Rights**	**Total**
Book value on 31.12.2013	**275.989**	**8.988.097**	**13.206.586**	**2.085**	**22.472.757**
Gross book value	7,083,576	23,711,425	13,206,586	375,499	**44,377,086**
Accumulated depreciation	(6,744,562)	(15,055,293)	0	(374,457)	**(22,174,312)**
Book value on 31.12.2014	**339,014**	**8,656,132**	**13,206,586**	**1,042**	**22,202,773**
Gross book value	7,373,696	25,722,386	13,206,586	375,499	**46,678,166**
Accumulated depreciation	(6,983,276)	(17,708,218)	0	(375,499)	**(25,066,994)**
Book value on 31.12.2015	**390,420**	**8,014,167**	**13,206,586**	**0**	**21,611,173**

(amounts in €)	**Software**	**Development**	**Trade name**	**Rights**	**Total**
Book value on 31.12.2013	**275,989**	**8,988,097**	**13,206,586**	**2,085**	**22,472,757**
Additions	394,981	4,292,105	0	0	**4,687,085**
Acquisition cost of disposals	(50,153)	0	0	0	**(50,153)**
Depreciation on goods sold	5,191	0	0	0	**5,191**
Depreciation	(287,004)	(4,624,070)	0	(1,042)	**(4,912,117)**
Net foreign exchange differences	10	0	0	0	**10**
Book value on 31.12.2014	**339,014**	**8,656,132**	**13,206,586**	**1,042**	**22,202,773**
Additions	322,410	2,010,961	0	0	**2,333,371**
Acquisition cost of disposals	(32,256)	0	0	0	**(32,256)**
Depreciation on goods sold	1,730	0	0	0	**1,730**
Depreciation	(240,443)	(2,652,926)	0	(1,042)	**(2,894,411)**
Net foreign exchange differences	(34)	0	0	0	**(34)**
Book value on 31.12.2015	**390,420**	**8,014,167**	**13,206,586**	**0**	**21,611,173**

THE COMPANY

(amounts in €)	**Software**	**Development**	**Commercial trademarks**	**Rights**	**Total**
Book value on 31.12.2013	**270,023**	**8,463,736**	**13,206,586**	**0**	**21,940,345**
Gross book value	4,952,273	22,081,064	13,206,586	140,062	**40,379,985**
Accumulated depreciation	(4,651,154)	(13,802,960)	0	(140,062)	**(18,594,176)**
Book value on 31.12.2014	**301,119**	**8,278,104**	**13,206,586**	**0**	**21,785,809**

Gross book value	5,168,109	24,092,025	13,206,586	140,062	**42,606,781**
Accumulated depreciation	(4,869,611)	(16,309,526)	0	(140,062)	**(21,319,199)**
Book value on 31.12.2015	**298,498**	**7,782,499**	**13,206,586**	**0**	**21,287,583**

	Software	**Development**	**Commercial trademarks**	**Rights**	**Total**
Book value on 31.12.2013	**270,023**	**8,463,736**	**13,206,586**	**0**	**21,940,345**
Additions	342,995	4,292,105	0	0	**4,635,099**
Acquisition cost of disposals	(50,153)	0	0	0	**(50,153)**
Depreciation on goods sold	5,191	0	0	0	**5,191**
Depreciation	(266,936)	(4,477,737)	0	0	**(4,744,673)**
Book value on 31.12.2014	**301,119**	**8,278,104**	**13,206,586**	**0**	**21,785,809**
Additions	248,091	2,010,961	0	0	**2,259,052**
Acquisition cost of disposals	(32,256)	0	0	0	**(32,256)**
Depreciation on goods sold	1,730	0	0	0	**1,730**
Depreciation	(220,187)	(2,506,566)	0	0	**(2,726,752)**
Book value on 31.12.2015	**298,498**	**7,782,499**	**13,206,586**	**0**	**21,287,583**

13.3. Goodwill

The goodwill of the Company and the Group was established in the financial statements through acquisition of SingularLogic Group on 03.08.2009 and subsequent absorption of SingularLogic SA on 15.6.2010, by finalising the assessed fair value of the net assets acquired through the group's acquisition, which was completed in the third quarter 2010.

13.3.1. Impairment of assets

Goodwill and non-depreciated assets with indefinite useful life are subject to annual impairment test including when some events indicate that their book value may not be recoverable. Depreciated assets are subject to impairment test of their value, when there are indications that their book value shall not be recovered.

Acknowledging and evaluating the current circumstances in the Greek economy and also assessing its medium-term developments, Group Management reviewed extensively its assumptions on the capability to recover the value of non-current assets. The non-current assets for which there were indications of impairment pertain to goodwill and intangible assets which have primarily arisen from the acquisition of SingularLogic Group.

The recoverable amount of goodwill related to the separate cash-generating units has been determined according to the value in use, which was calculated by using the discounted cash flow method.

The recoverable amount of non-current assets was determined on a separate basis, also according to the value in use, which was calculated by using the discounted cash flow method.

To determine the value in use, Management uses assumptions they find reasonable, which are based on the best possible information available and in effect on the reporting date of the financial statements.

13.3.2. Assumptions used to determine the value in use

As regards the goodwill impairment test, the perpetuity growth rate used due to the uncertainties under the current economic circumstances and market conditions stands at 2% for all cash-generating units of the Group while the interest rate used in the discount of pre-tax cash flows is equal to 12.9% for the first 5 years and to 7.7% on a perpetual basis.

The discount rate used is the pre-tax rate and reflects the risks specific to the respective operating segments and the economic environment of the main country of operations which has generated the highest goodwill.

As regards the value in use of the trademark, which was determined based on the income that would arise from the royalties and accounts for the cost savings attained by the holder of the intangible asset in comparison with the provision of royalty, a percentage of 2% was used which reflects an average percentage applicable on an international scale to similar royalty agreements. The perpetuity growth rate used stands at 2% while the interest rate used in the pre-tax cash flow discount stands at 12.9% for the first 5 years and to 7.7% on a perpetual basis.

Management uses assumptions they find reasonable and are based on the best possible information available and in effect on the reporting date of the financial statements.

The test conducted did not result in any impairment of the company's trade mark and goodwill pursuant to the above.

13.4. Investments in subsidiaries

The investments in subsidiaries in the financial statements of the parent company amount to €794,595 on 31.12.2015 and 31.12.2014. In detail:

			Amounts in €				
Corporate name of subsidiary	**Value of holding**	**% of direct holding**	**% of indirect holding**	**% of total holding**	**County of establishment**	**Type of holding**	**Consolidation Method**
P.C.S. SA	632,169	50.50%	0.00%	50.50%	GREECE	DIRECT	FULL
METASOFT	0	68.80%	31.20%	100.00%	GREECE	DIRECT	FULL

S.A.							
GIT HOLDINGS S.A.	0	100.00%	0.00%	100.00%	GREECE	DIRECT	FULL
GIT (CYPRUS) LTD	0	0.00%	100.00%	100.00%	CYPRUS	INDIRECT	FULL
SYSTEM SOFT S.A.	65,463	66.00%	34.00%	100.00%	GREECE	DIRECT	FULL
SINGULARLO GICROMANIA SRL	60,953	100.00%	0.00%	100.00%	ROMANIA	DIRECT	FULL
SINGULARLO GIC BULGARIA EOOD	36,010	100.00%	0.00%	100.00%	BULGARIA	DIRECT	FULL
SINGULARLO GIC CYPRUS LTD	0	98.80%	0.00%	98.80%	CYPRUS	DIRECT	FULL
Total value of holding	**794,595**						

SUBSIDIARIES WITH SIGNIFICANT HOLDING

Disclosures pursuant to IFRS 12 are as follows:

Corporate name of subsidiary	Proportion of ownership and voting rights arising from non-controlling interests		Profits allocated to non-controlling interests		Accumulated non-controlling interests	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
PCS S.A.	49.5%	49.5%	(102,640)	81,261	151,681	450,061

Concise financial figures regarding the subsidiary "PCS S.A." before crossing out intra-company transactions and balances

Amounts in €	**31/12/2015**	**31/12/2014**
Non-current assets	39,068	42,368
Current assets	1,062,545	1,733,292
Total assets	**1,101,613**	**1,775,660**
Long-term liabilities	101,836	99,972
Short-term liabilities	693,351	766,473
Total Liabilities	**795,187**	**866,445**
Equity attributed to parent company owners	154,745	459,154
Non-controlling interests	151,681	450,061

Amounts in €	**31/12/2015**	**31/12/2014**

Sales	2,112,946	2,784,604
Post-tax period profit/(loss) allocated to parent company owners	(104,713)	82,903
Post-tax period profit/(loss) allocated to non-controlling interests	(102,640)	81,261
Period profit after taxes	**(207,353)**	**164,164**
Other comprehensive income for the period net of tax	4,564	(10,605)
Period comprehensive total income after taxes allocated to parent company owners	(102,408)	77,547
Period comprehensive total income after taxes allocated to non-controlling interests	(100,381)	76,011
Comprehensive total income for the period net of tax	**(202,789)**	**153,559**

Amounts in €	**31/12/2015**	**31/12/2014**
Net cash flow from operating activities	(188,048)	353,331
Net cash flow from investing activities	(7,142)	(2,675)
Net cash flow from financing activities	(249,948)	(479,869)
Total net cash flows	**(445,138)**	**(129,213)**

13.5. Investments in associates

On 31 December 2015, the investments in the Group's associates are as follows:

		THE GROUP		**THE COMPANY**	
(amounts in €)	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Balance at beginning of period		**407,672**	**392,699**	**0**	**0**
Share of (losses)/profits		(8,850)	14,974	-	-
Balance at end of period		**398,823**	**407,672**	**0**	**0**

Company name	**Country of establishment**	**% holding**	**Acquisition cost**	**Accumulated Impairment**	**Profit / (loss) for the period**	**Balance**
INFOSUPPORT S.A.	Greece	34.00%	200,001	(200,001)		0
LOGODATA S.A.	Greece	23.88%	49,981	(49,981)		0
INFO S.A.	Greece	35.00%	350,000	(350,000)		0
DYNACOMP S.A.	Cyprus	24.99%	415,000	(7,327)	(8,850)	398,823
Total			**1.014.982**	**(607.309)**	**(8.850)**	**398.823**

The reporting date of DYNACOMP S.A., which was consolidated using the equity method of accounting as it is the unique affiliate, is other than the parent company's date. Specifically its closing date is set on 30.06. Holdings in Infosupport and Logodata with an acquisition cost of €249,982 have been fully impaired in the financial statements of both Company and Group while holding in INFO SA has been fully impaired in the Group's financial statements.

13.6. Other long-term receivables

On 31.12.2015, other long-term receivables of the Group and the Company are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Guarantees granted	488,870	410,645	483,205	404,961
Total other long-term receivables	**488,870**	**410,645**	**483,205**	**404,961**

13.7. Available-for-sale financial assets

Available-for-sale financial assets include shares of unlisted companies operating in Greece and on 31.12.2015 and 31.12.2014 amount to €59,932.

13.8. Inventories

On 31.12.2015 the inventories for the Group and the Company are presented as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Merchandise	1,481,084	1,590,069	1,382,367	1,471,764
Consumables	116,506	123,267	116,506	123,267
Finished goods	1,326	1,326	1,326	1,326
Total	**1,598,916**	**1,714,661**	**1,500,199**	**1,596,356**
Less: Provisions for merchandise	(1,295,588)	(1,217,170)	(1,276,292)	(1,197,875)
Total net realisable value	**303,328**	**497,490**	**223,906**	**398,481**

The amount of inventories recognised as expense during the year and included in the Company's cost of goods sold is equal to €3,127,933 and €4,618,738 for the Company and the Group respectively. The Group has not pledged any inventories.

The provisions for the year are broken down as follows:

(amounts in €)	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Opening balance	**(1,217,170)**	**(1,088,526)**	**(1,197,875)**	**(1,069,231)**
Additions	(81,294)	(172,680)	(81,294)	(172,680)
Reversal of provisions for devaluation	2,877	44,035	**2,877**	**44,035**
Reductions	-	-	-	-
Closing balance	**(1,295,588)**	**(1,217,170)**	**(1,276,292)**	**(1,197,875)**

13.9. Customers and other trade receivables

On 31.12.2015, the receivables are broken down as follows:

(amounts in €)	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Trade receivables from third parties	46,603,893	51,990,730	45,283,250	50,014,281
Trade receivables from affiliates	3,299,909	2,560,155	3,297,354	2,560,155
Bills receivable	266,324	264,202	234,135	234,135
Cheques receivable	10,874,210	10,668,266	10,878,708	10,823,918
Less: Provisions for impairment	(39,744,502)	(39,797,487)	(38,674,018)	(39,049,683)
Net trade receivables	**21,299,834**	**25,685,866**	**21,019,430**	**24,582,806**
Down payments to suppliers	462,786	1,033,072	462,786	1,033,072
Total	**21,762,620**	**26,718,938**	**21,482,216**	**25,615,878**

The provisions for the year are broken down as follows:

(amounts in €)	Note	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Opening balance		**39,797,487**	**39,587,173**	**39,049,683**	**38,885,594**
Provision for period	13.24	1,439,593	1,266,806	1,075,772	1,219,544
Collection of bad debts	13.24	(1,019,605)	(1,052,887)	(978,464)	(1,051,849)
Deletions		(472,973)	(3,605)	(472,973)	(3,605)
Closing balance		**39,744,502**	**39,797,487**	**38,674,018**	**39,049,683**

During the year, Management raised provisions equal to €1,075,772 and €1,439,593 for the Company and the Group respectively. Based on the stipulations of the new loan agreements, on 31.12.2015 trade receivables of €5,022,708 have been pledged.

Indications of impairment have been assessed for all of the Group's receivables.

The maturity of the above receivables is presented in the table below:

	THE GROUP	THE COMPANY

Amounts in €	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Non-overdue and non-impaired	**15,067,258**	**18,260,231**	**14,924,607**	**17,182,836**
Overdue and non-impaired				
Less than 3 months	3,940,187	4,004,930	3,642,834	3,561,535
Between 3 and 6 months	1,258,620	1,156,378	1,203,741	1,092,787
Between 6 months and 1 year	1,001,675	868,589	1,064,061	907,965
More than 1 year	32,095	1,395,739	184,187	1,837,683
Total	**21,299,834**	**25,685,866**	**21,019,430**	**24,582,806**

13.10. Other receivables

On 31 December 2015, other receivables for the Group and the Company are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Sundry debtors	790,374	161,411	756,067	129,146
Receivables from the Greek State	1,453,663	1,142,350	1,291,684	1,013,559
Other receivables	357,889	382,588	39,304	25,655
Receivables from affiliates	195,291	98,193	741,497	187,337
Receivables assigned to a factoring company	0	155,566	0	155,566
Advances to staff	30,814	41,007	23,860	30,715
Guarantees	570,971	1,092,271	570,971	1,092,271
Less: provisions for bad debts	(245,283)	(201,531)	(227,503)	(183,752)
Net debtor receivables	**3,153,720**	**2,871,856**	**3,195,880**	**2,450,498**

The amount of guarantees refers to commitments in favour of third parties and letters of guarantee.

The provisions for the year are broken down as follows:		THE GROUP		THE COMPANY	
(amounts in €)	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Opening balance		**(201,531)**	**(308,860)**	**(183,752)**	**(291,080)**
Provisions for period	**13.24**	**(97,100)**	**-**	(97,100)	-
Deletions		**53,349**	**107,328**	53,349	107,328
Closing balance		**(245,283)**	**(201,531)**	**(227,503)**	**(183,752)**

13.11. Other current assets

On 31 December 2015, other current assets of the Group and the Company are broken down as follows:

(amounts in €)	Note	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Prepaid expenses		826,838	1,137,088	797,912	1,114,549
Receivables from works contracts	13.14	305,427	912,404	305,427	912,404
Receivables from program subsidies		1,984,955	1,025,831	1,984,955	1,025,831
Other receivable income		116,402	27,765	109,247	5,908
		3,233,622	**3,103,088**	**3,197,541**	**3,058,692**

The "Other current assets" account mainly includes prepaid expenses, receivables from subsidised programs as well as receivables from works contracts. The details on works contracts are set out in paragraph 13.14 "Works Contracts".

13.12. Financial assets measured at fair value with changes recognised through profit or loss

On 31 December 2015, financial assets at fair value through profit or loss of the Group and the Company are broken down as follows:

(amounts in €)	Note	THE GROUP 31/12/2015	THE GROUP 31/12/2014	THE COMPANY 31/12/2015	THE COMPANY 31/12/2014
Balance at beginning of period		**0**	**13.496**	**0**	**13.496**
Additions (+)		6,445,250	-	5,295,250	-
Sales (-)		(3,250,000)	(13,496)	(2,100,000)	(13,496)
Profits/ (losses) from measurement at fair value	13.26	(2,871)	-	(2,871)	-
End of period		**3,192,379**	**0**	**3,192,379**	**0**

Equities and Mutual Funds	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Shares listed on Athens SE	-	-	-	-
International mutual funds	**3,192,379**	**-**	3,192,379	-
Total	**3,192,379**	**0**	**3,192,379**	**0**

13.13. Deferred tax

A deferred tax asset is recognised for tax losses carried forward to the extent that it is probable that a relevant tax benefit will be realised through future taxable profits. On 31.12.2015 the Group has not recognised any deferred asset for the deferred tax losses.

On 31.12.2015, the deferred tax on the profit and loss for the period has been calculated at a tax rate of 29%. The deferred tax assets/liabilities which arise from the interim tax adjustments are presented below:

	THE GROUP				THE COMPANY			
	31/12/2015		31/12/2014		31/12/2015		31/12/2014	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Non-current assets								
Intangible assets	-	153,683	-	851,143	-	102,641	-	767,380
Tangible assets	-	(3,749)	-	-	-	(3,749)	-	-
Current assets								
Other current assets	-	690,632	-	609,022	-	690,632	-	609,022
Reserves								
Subsidies to investments	-	1,677,559	-	1,285,783	-	1,677,559	-	1,285,783
Long-term liabilities								
Staff termination liabilities	518,408	-	441,096	-	480,387	-	405,922	-
Corporate bond	-	191,921	-	-	-	191,921	-	-
Short-term liabilities								
Other liabilities	2,574,636	-	1,875,541	-	2,574,636	-	1,875,541	-
Total	**3,093,044**	**2,710,045**	**2,316,637**	**2,745,948**	**3,055,022**	**2,659,003**	**2,281,462**	**2,662,184**

13.14. Works Contracts

The items regarding works contracts are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Project expenses incurred	377,760	4,342,358	377,760	4,342,358
Plus/(Less): Recognised profits/ (losses)	4,256	(3,322,624)	4,256	(3,322,624)
Total income from works contracts recognised in the period	**382,016**	**1,019,734**	**382,016**	**1,019,734**
Receivable from customers for contractual work	305,427	912,404	305,427	912,404
Payable to customers for contractual work	(81,866)	(142,960)	(81,866)	(142,960)
Total non-invoiced work	**223,561**	**769,445**	**223,561**	**769,445**
Advances	0	104,922	0	104,922
Non-executed remainder	**219,182**	**715,949**	**219,182**	**715,949**

On 31.12.2015 the amount of liability from works contracts is included in "Other short-term liabilities" in the Statement of Financial Position and receivables are included in "Other current assets" while no amounts have been collected as advances. Group Management assesses the profitability of works in progress on a monthly basis using detailed monitoring processes. The book values analysed above reflect the reasonable Management assessment about the result of each works contract and the percentage of completion on the date of the Statement of Financial Position.

13.15. Cash and cash equivalents

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

	THE GROUP		THE COMPANY	
Amounts in €	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash in hand	28,146	17,095	17,741	8,921
Cash in bank	2,410,884	1,615,247	590,489	685,251
Short-term deposits	0	1,910,000	0	1,180,000
Blocked Deposits	148,930	1,981	3,400	1,981
Total cash and cash equivalents	**2,587,960**	**3,544,323**	**611,630**	**1,876,153**

13.16. Equity

13.16.1.Share Capital

(amounts in €)	No. of shares	Nominal value	Ordinary Shares	Premium on capital stock	Total
31 Dec 2013	**20,643,215**	**1.00**	**20,643,215**	**70,547,001**	**91,190,216**
31 Dec 2014	**20,643,215**	**1.00**	**20,643,215**	**70,547,001**	**91,190,216**
31 Dec 2015	**20,643,215**	**1.00**	**20,643,215**	**70,547,001**	**91,190,216**

13.16.2. Reserves

Group and Company other reserves are broken down as follows:

	THE GROUP		
(amounts in €)	Statutory Reserve	Other reserves	Total
31 Dec 2013	**186,826**	**107,034**	**293,860**
Transfers between reserves and results carried forward	(82,471)	(7,979)	**(90,450)**
FX differences from conversion of foreign subsidiaries' financial statements		(1,801)	**(1,801)**
31 Dec 2014	**104,355**	**97,254**	**201,609**

31 Dec 2014	**104,355**	**97,254**	**201,609**
Transfers between reserves and results carried forward	(29)	(118,139)	**(118,168)**
FX differences from conversion of foreign subsidiaries' financial statements		(1,675)	**(1,675)**
31 Dec 2015	**104,326**	**(22,560)**	**81,766**

	THE COMPANY		
(amounts in €)	**Statutory Reserve**	**Other reserves**	**Total**
31 Dec 2013	**73,296**	**249,837**	**323,133**
Transfers between reserves and results carried forward		(92,455)	**(92,455)**
31 Dec 2014	**73,296**	**157,382**	**230,678**
Transfers between reserves and results carried forward		(157,382)	**(157,382)**
31 Dec 2015	**73,296**	**0**	**73,296**

13.17. Employee benefit liabilities

The amounts posted in the Income Statement and those recognised in the Statement of Financial Position are broken down as follows:

Staff termination liabilities

	GROUP		**COMPANY**	
	Amounts in €			
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
	Defined benefit plans (non-funded)	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**
Defined benefit liability	1,787,612	1,696,524	1,656,505	1,561,237
Fair value of plan assets	-	-	-	-
	1,787,612	**1,696,524**	**1,656,505**	**1,561,237**
Classified as:				
Long-term liability	1,787,612	1,696,524	**1,656,505**	1,561,237
Short-term liability				

The changes in present value of liability for defined benefit plans are as follows:

	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
	Defined benefit plans (non-funded)	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**

Defined benefit liability on 1 January	**1,696,524**	**1,481,863**	**1,561,237**	**1,385,550**
Current cost of employment	151,305	112,927	135,301	103,651
Interest charges	42,413	56,311	39,031	52,651
Reassessment – actuarial losses/ (gains) from changes in demographic assumptions	-		-	-
Effect of liability of subsidiary sold	-	-	-	-
Reassessment – actuarial losses/ (gains) from changes in financial assumptions	(15,401)	83,001	1,386	55,717
Personnel transfer cost	-	-	-	-
Benefits paid	(615,437)	(420,898)	(562,310)	(412,147)
Past service cost	528,208	383,320	481,860	375,815
Defined benefit liability on 31 December	**1,787,612**	**1,696,524**	**1,656,505**	**1,561,237**

The major actuarial assumptions used in valuation are as follows:

	31/12/2015	**31/12/2014**
Discount rate on 31 December	2.20%	2.50%
Future salary increases	2.50%	2.50%
Inflation	1.50%	1.50%

The amounts recognised in the Income Statement are:

	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
	Defined benefit plans (non-funded)	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**
Cost of current employment	151,305	112,927	135,301	103,651
Past service cost	528,208	383,320	481,860	375,815
Net interest on benefit liability	42,413	56,311	39,031	52,651
Total expenses recognised in the Income Statement	**721,927**	**552,558**	**656,191**	**532,117**

The amounts recognised in other comprehensive Income in the Statement of Other Comprehensive Income are:

	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
	Defined benefit plans (non-funded)	**Defined-benefit plans (non-funded)**	**Defined benefit plans (non-funded)**	**Defined benefit plans (non-funded)**
Actuarial gains/(losses) from changes in demographic assumptions	-	-		-
Actuarial gains/(losses) from changes in financial assumptions	15,401	(83,001)	(1,386)	(55,717)
Total income /(expenses) recognised in other comprehensive income	**15,401**	**(83,001)**	**(1,386)**	**(55,717)**

The effect of changes in significant actuarial assumptions are:

	31/12/2015		31/12/2014	
	Discount Rate		Discount Rate	
	0,5%	**-0,5%**	**0,5%**	**-0,5%**
Increase/ (decrease) in defined benefit liability	(130,950)	143,540	(129,557)	142,387
	-7%	8%	-8%	8%
	Future salary increases		**Future salary increases**	
	0.5%	**-0.5%**	**0.5%**	**-0.5%**
Increase/ (decrease) in defined benefit liability	141,028	(130,021)	140,284	(128,964)
	8%	-7%	8%	-8%

13.18. Borrowings

On 31.12.2015, the Group's and the Company's borrowings are broken down as follows:

	THE GROUP		COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Long-term borrowing				
Corporate bonds	52,327,322	0	52,327,322	0
Liabilities under finance lease	12,733	0	0	0
Total long-term loans	**52,340,056**	**0**	**52,327,322**	**0**
Short-term loans				
Bank loans	2,654,502	3,675,198	1,432,018	2,432,018
Bonds payable in next year	638,881	53,628,000	638,881	53,628,000
Liabilities under finance lease	2,493	0	0	0
Total short-term loans	**3,295,877**	**57,303,198**	**2,070,899**	**56,060,018**
Total loans	**55,635,933**	**57,303,198**	**54,398,221**	**56,060,018**

Further to the agreement on refinancing of its corporate bonds by the involved banks (EFG EUROBANK ERGASIAS, PIRAEUS BANK and ALPHA BANK), the company initially entered into a Memorandum of Understanding (MOU) and a Termsheet on 25.02.2015 and subsequently executed the new loan agreements on 15.06.2015 concerning the issue of two ordinary corporate bonds totalling €56.9 million. This amount includes the option to issue Pay-in–Kind (PIK) bonds totalling €3.3 million. The issue of corporate bonds totalling €53.6 million was completed on 23.07.2015.

The new loan agreements shall expire in January 2018 and they shall have the same interest rate set as 6-month EURIBOR plus an incremental spread.

The new corporate bonds provide, among others, for mandatory compliance with specific financial ratios by which the company abides. To secure its corporate bonds, pledges have been raised on all shares of SingularLogic and on its trademarks and trade receivables according to criteria specified in the loan agreements. Moreover, the company has raised a pledge on all shares issued by one of its subsidiaries which will also apply to the dividends of such shares.

The maturity dates of all loans are as follows:

	THE GROUP		THE COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Up to 1 year	3,295,876	57,303,198	2,070,899	56,060,018
Between 1 and 2 years	1,760,513	0	1,758,020	0
Between 2 and 3 years	50,571,493	0	50,569,302	0
Between 3 and 4 years	2,493	0	0	0
Between 4 and 5 years	5,558	0	0	0
Over 5 years	0	0		
	55,635,933	**57,303,198**	**54,398,221**	**56,060,018**

The Group’s liability under finance leases is broken down as follows:

	31/12/2015		31/12/2014	
	Future minimum lease payments	**Present value of future minimum lease payments**	**Future minimum lease payments**	**Present value of future minimum lease payments**
Up to 1 year	2,809	2,493	0	0
Between 1 and 5 years	13,999	12,601	0	0
Over 5 years	0	0	0	0
Total minimum future payments	**16,808**	**15,094**	**0**	**0**
Less: Interest expenses	(1,713)	0	0	0
Total present value of future minimum lease payments	**15,094**	**15,094**	**0**	**0**

The effective average borrowing rates on the date of the Statement of Financial Position are as follows:

	THE GROUP		THE COMPANY	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Bank loans (short-term)	6.03%	6.21%	6.32%	6.22%
Bank loans (long-term)	5.05%	-	5.05%	-

13.19. Provisions

On 31 December 2015, the provisions and account transactions during the year are broken down as follows:

	THE GROUP			
(amounts in €)	Tax liabilities	Other provisions	Provision of affairs sub judice	Total
31 Dec 2013	**379,151**	**0**	**168,685**	**547,837**
Additional provisions	**4,286**	**-**	**44,000**	**48,286**
31 Dec 2014	**383,437**	**0**	**212,685**	**596,123**
31 Dec 2015	**383,437**	**0**	**212,685**	**596,123**

	THE COMPANY			
(amounts in €)	Tax liabilities	Other provisions	Provision of affairs sub judice	Total
31 Dec 2013	**379,151**	**0**	**168,685**	**547,837**
Additional provisions	**-**	**-**	**44,000**	**44,000**
31 Dec 2014	**379,151**	**0**	**212,685**	**591,837**
31 Dec 2015	**379,151**	**0**	**212,685**	**591,837**

	Long-term provisions	Short-term provisions	Total
31 Dec 2014	**0**	**591,837**	**591,837**
31 Dec 2015	**0**	**591,837**	**591,837**

13.20. Suppliers and other liabilities

The Group's and the Company's supplierς and other liability balances are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Suppliers	4,745,696	6,626,737	4,521,727	6,368,377
Cheques payable	176,556	78,587	584	65,263
Customer down payments	**0**	**189,862**	**0**	**189,862**
Total	**4,922,252**	**6,895,186**	**4,522,311**	**6,623,503**

The above trade and other liabilities are considered short-term. Management believes that the book values recognised in the Statement of Financial Position are a reasonable approach to fair values.

13.21. Current tax liabilities

On 31.12.2015, the Group's and the Company's liabilities for income tax are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Income tax	1,550,305	94,709	1,542,462	0
Total	**1,550,305**	**94,709**	**1,542,462**	**0**

13.22. Other short-term liabilities

On 31.12.2015, the Group's and the Company's other short-term liabilities are broken down as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Interest accrued	1,408,292	3,159,307	1,397,350	3,149,860
Insurance and pension fund dues	198,960	1,045,681	102,305	942,093
Dividends payable	80,774	85,522	0	0
Salaries and wages payable	229,124	104,765	197,871	103,489
Unearned and deferred income	5,154,731	6,080,832	4,740,042	5,374,401
Accrued expenses	7,737,507	5,763,210	7,662,214	5,550,252
Other liabilities	2,701,393	1,992,003	2,070,372	1,687,373
Other tax liabilities	1,465,218	2,124,142	1,294,422	1,987,678
Total	**18,976,000**	**20,355,461**	**17,464,577**	**18,795,144**

Other short-term liabilities refer, by the largest part, to subcontractors costs and other accrued expenses for the Group's projects and also to income carried forward to other years from maintenance services the Group allocates according to their progress in time and the period concerned by the said contracts.

13.23. Cost of goods sold – Administrative expenses – Selling expenses

The cost of goods sold, the administrative and selling expenses of the Group and the Company are broken down as follows:

	THE GROUP							
	1/1 - 31/12/2015				1/1 - 31/12/2014			
(amounts in €)	Cost of Goods Sold	Administrative expenses	Selling expenses	Total	Cost of Goods Sold	Administrative expenses	Selling expenses	Total
Employee benefits	15,489,210	2,513,206	6,171,709	**24,174,126**	15,525,451	2,982,693	5,459,104	**23,967,248**
Inventory cost recognised as	4,618,738	0	0	**4,618,738**	5,282,819	0	0	**5,282,819**

expense								
Third party fees and expenses	5,862,076	1,261,304	2,670,109	**9,793,488**	6,305,550	1,227,693	2,185,490	**9,718,733**
Charges for outside services	613,290	128,075	170,721	**912,086**	715,141	163,101	153,182	**1,031,423**
Repairs & maintenance	2,562,478	73,081	14,366	**2,649,926**	2,755,375	34,377	14,162	**2,803,913**
Operating leases rents	1,007,769	207,969	410,397	**1,626,135**	1,619,788	294,439	387,472	**2,301,699**
Taxes & duties	85,385	23,122	46,103	**154,609**	68,261	19,958	160,189	**248,408**
Provisions for inventories	78,417	0	0	**78,417**	128,645	0	0	**128,645**
Advertising	34,937	93,391	150,614	**278,941**	13,646	44,664	51,404	**109,715**
Other expenses	669,858	221,689	433,624	**1,325,172**	805,423	300,649	697,548	**1,803,620**
Depreciation of fixed assets	3,159,187	99,141	78,278	**3,336,606**	4,792,297	596,374	33,125	**5,421,795**
Total	**34,181,345**	**4,620,978**	**10,145,920**	**48,948,243**	**38,012,394**	**5,663,947**	**9,141,678**	**52,818,019**

	THE COMPANY							
	1/1 - 31/12/2015				**1/1 - 31/12/2014**			
(amounts in €)	**Cost of Goods Sold**	**Administrative expenses**	**Selling expenses**	**Total**	**Cost of Goods Sold**	**Administrative expenses**	**Selling expenses**	**Total**
Employee benefits	13,664,422	2,125,553	5,302,132	**21,092,106**	13,723,435	2,683,302	4,553,686	**20,960,422**
Inventory cost recognised as expense	3,127,933	0	0	**3,127,933**	4,337,785	0	0	**4,337,785**
Third party fees and expenses	7,009,113	1,002,272	2,633,509	**10,644,894**	6,550,902	955,028	2,185,490	**9,691,421**
Charges for outside services	655,409	112,181	160,758	**928,349**	693,570	148,307	140,728	**982,605**
Repairs & maintenance	2,562,478	69,714	14,305	**2,646,497**	2,755,321	31,813	13,425	**2,800,559**
Operating leases rents	939,931	127,430	382,209	**1,449,570**	1,548,596	221,618	360,817	**2,131,030**
Taxes & duties	82,326	15,898	44,223	**142,447**	65,286	15,579	158,448	**239,314**
Provisions for inventories	78,417	0	0	**78,417**	128,645	0	0	**128,645**
Advertising	34,937	91,100	116,215	**242,251**	13,646	42,399	7,798	**63,843**
Other expenses	554,925	79,623	325,989	**960,537**	589,931	159,013	520,620	**1,269,564**
Depreciation of fixed assets	2,996,023	57,235	72,765	**3,126,023**	4,637,317	550,556	29,777	**5,217,650**
Total	**31,705,914**	**3,681,004**	**9,052,106**	**44,439,023**	**35,044,434**	**4,807,614**	**7,970,790**	**47,822,838**

13.24. Other operating income/expenses

		THE GROUP		THE COMPANY	
(amounts in €)		**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Miscellaneous operating income	**Note**				
Income from subsidies		2,775,155	2,316,621	2,600,410	2,316,621
Income from rents		0	0	61,944	64,265
Other		215,991	304,383	246,645	381,799
Income from used provisions for other receivables		-	2,283	-	2,283

Income from used provisions for customers	13.9	1,019,605	1,052,887	978,464	1,051,849
Gains on sale of fixed assets		800	5,969	800	5,595
Total		**4,011,551**	**3,682,143**	**3,888,263**	**3,822,412**

(amounts in €)					
Miscellaneous operating costs					
Other fines & surcharges		(6,390)	(40,381)	(3,607)	(40,381)
Provision for affairs sub judice		-	(44,000)	-	(44,000)
Provision for bad debt	13.9 & 13.10	(1,540,920)	(1,266,806)	(1,172,872)	(1,219,544)
Loss from sale/ destruction of fixed assets/ merchandise		-	(1,105)	-	(403)
Other		(321,698)	(552,003)	(290,312)	(498,467)
Total		**(1,869,008)**	**(1,904,295)**	**(1,466,791)**	**(1,802,795)**

In 2015, the Company raised new provisions for bad debts and other provisions equal to €1,172,872 while the new provisions amounted to €1,540,920 for the Group. The provisions for bad debts were reduced by €1,019,605 and €978,464 for the Group and the Company respectively due to their collection.

13.25. Financial income / expenses

		THE GROUP		THE COMPANY	
(amounts in €)	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Interest income:					
- Banks		37,918	109,004	34,880	86,771
- Customers		7,461	6,107	7,461	6,107
- Loans granted		695	185	695	185
-Interest on corporate bonds		2,850,338	0	2,850,338	0
- Other interest related income		0	517	0	517
		2,896,412	**115,813**	**2,893,373**	**93,580**
(amounts in €)					
Interest charges:					
- Discount of staff termination liabilities	13.17	(42,413)	(56,311)	(39,031)	(52,651)
- Short-term bank loans		(265,127)	(334,656)	(196,908)	(260,018)
- Bank loans (bonds)		(2,372,592)	(3,255,248)	(2,372,592)	(3,255,248)
- Guarantee letter commissions		(271,961)	(609,228)	(271,961)	(609,228)
- Factoring		(77,430)	(157,293)	(77,430)	(157,293)
- Financial leases		(6,255)	(5,406)	-	-
- Other bank expenses		(197,479)	(70,912)	(194,039)	(67,789)
		(3,233,256)	**(4,489,054)**	**(3,151,959)**	**(4,402,227)**

Financial expenses comprise, by the largest part, interest charges from loans assumed while financial income mainly includes income from the reversal of default interest, owing to the new loan agreements.

13.26. Other financial results

		THE GROUP		THE COMPANY	
(amounts in €)	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Fair value profit/(losses) of other financial items through profit or loss	13.12	(2,871)	-	(2,871)	-
Profits / (losses) from the sale of financial instruments of trading portfolio		-	1,525	-	1,525
Profits / (losses) from the sale of financial assets		(692)	-	-	-
Income from dividends			-	202,000	242,400
Foreign exchange gains/(losses)		10,667	(27,476)	(17,523)	(43,205)
Other financial results		-	(492)	-	-
Total		**7,104**	**(26,443)**	**181,606**	**200,720**

13.27. Income tax

The amount of tax recognised in the income statement for the year is established as follows:

	THE GROUP		THE COMPANY	
(amounts in €)	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Tax for the period	(1,545,567)	(104,327)	(1,542,462)	0
Self-employed and liberal professions contribution	(11,106)	(5,574)	(3,176)	(1,600)
Deferred tax	877,924	1,788,963	834,492	1,753,608
Tax audit adjustments	(11,650)	-	-	-
Total	**(690,399)**	**1,679,063**	**(711,146)**	**1,752,008**

Tax on Group's and Company’s earnings before tax differs from the theoretical amount which would arise if the average weighted tax rate was used, as follows:

(amounts in €)	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	THE GROUP		**COMPANY**	
Earnings Before Tax	**2,292,341**	**(5,407,586)**	**3,191,986**	**(5,000,650)**
Tax rate (20%)	29%	26%	29%	26%
Expected tax expense at the enacted tax rate	**664,779**	**(1,405,972)**	**925,676**	**(1,300,169)**
Offsetting due to prior-period accumulated losses	(445,625)	(755,405)	(445,625)	(739,814)
Losses for which deferred tax asset was not recognised	147,872	110,834	0	0
Adjustment for tax-exempt income:				
-income from dividends	0	0	(58,580)	(63,024)
-Other	24,673	0	24,673	0
Adjustment to tax for non-deductible expenses:				
- non deductible expenses	283,301	365,750	276,049	349,399
Effect of changes in tax rate	(11,412)	0	(14,223)	0
Self-employed and liberal professions contribution				
Tax adjustments of preceding financial years	11,650	0	0	0
Tax commensurate with reserves distribution	0	8,470	0	0
Provisions for income tax				
Effect of different tax rates of foreign subsidiaries	4,055	(8,313)	0	0
-Other	11,106	5,574	3,176	1,600
Incurred tax expense (net)	**690,399**	**(1,679,063)**	**711,146**	**(1,752,008)**

13.28. Cash flow from operating activities

(Indirect method of presentation)

Adjustments in profit and loss in the Statement of Cash Flows are broken down as follows:

(amounts in €)	THE GROUP		THE COMPANY	
Cash flow from operating activities	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Profits for the period	**1,601,942**	**(3,728,524)**	**2,480,840**	**(3,248,643)**
Adjustments for:				
Tax	690,399	(1,679,063)	711,146	(1,752,008)
Depreciation on tangible assets	442,222	509,678	399,271	472,976
Depreciation on intangible assets	2,894,384	4,912,117	2,726,752	4,744,673
Provisions	1,770,642	1,552,378	1,386,590	1,495,840
Income from use of prior-period provisions	(1,019,605)	(1,055,171)	(978,464)	(1,054,133)
(Gains)/losses from sale of tangible assets	(800)	327	(800)	0
(Gains)/losses from sale of intangible assets	0	(5,191)	0	(5,191)
(Gains)/losses from sale of financial assets at fair value through P&L	692	(1,033)	0	(1,525)
Fair value profits/(losses) of other financial assets at fair value through profit or loss	2,871	0	2,871	0
Interest earned and related income	(2,896,412)	(115,813)	(2,893,373)	(93,580)
Interest charges and related expenses	3,233,256	4,489,054	3,151,959	4,402,227
Dividends	0	0	(202,000)	(242,400)
Share of result from associates consolidated using the equity method	8,850	(14,974)	0	0
Other foreign exchange differences	(10,667)	27,476	17,523	43,205
	6,717,774	**4,891,262**	**6,802,315**	**4,761,442**
Change in working capital				
(Increase) / decrease in stocks	115,745	158,199	96,158	151,237
(Increase) / decrease in receivables	2,181,656	(3,441,681)	1,197,445	(3,456,216)
(Increase)/ decrease in other current assets accounts	(130,534)	6,600,266	(138,849)	6,535,526
Increase / (decrease) in liabilities	(2,541,099)	(3,691,439)	(2,420,158)	(4,106,158)
	(374,233)	**(374,654)**	**(1,265,405)**	**(875,611)**
Cash flow from operating activities	**6,343,541**	**4,516,608**	**5,536,909**	**3,885,831**

13.29. Transactions with related parties

Transactions with related parties take place on an arm’s length basis. The Group companies did not take part in any transaction of unusual nature or content which was material to the Group or to the companies or persons closely connected to the Group, and have no intention of taking part in such transactions in the future.

No transaction includes special terms and conditions and no collateral was provided or received. Outstanding balances are usually settled in cash.

Transactions between the companies included in the Group's consolidated financial statements through the full consolidation method have been eliminated.

On 31 December 2015, the transactions and balances of transactions between the Group’s related parties are broken down as follows:

	GROUP		COMPANY	
Amounts in euro				
- Sales of goods/fixed assets				
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Parent company	-	-	-	-
Subsidiaries	-	-	476,547	33,993
Associates	18,093	27,650	18,093	27,650
Other related parties	131,433	99,036	131,433	99,036
Total	**149,525**	**126,686**	**626,072**	**160,678**
Purchases of goods/fixed assets				
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Parent company	-	-	-	-
Subsidiaries	-	-	-	-
Associates	-	-	-	-
Other related parties	1,605	-	1,605	-
Total	**1,605**	**-**	**1,605**	**-**
Sales of services				
	31 Dec 2015	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Parent company	-	-	-	-
Subsidiaries	-	-	977,060	711,886
Associates	642,141	773,419	642,141	773,419
Other related parties	5,,455,253	5,770,977	5,271,790	5,636,408
Total	**6,097,394**	**6,544,396**	**6,890,991**	**7,121,713**

Purchase of Services

	31 Dec 2015	31 Dec 2014	31 Dec 2012	31 Dec 2012
Parent company	-	-	-	-
Subsidiaries	-	-	115,130	62,226
Associates	29,927	47,461	29,927	47,461
Other related parties	56,828	79,157	56,828	79,157
Total	**86,755**	**126,618**	**201,885**	**188,844**

Other income

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Parent company	-	-	-	-
Subsidiaries	-	-	110,555	182,105
Associates	60	50	60	50
Other related parties	6,079	2,503	6,079	2,503
Total	**6,139**	**2,553**	**116,694**	**184,658**

Other expenses

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Parent company	-	-	-	-
Subsidiaries	-	-	6,032	-
Associates	-	-	-	-
Other related parties	-	2,458	-	2,458
Total	**0**	**2,458**	**6,032**	**2,458**

Receivables

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Parent company	-	-	-	-
Subsidiaries	-	-	2,147,233	1,393,275
Associates	892,076	962,349	892,076	962,349
Other related parties	2,448,054	1,634,350	2,409,521	1,602,049
Total	**3,340,129**	**2,596,699**	**5,448,829**	**3,957,672**

Suppliers / Creditors

	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Parent company	-	-	-	-
Subsidiaries	-	-	109,412	42,310
Associates	8,873	34,554	10,595	34,554
Other related parties	98,115	609,118	98,115	80,576
Total	**106,988**	**643,672**	**218,122**	**157,440**

13.30. Transactions with Key Management Personnel

Benefits to Management at the level of both Group and Company are broken down as follows:

(amounts in €)	THE GROUP 31/12/2015	31/12/2014	THE COMPANY 31/12/2015	31/12/2014
Salaries and social security costs	696,448	860,835	488,574	651,693
BoD meeting fees	639,126	652,430	403,326	437,530
Staff termination compensation	67,500	200,000	67,500	200,000
Other long-term benefits	24,640	27,297	19,090	21,747
Total	**1,427,714**	**1,740,561**	**978,489**	**1,310,969**

Key executives number 8 persons in the current year and 9 in 2014.

On 31 December 2015, no loans had been granted to BoD members or other senior Group executives (and their families).

13.31. Number of staff employed

On 31 December 2015, the number of staff employed for the Group and the Company is as follows:

	THE GROUP 31/12/2015	31/12/2014	THE COMPANY 31/12/2015	31/12/2014
Salaried staff	578	609	496	520

13.32. Liens

The following pledges have been raised to secure loans:

1. On all shares of Singularlogic SA
2. On all shares owned by one of its subsidiaries and the proportionate dividends
3. On trade receivables using criteria laid down in the loan agreements
4. On trademarks

13.33. Contingent receivables - liabilities

The Company has contingent liabilities and receivables relating to banks, other guarantees and other issues arising in the course of its ordinary business. These are shown in the following table:

(amounts in €)	THE GROUP 31/12/2015	31/12/2014	THE COMPANY 31/12/2015	31/12/2014
Guarantees to ensure proper performance of	4,049,436	4,281,483	4,049,436	4,281,483

contracts with customers				
Advance payment guarantees	3,619,054	6,054,713	3,619,054	6,054,713
Guarantees for participation in various tender procedures	140,800	745,760	140,800	745,760
Security for loans with banks (cheques, factored contracts and invoices)	15,007,415	24,536,204	14,969,381	24,536,204
Total	**22,816,706**	**35,618,160**	**22,778,672**	**35,618,160**

The Group recommends participation in various tenders pertaining to the assumption of projects and activities. In case such participation is successful, the projects may lead to the recognition of assets in the Company's future financial statements. No further disclosures are made since the approval procedure of participation in projects is still at the stage of evaluation by the authorities and the particular projects may not be awarded.

On 31.12.2015 the company and its subsidiary have provided guarantees for the short-term borrowing of the Group's companies, which amount to €1.2 million.

Certain legal claims have been raised against the Group during previous years. Save the cases in which provisions are raised, Management believes that the claims of the litigants are not well-founded and that the likelihood of obligatory payment of compensation is remote.

13.34. Open tax periods

The accounting periods which remain open for tax purposes for Group companies are:

CORPORATE NAME	UN-AUDITED TAX YEARS
SINGULARLOGIC S.A. (absorbed)	2008-2010
SINGULARLOGIC S.A. (parent)	2010-2015
PCS	2010-2015
SINGULARLOGIC BULGARIA C.A. EOOD	2002-2015
SINGULARLOGIC ROMANIA C.A. SRL	2012-2015
METASOFT	2010-2015
SINGULARLOGIC BUSINESS SERVICES S.A.(absorbed by SingularLogic on 12.03.2012)	2010-2011
SINGULARLOGIC INTEGRATOR S.A. (absorbed by SingularLogic on 03.10.2012)	2007-2012
INFOSUPPORT	2010-2015
LOGODATA	2005-2015
SYSTEM SOFT	2010-2015
SINGULARLOGIC CYPRUS LTD	2006-2015
GIT HOLDINGS SA	2010-2015
GIT (CYPRUS) LTD	2009-2015
INFO S.A.	2010-2015
DYNACOMP S.A.	2009-2015

The Company has not been audited for years 2010-2015 while the absorbed Company "SingularLogic SA" has been audited in tax terms up to 2007 (included).

As regards years 2011-2013, the Group companies operating in Greece and subject to tax audit by certified public accountants in accordance with Article 82(5) of Law 2238/1994 received a Tax Compliance Report without giving rise to substantial differences. Cases are selected to be audited from the entities audited by statutory auditors and audit firms to verify the application of tax provisions, in accordance with the provisions of Article 26 of Law 4174/2013, as in force. Said audit may be carried out within the period in which the right of Tax Administration to issue tax assessment decisions is in effect. As regards the tax audit of the year 2014, the Group companies operating in Greece and meeting the relevant criteria to fall under the tax audit of certified public accountants provided for in Article 65A(1) of Law 4174/2013 obtained a tax compliance report without giving rise to substantial differences.

As regards the tax audit of the year 2015, the Group companies operating in Greece have fallen under the tax audit of certified public accountants provided for in Article 65A(1) of Law 4174/2013. This tax audit is underway and the relevant tax certificates are expected to be granted following publication of the financial statements for 2015. If additional tax liabilities arise until the tax audit is completed, it is estimated that they will not have any substantive effect on the financial statements.

In relation to the open tax periods cited in the table above, there is a possibility that tax fines and surcharges could be imposed when they are examined and finalised. The Company does not expect that its results and cash flows will be considerably affected when the pending tax cases will be finalised. However, on 31.12.2015 provisions have been raised for unaudited tax years which amount to €379,000 and €383,000 for the Company and the Group respectively.

14.Risk Management Purposes and Policies

The Group is exposed to financial risks including exchange rate, interest rate, credit and liquidity risks. The Group's risk management plan seeks to limit the negative impacts on Group financial results arising from inability to predict how financial markets will perform and from fluctuations in costs and sales variables.

The procedure followed is outlined below:

- assessment of risks relating to the Group's activities and functions;
- planning of the methodology and selection of adequate financial instruments for risk mitigation; and
- execution/application of the risk management procedure, in accordance with the procedure approved by Management.

The Group's financial instruments mainly consist of deposits with banks, corporate bonds and short-term bank loans, overdraft rights with banks, short-term, highly-liquid, exchange-traded financial instruments, trade debtors and creditors, loans to and from subsidiaries, investments in equities.

14.1. Foreign exchange risk

The Group mainly operates in the EU and, therefore, its exposure to the foreign exchange risk is not considerable.

Nevertheless, risk arises from commercial transactions in foreign currency and also from net investments in foreign operations, the net assets of which are exposed to foreign exchange risk (mainly in USD and the Romanian RON). The amount of these transactions is not significant and no exchange risk hedging is implemented.

The financial assets and the respective liabilities in foreign currency are broken down as follows:

Amounts in € and foreign currency	31/12/2015				31/12/2014			
	EUR	USD	GBP	Ron	EUR	USD	GBP	Ron
Notional amounts								
Financial assets	1,007,549	245,819	6,137	3,498,842	1,472,933	505,015	6,137	4,702,884
Financial liabilities	(759,844)	(292,646)	(1,676)	(2,211,136)	(935,837)	(523,203)	(1,676)	(2,253,708)
Short-term exposure	**247,705**	**(46,827)**	**4,461**	**1,287,705**	**537,096**	**(18,188)**	**4,461**	**2,449,176**

The table below presents the changes in the operating result and equity in relation to the financial assets and financial liabilities if floating rates with US Dollar (USD), Romanian Leu (Ron) and British pound sterling (GBP) vary by 10%. Sensitivity analysis is based on the financial instruments in foreign currency held by the Group for each reporting period.

Sensitivity analysis to foreign exchange changes:

Amounts in €	31/12/2015					
	USD		GBP		Ron	
Profit for the year (post-tax)	(4,301)	4,301	608	(608)	28,464	(28,464)
Equity	(4,301)	4,301	608	(608)	28,464	(28,464)

Amounts in €	31/12/2014					
	USD		GBP		Ron	
Profit for the year (post-tax)	(1,498)	1,498	573	(573)	54,635	(54,635)
Equity	(1,498)	1,498	573	(573)	54,635	(54,635)

The Group's exposure to FX risk varies during the year depending on the volume of transactions in foreign currency. Yet, the above analysis is considered representative of the Group's FX exposure.

14.2. Interest rate risk sensitivity analysis

The Group is exposed to the variation risk of future cash flows due to a change in the interest rates since it has issued corporate bonds and has obtained short-term loans at a floating rate. The Group's policy is to minimise its exposure to the interest rate cash flow risk as regards long-term financing. On 31 December 2015, the Group was exposed to variations of the interest rate market as regards bank loans, which are subject to variable interest rate (for more information, please see note 13.18 on bank loans).

The table below shows the sensitivity of operating results and equity to a reasonable change in the interest rate in the order of +/- 1% (2014: +/-1%). The interest rate changes are expected to be reasonable based on recent market conditions.

Group loans sensitivity analysis to interest rate changes:

	31/12/2015		**31/12/2014**	
Amounts in €				
Profit for the year (post-tax)	(556,359)	556,359	(573,032)	573,032
Equity	(556,359)	556,359	(573,032)	573,032

14.3. Other price risk analysis

The risk from the volatility of securities prices is deemed negligible for the Group's economic results due to its limited investments in entities.

14.4. Credit risk analysis

Group exposure to credit risk is limited to the financial assets which on 31.12.2015 are broken down as follows:

Amounts in €	**31/12/2015**	**31/12/2014**
Financial asset categories		
Cash and cash equivalents	2,587,960	3,544,323
Trade and other receivables	25,221,768	30,503,198
Total	**27,809,728**	**34,047,521**

In relation to trade and other receivables, the Group is not exposed to highly important credit risks. Group receivables derive from a large, wide customer base. The Group constantly monitors its receivables individually or per group and includes that information in credit controls. Where available, external reports or analyses on customers are used. Group policy is to collaborate with reliable customers only.

On 31.12.2015 Group Management assesses that there is no substantial credit risk which is not already covered by provisions for bad debts. The credit risk for cash and cash equivalents is deemed negligible given that the Group collaborates with recognised financial institutions of high credit rating.

14.5. Liquidity risk analysis

The Group manages its liquidity needs by carefully monitoring its debts, long-term and short-term financial liabilities and also the payments made daily. Liquidity requirements are monitored in various time zones on a daily and weekly basis and on a rolling 30-day basis. Long-term liquidity requirements for the 6 months ahead and the following year are calculated each month.

The maturity of financial liabilities on 31 December 2015 for the Group is broken down as follows:

	31/12/2015			
	Short-term		**Long-term**	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**Over 5 years**
Amounts in €				
Bonds payable next year	321,106	317,775	52,327,323	-
Finance lease obligations	-	2,493	12,733	-
Trade liabilities	2,167,795	2,754,457	-	-
Other short-term liabilities	11,916,944	8,609,361	-	-
Short-term borrowing	2,654,502	-	-	-
	17,060,347	**11,684,086**	**52,340,056**	**0**

	31/12/2014			
	Short-term		**Long-term**	
	Within 6 months	**6 to 12 months**	**1 to 5 years**	**Over 5 years**
Amounts in €				
Bonds payable next year	53,628,000	-	-	-
Finance lease obligations	-	-	-	-
Trade liabilities	3,665,174	3,230,013	-	-
Other short-term liabilities	11,933,648	8,516,522	-	-
Short-term borrowing	3,675,198	-	-	-
	72,902,019	**11,746,535**	**0**	**0**

Following refinancing, corporate bonds were recognised at amortised cost in accordance with the provisions of IAS 39 and on 31.12.2015 the balance amounts to €52,966,204 of which the amount of €52,327,323 concerns long-term liabilities maturing on 31.01.2018. Refinancing resulted directly in the restoration of the liquidity ratio.

14.6. Presentation of financial assets and liabilities per category

The financial assets and financial liabilities on the date of the financial statements may be categorised as follows:

	THE GROUP		THE COMPANY	
Amounts in €	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Non-current assets				
Loans and receivables	488,870	410,645	483,205	404,961
Available-for-sale financial assets	59,932	59,932	59,932	59,932
Total	**548,802**	**470,577**	**543,137**	**464,893**
Current assets				
Assets presented at fair value through P&L	3,192,379	0	3,192,379	0
Trade and other receivables	25,221,768	30,503,198	24,983,523	28,978,780
Cash and cash equivalents	2,587,960	3,544,323	611,630	1,876,153
Total	**31,002,107**	**34,047,521**	**28,787,532**	**30,854,933**
Long-term liabilities				
Borrowing	52,340,056	0	52,327,322	0
Total	**52,340,056**	**0**	**52,327,322**	**0**
Short-term liabilities				
Borrowing	3,295,877	57,303,198	2,070,899	56,060,018
Financial liabilities	4,922,252	6,895,186	4,522,311	6,623,503
Other financial liabilities	18,976,040	20,355,461	17,464,577	18,795,144
Total	**27,194,168**	**84,553,845**	**24,057,786**	**81,478,665**

14.7. Disclosures about IFRS 7 "Improvements to Financial Instruments: Disclosures»

The Group uses the following hierarchy to determine and disclose the fair value of financial instruments per valuation technique:

Level 1: quoted prices on active markets for similar assets or liabilities.

Level 2: valuation techniques for which all inputs having a significant effect on the recorded fair value are directly or indirectly observable.

Level 3: techniques using inflows that have a significant effect on the recorded fair value and are not based on observable market data.

Analysis of financial instruments levels

The table below presents the classification in levels of the financial assets and financial liabilities measured at fair value on a recurrent basis on 31.12.2015 and 31.12.2014.

2015 Financial assets	Measurement at fair value at the end of the reporting period using:			
Amounts in €	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
- Shares	-	-	-	-
- Mutual funds	3,192,379	-	-	3,192,379
- Bonds	-	-	-	-
-Derivatives	-	-	-	-
Trading portfolio financial assets				-
-Equity instruments of unlisted companies	-	-	59,932	59,932
Total financial assets	**3,192,379**	**-**	**59,932**	**3,252,311**
Net fair value	**3,192,379**	**-**	**59,932**	**3,252,311**

2014 Financial assets	Measurement at fair value at the end of the reporting period using:			
Amounts in €	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
-Shares	-	-	-	-
-Mutual funds	-	-	-	-
- Bonds	-	-	-	-
-Derivatives	-	-	-	-
Trading portfolio financial assets				
-Equity instruments of unlisted companies	-	-	59,932	59,932
Total financial assets	**-**	**-**	**59,932**	**59,932**
Net fair value	**-**	**-**	**59,932**	**59,932**

14.8. Capital management policies and procedures

Group capital management objectives are as follows:

- to ensure the Group's ability to continue its operations as a going concern, and
- to ensure satisfactory performance for the shareholders by invoicing products and services proportionately to the risk level.

The Group monitors capital based on the amount of shareholder's equity plus subordinated debts less cash and cash equivalents as presented in the Statement of Financial Position. Capital for the period is broken down as follows:

	31/12/2015	31/12/2014
Amounts in €		
Loans	55,635,933	57,303,198
Less: Cash and cash equivalents	(2,587,960)	(3,544,323)
Net borrowing	**53,047,973**	**53,758,874**
Total equity	28,506,361	27,154,307
Net Borrowing to Equity	**1.86**	**2.0**

15. Events after the reporting period

During the meeting of the Board of Directors on 26.02.2016, SingularLogic SA decided to take part in the share capital increase of SENSE ONE TECHNOLOGIES SA – IT, TELECOM AND ENERGY SOLUTIONS (trade name: SENSE ONE TECHNOLOGIES SA), which is engaged in the production of "Internet of Things" software, laying emphasis on design, research, deployment of automation advanced software, measurements and interventions to attain optimum energy efficiency of all types of buildings, and in services to energy distributors, distribution network operators, energy retail companies and end consumers. Specifically, the increase concerns the total amount of €501,270 and corresponds to the acquisition of 32,550 shares with a nominal value of €15 out of a total of 63,830 shares, namely a 50.99% shareholding.

Nea Ionia, 21 March 2016

THE CHAIRMAN	THE MANAGING DIRECTOR	CHIEF ACCOUNTANT
MICHAIL KARIOTOGLOU	STAVROS KRASADAKIS	APHRODITE PYRGIOTAKI
ID Card No. AB 287337	ID Card No. AE 626245	ID Card No. X046755, Licence No/ Greek ICPA, CLASS A 0004664