ABC FACTORS

ANNUAL REPORT 2012

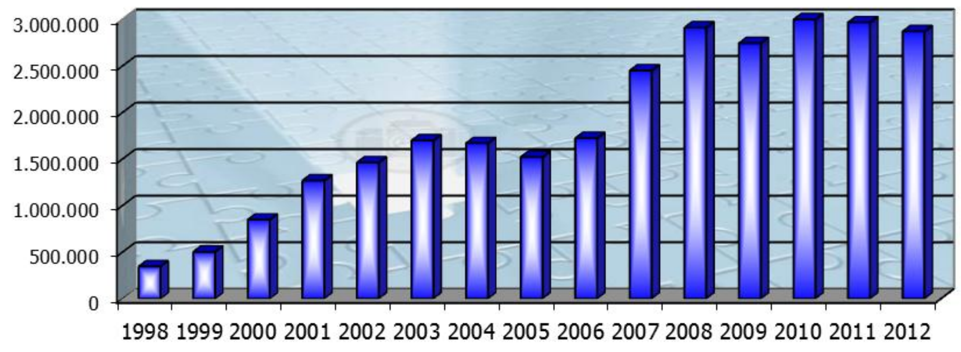
Athens,
May 2012

Contents

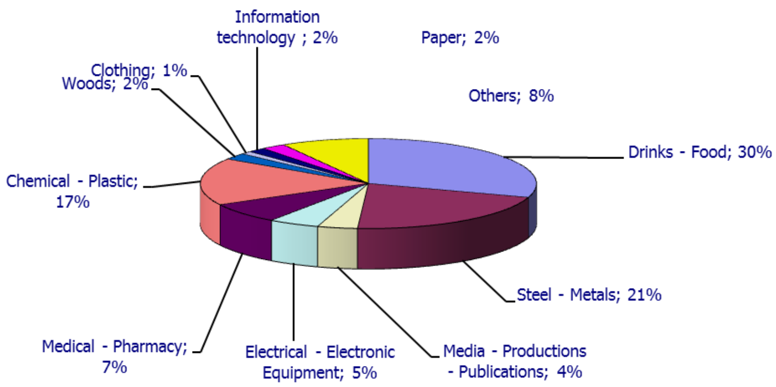
1. FINANCIAL HIGHLIGHTS

FIXED ASSETS	0,68	0,62
ADVANCES TO CUSTOMERS	410,25	433,88
SHARE CAPITAL – RESERVES – SUBORDINATED DEBT	116,62	102,04
DUE TO CUSTOMERS	2,42	6,26
DUE TO BANKS	9,61	4,75
BOND ISSUE	275	315,07
TOTAL INCOME	24,01	21,94
TOTAL EXPENSES	3,61	3,75
IMPAIRMENT LOSSES ON ADVANCES	2,18	1,8
PROFITS BEFORE TAXES	18,22	16,4
PROFITS AFTER TAXES	14,58	13,12

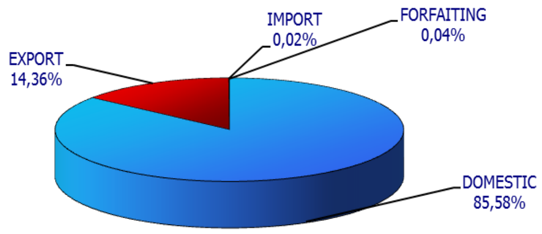
TURNOVER



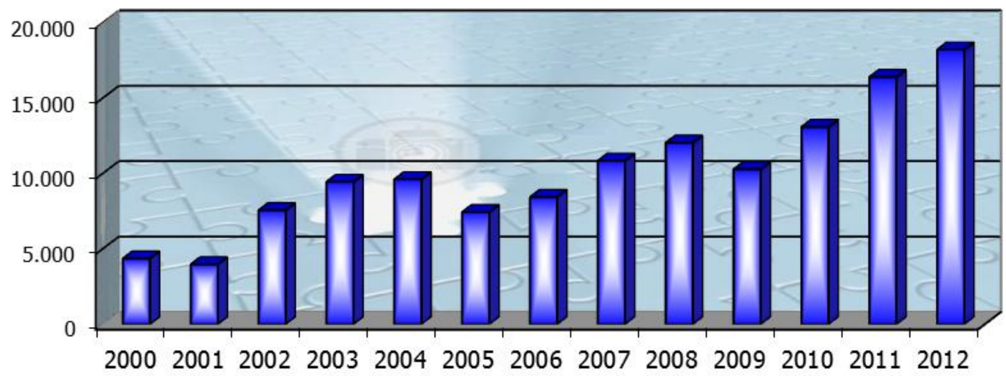
TURNOVER 2012 BY INDUSTRIAL SECTOR



TURNOVER 2012



PROFIT BEFORE TAXES



2. THE BOARD OF DIRECTORS

CHAIRMAN

Artemis C. Theodoridis

VICE CHAIRMAN

Panayotis K. Drosos

MANAGING DIRECTOR

Maria M. Raikou

MEMBERS

Athanassios A. Gatsis

Panayotis K. Kamarinopoulos

Ioannis G. Mourgelas

Athanassios K. Sakellarakis

3.1 AUDITOR'S REPORT

SOL s.a.
CERTIFIED PUBLIC ACCOUNTANTS - AUDITORS

Independent Auditors' Report

(Translated from the original in Greek)

To the Shareholders of
ABC FACTORS A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of ABC FACTORS A.E. (the "Company") which comprise of the balance sheet as at 31 December 2012, and income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards, which have been adopted by the European Union. This responsibility includes: designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying Financial Statements give a true and fair view, of the financial position of the Company as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Director's report is consistent with the accompanying Financial Statements.

Athens, 6 March 2013

SOL Certified Public Accountants- Auditors S.A.

Athanasios A. Tsaggalis
Certified Auditor Accountant, AM SOEL 30631

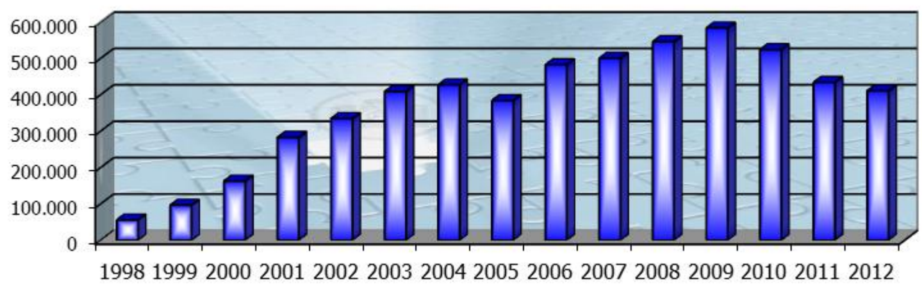
3.2 INCOME STATEMENT

	Note	*Amounts in €* From 1st January to 31.12.2012	31.12.2011
Interest and similar income	6	23.504.727,91	26.251.515,32
Interest expense and similar charges		(4.803.575,10)	(8.718.503,49)
Net interest income		18.701.152,81	17.533.011,83
Fees and commissions income	6	10.014.217,68	9.467.360,01
Commissions expense		(4.649.176,10)	(5.110.441,89)
Net commission income		5.365.041,58	4.356.918,12
Gains less losses on financial transactions		(109.233,94)	4.759,52
Other income		54.969,92	48.838,61
		(54.264,02)	53.598,13
Total Income		**24.011.930,37**	**21.943.528,08**
Staff costs		(2.721.195,97)	(2.840.972,10)
General administrative expenses		(796.438,63)	(856.663,90)
Depreciation and amortization expenses		(93.648,24)	(49.112,74)
Total Expenses	**7**	**(3.611.282,84)**	**(3.746.748,74)**
Impairement losses on advances (Recoveries)		(2.178.329,45)	(1.796.373,29)
Profit before tax	**8**	**18.222.318,08**	**16.400.406,05**
Income tax expense		(3.640.711,64)	(3.279.761,39)
Profit after tax		**14.581.606,44**	**13.120.644,66**
Earnings per share			
Basic and diluted earnings per share (€)		10,67	9,60

3.3 BALANCE SHEET AS AT 31.12.2012

	Note	31.12.2012	31.12.2011
		Amounts in €	
ASSETS			
Cash and cash equivalent		447,11	1.408,47
Due from banks		1.065.376,84	3.309.333,00
Advances to customers	2	408.215.084,37	431.368.110,13
Tangible assets	3	133.501,46	153.130,12
Intangible assets	4	549.759,98	464.631,48
Deffered tax assets		73.174,10	86.702,72
Other assets		2.795.981,86	2.240.734,64
Total Assets		**412.833.325,72**	**437.624.050,56**
LIABILITIES			
Due to banks		9.613.130,99	4.750.009,39
Due to customers	5	2.422.120,44	6.257.906,22
Bond issue		300.009.606,00	340.069.346,67
Liabilities for current income tax and other taxes		3.979.399,63	3.509.600,12
Deffered tax liabilities		3.292.419,06	3.157.802,59
Employee defined benefit obligations		319.670,49	356.513,47
Other liabilities		1.576.126,15	2.483.625,58
Total Liabilities		**321.212.472,76**	**360.584.804,04**
EQUITY			
Share Capital		41.000.010,00	41.000.010,00
Share premium		64.746,88	64.746,88
Reserves		4.417.858,25	3.761.826,02
Retained earnings		46.138.237,83	32.212.663,62
Total Equity		**91.620.852,96**	**77.039.246,52**
Total Liabilities and Equity		**412.833.325,72**	**437.624.050,56**

Advances to customers



3.4 STATEMENTS OF CHANGES IN EQUITY

Amounts in €	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2011	**41.000.010,00**	**64.746,88**	**3.314.424,21**	**19.539.420,77**	**63.918.601,86**
Changes in equity for the period 1.1-31.12.2011					
Reserves appropriation	-	-	447.401,81	(447.401,81)	-
Profit for the period	-	-	-	13.120.644,66	13.120.644,66
Balance 31.12.2011	**41.000.010,00**	**64.746,88**	**3.761.826,02**	**32.212.663,62**	**77.039.246,52**
Balance 1.1.2012	**41.000.010,00**	**64.746,88**	**3.761.826,02**	**32.212.663,62**	**77.039.246,52**
Changes in equity for the period 1.1-31.12.2012					
Reserves appropriation	-	-	656.032,23	(656.032,23)	-
Profit for the period	-	-	-	14.581.606,44	14.581.606,44
Balance 31.12.2012	**41.000.010,00**	**64.746,88**	**4.417.858,25**	**46.138.237,83**	**91.620.852,96**

3.5 CASH FLOW STATEMENT

	Amounts in € From 1 January to 31.12.2012	31.12.2011
Cash flows from operating activities	42.631.044,82	10.779.860,49
Cash flows from investing activities	(159.148,08)	(229.312,99)
Cash flows from financing activities	(44.713.673,38)	(7.564.879,43)
Net increase (decrease) in cash and cash equivalents	**(2.241.776,64)**	**2.985.668,07**
Effect of exchange rate fluctuations on cash and cash equivalents	(3.140,88)	4.759,52
Total Cash flows for the period	**(2.244.917,52)**	**2.990.427,59**
Cash and cash equivalents at beginning of the period	**3.310.741,47**	**320.313,88**
Cash and cash equivalents at end of the period	**1.065.823,95**	**3.310.741,47**

3.6 BASIC ACCOUNTING PRACTICES

1. Accounting principles applied

1.1 Basis of presentation

These financial statements relate to the fiscal year from January 1, 2012 to December 31, 2012 and they are prepared in accordance with International Financial Reporting Standards (I.F.R.S.), as adopted by the European Union with Regulation 1606/2002 of the European Parliament and the Council of the European Union on July 19, 2002.

1.2 Foreign currency transactions

The financial statements are presented in Euro, which is the currency of the country of incorporation of ABC FACTORS (functional currency).

Transactions in foreign currencies are translated to Euro at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Euro at the closing exchange rate on that date. Foreign exchange differences arising on translation are recognized in the income statement.

1.3 Financial instruments

Financial assets and liabilities in the balance sheet include cash, advances to customers, short and long term liabilities.

Financial instruments are classified as assets or liabilities according to the nature and the contents of the relevant agreements that have derived from.

1.4 Impairment losses on advances to customers

ABC FACTORS S.A. has assessed as at 1.12.2003, and at each balance sheet date, whether there is evidence of impairment in accordance with the general principles and methodology set out in IAS 39 and the relevant implementation guidance.

1.5 Deferred taxation

Deferred taxation is the tax that will be paid or for which relief will be obtained in the future resulting from the different period that certain items are recognized for financial reporting and tax purposes.
Deferred tax is provided for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

1.6 Tangible Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the costs relating to the acquisition of the assets.

Subsequent expenditure is capitalized or recognized as separate asset only when it increases the future economic benefits.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of any item.

The estimated useful lives are as follows:
- Additions to leased fixed assets and improvements: over the term of the lease 33 years.
- Equipment: 4 to 15 years

The residual value of the fixed assets and their useful lives are reviewed and adjusted, if necessary, at each reporting date.

Tangible fixed assets which are considered impaired are carries at their recoverable amount. Gains and losses arising from the sale of assets are recognized in the income statement.

1.7 Intangible Assets

In this caption the company has included mainly software, which is carried at cost less amortization. Amortization is charged over the estimated useful life, which the company has estimated is 4 years. For intangible assets no residual value is estimated.

1.8 Employee defined benefit obligations

In accordance with Greek labor law, employees are entitled to compensation payments in case of dismissal or retirement with the amount of payment varying in relation to the employee's compensation, length of service and manner of termination (dismissed or retired). Employees, who resign or are dismissed with cause, are not entitled to termination payments. The amount payable in case of retirement is equal to 40% of the amount which would be payable upon dismissal without cause. The above liability is calculated by a qualified actuary using the projected unit credit method.

3.7 NOTES TO THE ACCOUNTS

1. The 1st financial year was from 17.01.95 to 31.12.96.

2. Advances to customers :

Advances to customers amounted to EURO: 408,22 millions on 31/12/12, compared to EURO: 431,37 millions on 31/12/11 and are allocated to various sectors of the economy as shown is the following table :

	2012 €('000)	2011 €('000)
Advances to customers	410.253,81	433.876,07
Provision for impairment losses	(2.038,73)	(2.507,96)
Total	**408.215,08**	**431.368,11**

3. Tangible Assets

	2012 €('000)	2011 €('000)
Fixed Assets at cost	1.195,79	1.175,73
Less Depreciation	(1.062,29)	(1.022,60)
Net Fixed Assets	**133,50**	**153,13**

The total fixed assets are allocated as follows :

	2012	2011
EDP equipment	57%	56%
Other	43%	44%

4. Intangible Assets

The Intangible Fixed Assets comprise of:

	2012 €('000)	2011 €('000)
Software	1.078,89	939,80
Less Depreciation	(529,13)	(475,17)
Net Fixed Assets	**549,76**	**464,63**

5. Due to customers

Due to customers amounted to EURO: 2,42 millions for 2012 compared to EURO:6,26 millions for 2011 and represent total amounts owed to clients due to purchased factored debts.

6. Interest and Commission

Income represents the invoiced amount of service commissions and discount charged during the period, net of value added tax.

7. Total Expenses

Total Expenses amounted to EURO 3,61 millions for 2012 compared to EURO 3,75 millions for 2011 and are analysed as follows:

	2012 €('000)	2011 €('000)
Staff costs	2.721,20	2.840,97
Rent of buildings	97,91	97,91
Rent and maintenance of EDP equipment	50,06	63,42
Other	648,47	695,34
Depreciation and amortization expenses	93,65	49,11
Total	**3.611,29**	**3.746,75**

The number of employees in 2012 decreased to 82 (2011: 83).

8. Profit before Tax

After deducting total revenue amounted to EURO 24,01 million from total expenses amounted to EURO 4,79 million, net profit for 2012 amounts to EURO 18,22 million.