PRESS RELEASE REGARDING FY 2014 GROUP FINANCIAL RESULTS

Throughout 2014, and especially in the second quarter, recovery in the Eurozone remained anaemic. The Greek market, after almost six years of depression, exhibited signs of stabilisation. In contrast the economy of the U.S. showed further signs of improvement, a fact that the Group exploited increasing its presence in this market.

In this challenging environment, consolidated turnover in 2014 amounted to EUR 1,080 million against EUR 1,102 million in 2013, a decrease of 2.0%. The decrease was due to the decline in the price of copper in comparison to the previous year, but also due to the reduced conversion prices in certain product categories. On the contrary the volume of sales marked a significant increase of 6.7% with most product categories showing an increase, except copper bus bars, the sales of which were on a decline as a result of the stagnation of demand for the specific products and the resulting increased competition.

In the end of the year, the Company and the Group, in order to reflect better the real values of their assets, decided to change the policy of valuation of land, buildings and machinery. From the valuation, significant positive revaluation values occurred, which amounted to EUR 163.1 million for the Group and EUR 55.1 million for the mother Company, and affected Equity directly, but also devaluations of 23.4 million for the Group and EUR 10.8 million for the mother Company which affected results. The total net effect on Equity (directly or through results), after calculating the related deferred tax, reached EUR 113.6 million for the Group and EUR 32.8 million for the Company.

Consolidated gross profit rose by 81.0% and amounted to EUR 29.9 million versus EUR 16.5 million in 2013. The increase was primarily due to an improvement in the result of metal, which amounted to a loss of EUR11.0 million versus a loss of EUR 20.4 million in 2013, from the valuation of the basic operating stock of all productive companies of the Group as a result of the drop in copper price. Consolidated earnings before taxes, depreciation and amortization (EBITDA) without the effect of the devaluation of assets amounted in 2014 to EUR 18.2 million versus EUR 6.7 million in the previous year, marking an increase by 171.8%, and after the effect of the devaluation to losses of EUR 5.2 million, while earnings before interest and taxes

(EBIT) amounted to losses of EUR 28.8 million versus losses of EUR 15.6 million in the previous year. Consolidated results (profit / loss before taxes) amounted to losses of EUR 73.0 million in 2014 compared to losses of EUR 53.6 million in 2013. Finally, losses after tax and minority interests amounted to EUR 51.2 million or EUR -0.5059 per share compared to losses of EUR 58 million or EUR-0.5725 per share in 2013, while without the effect of the devaluation of assets they would have been EUR 14.8 million lower, at EUR 36.4 million.

Results of the mother Company were significantly improved, as earnings before taxes, depreciation and amortization (EBITDA) without the devaluation of assets amounted in 2014 to EUR 11.8 million versus EUR 2.1 million in the prior year, and to EUR 1.0 million after the devaluation. Out of this improvement, EUR 4.9 million is due to improvement of the metal result, while EUR 4.8 million is due to improvement of organic profitability. Results after taxes amounted in 2014 to losses of EUR16.1 million, out of which about EUR 8 million were due to the devaluation of assets, versus losses of EUR 28.5 million in 2013.

In the Eurozone, the modest Growth of the economy intensified competitive pressures and negatively affected conversion prices in most of the products of the Group. Contrary to that, continued improvement of economic conditions in the United States and the United Kingdom led to increased sales and better margins. Demand for installation products was especially depressed while demand for industrial products showed signs of stabilisation, after a drop in 2013, and as a result the Group increased sales of such products. As for the cables, increased competition and the temporary postponement of important projects in Greece and abroad involving high value added products negatively affected the profitability of Hellenic Cables. Only during the fourth quarter, and after the signing of important contracts, did production and invoicing of submarine cables, for big projects that the subsidiary took over, start.

As regards cost, the decreases in prices of energy in conjunction with the optimisation of procedures in production let to a further decrease in production cost and helped in bolstering the competitiveness of Group products abroad. However, the high cost of financing continued to negatively affect the profitability of the Group versus our main competitors.

In 2014, the Halcor Group carried out total investments of EUR 45.8 million, of which EUR 31.1 million related to the Hellenic Cables Group for the completion of investment program for production of high voltage submarine cables. Following the successful roll out of the investment plan, Hellenic Cables is now one of the very few cable manufacturers worldwide able to produce high voltage submarine cables.

The strengthening of the Global economy, in conjunction with the quantitative easing announced by the ECB in the beginning of the year, justifies a modest optimism for 2015. The further improvement of the US economy and the strength of the Dollar is going to help exports and competitiveness of the Group's products even further, while a positive effect is also expected out of the reduction in oil prices. Finally, the projects already taken over in the cables sector and the capabilities of our subsidiary bring on an even higher optimism for the improvement of the profitability of the Group.

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The data and information for the period 1.1.2014 - 31.12.2014 together with the Annual Financial Report for the same period will be posted on the Company's website at the address www.halcor.gr *and the website of the ASE* www.helex.gr*.*

Friday, March 13, 2015