



eco
elastika 

ANNUAL REPORT

2012

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Georgios BOULOUKOS, President & CEO



Dear Colleagues, Dear Friends,

It is great pleasure for me, to present the first Annual Report of Ecoelastika with key objective to further enhance communication between members, partners and friends.

Through these pages, I hope you will find all useful information on the work provided by Ecoelastika in the past year, the targets set from the beginning, and also its actions in the research and scientific field.

Ecoelastika, in eight years of operation, boasts a wide service network that is now covering the entire Greek territory with a high rate of used tires collection. In the past year Ecoelastika numbered two hundred contracted tire and vehicle importers and thirty transfer and recovery of used tires collaborators, approximately.

Both me and the rest of Ecoelastika people always remain at your disposal for any subject may contribute to the goals of the system and promote environmentally sound management of used tires in our country.

Enjoy your reading

Georgios MAVRIAS, General Manager



The year 2012 was a difficult one for Ecoelastika because the first indications at the end of the first quarter were particularly alarming:

As a paradox, we managed a larger number of used tires by 27%, compared to the corresponding number of new tires declared by the responsible importers as entered product in the Greek market, during the same time period. This fact incurred problems, initially, in the management of End of Life Tires by Ecoelastika as the company did not have the necessary financial resources to carry out its work.

In an effort to mitigate the problem Ecoelastika moved to the following directions:

1. Proceeded to random control of reports of the obliged importers carried out by certified auditors.
2. Automated and improved control of all stages that compose the puzzle of used tires managing starting from the orders given by the collection points to Ecoelastika, up to and including the sale of finished products and by-products resulting from the mechanical treatment of used tires.
3. Improved cooperation agreements with tire owners providing all possible source scenarios of used tires which Ecoelastika is called to manage, aiming to manage, almost, but not exceeding 100% of incoming new tires in Greece.

The valuation of 2012 was ultimately positive, considering that the rate of management of used tires amounted to 97%, the company did not presented a loss but created a small reserve with which we intend, in 2013, to further reduce historical tire stockpiles created in previous years of Ecoelastika operation.

Highlights 2012

January 2012 - March 2012

- ① Ecoelastika collected and managed 27% more ELT's compared to the total declarations (by tires and vehicles importers).

April 2012 - June 2012

- ① Intensified checks in primary collection by collectors / Informing of dealers quarterly on quantities they are delivering to the system.
- ② Increase in energy recovery in Attica region.
- ③ Lack of ELT's in the recycling units of Northern Greece.

October 2012 - December 2012

- ① Audits, by certified auditors, to obliged tire importers for accuracy of their declarations to Ecoelastika.
- ② Online (web) ordering design for dealers and implementation in 2013.

July 2012 - September 2012

- ① Completion of ordering system.
- ② Systemization of control mechanisms through the automated weighing and control system to minimize the possibility of falsifying data.
- ③ Agreement with the Cement production company Titan Zlatna, Bulgaria, to receive the stored quantities of ELT's from the company "CHR. KAIRIDIS & SONS" in Yannitsa, Pella, to energy recovery.





Declarations of new tires for 2012

Importers (tire - vehicle) who have signed a cooperation agreement with Ecoelastika declare quarterly sales per tire class and pay to Ecoelastika their respective financial contributions.

Based on the declared information of the obliged importers result the quantities of new tires entered in the Greek market in 2012 according to the following table.



Table: Details of sales of new tires in 2012

	Tires Category A	Tires Category B	Tires Category C
Tire Importers	2,639,126	130,565	383,082
Vehicle Importers	355,394	6,418	100,535
TOTAL	2,994,520	136,983	483,617

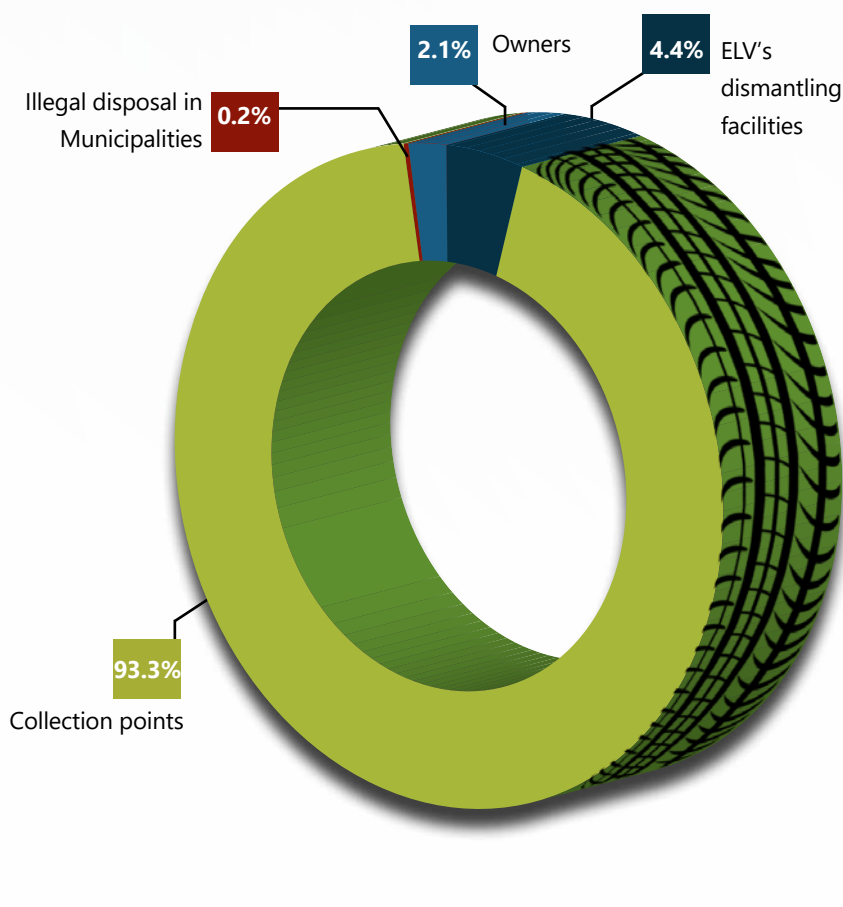
Collection of used tires by region

Since September 2006 Ecoelastika serves the entire Greek territory by collecting used tires from 3000 approximately collection points (dealers).

Additionally, Ecoelastika collects End of Life Tires (ELT' s) both from owners (public, private sector) and ELV (End of Life Vehicles) dismantling sites, under specific terms described in cooperation agreements with tires owners and vehicle dismantling businesses with the system.

During 2012 Ecoelastika collected a total of 31,000 tons of ELT's.

The origin of collected used tyres is discussed below:



The geographical distribution of collected amounts of ELT's is proportional to the density of population in these areas. The ratio of passenger vehicles / trucks vehicles tires depends on the economic activity of an area.



A' & B' quarter Problem

Collection of additional quantities compared to the declared

After the first quarter of 2012 and for the first time since the commencement of the Ecoelastika system, resulted negative difference between the quantities of new tires declared in the system and the quantities of ELT's that were collected respectively.

After a thorough audit by Ecoelastika based on the available to the Company market data of the tires was revealed that the amounts collected from collection points during the first quarter of 2012 were not deviated from the capacity of the Greek market during that time.

Consequently, the cause of this remarkable difference between the declarations of new tires entered in the Greek market and the amounts collected by the system as used tires during the first quarter of 2012, was declaration of significantly smaller quantities of new tires by the obliged tire and vehicle importer parties in comparison with the real quantities. This contribution evasion had severe impact on the financial results for the first quarter 2012 of the system and in particular has given rise to substantial deficit despite the new increased environmental fees valid from 01/01/2012.

This situation continued in the second quarter of 2012 at a narrower difference between declarations of new tires and managed quantities of ELT's so that Ecoelastika proceeded to a series of operations in order to continue to function serving as best as possible the task of collecting and processing end-of-life tires however not allowing the percentage of management to exceed 100% of the tires that, as declared by the obliged parties, are entering the Greek market. These operations were:

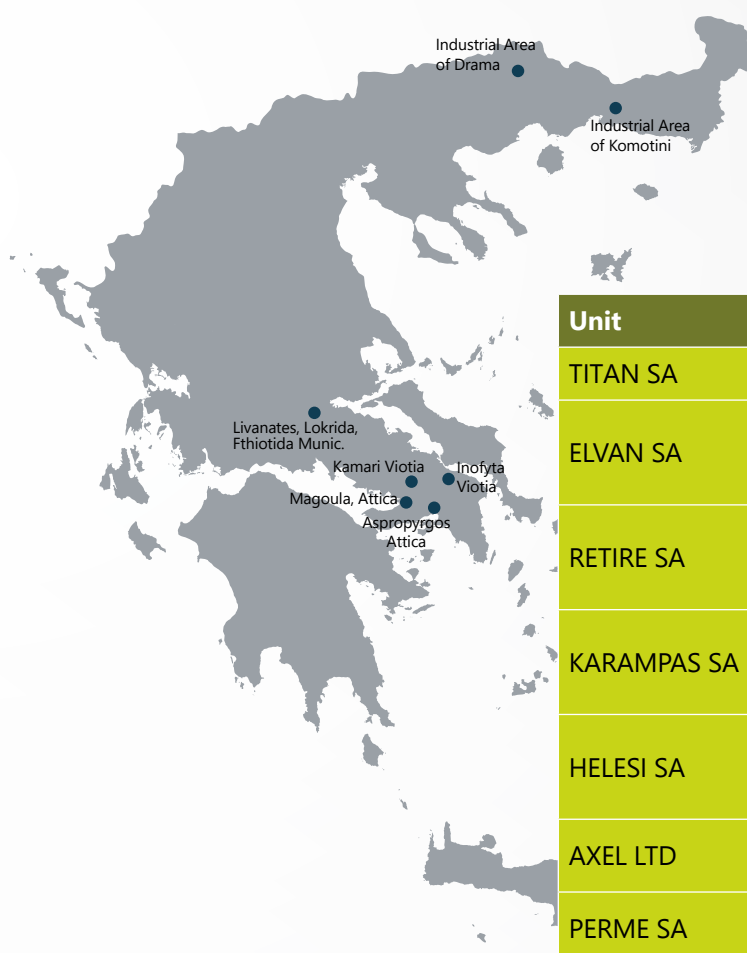
1. Sample checks on the declarations of the obliged tire importers through certified auditors.
2. Increased controls on the movement of ELT's at all stages comprising it (collection, transport and recovery) via optimization of the automatic control system from Ecoelastika and the mobilization of external auditors.
3. Improvement of cooperation agreements with tires owners in order to reduce until elimination the likelihood of Ecoelastika managing quantities of ELT's for which the provided by legislation environmental fees have not been previously paid.

Final Utilization of used tires

a) Siting of recovery units

In Greece currently operate seven (7) units of final recovery of used tires.

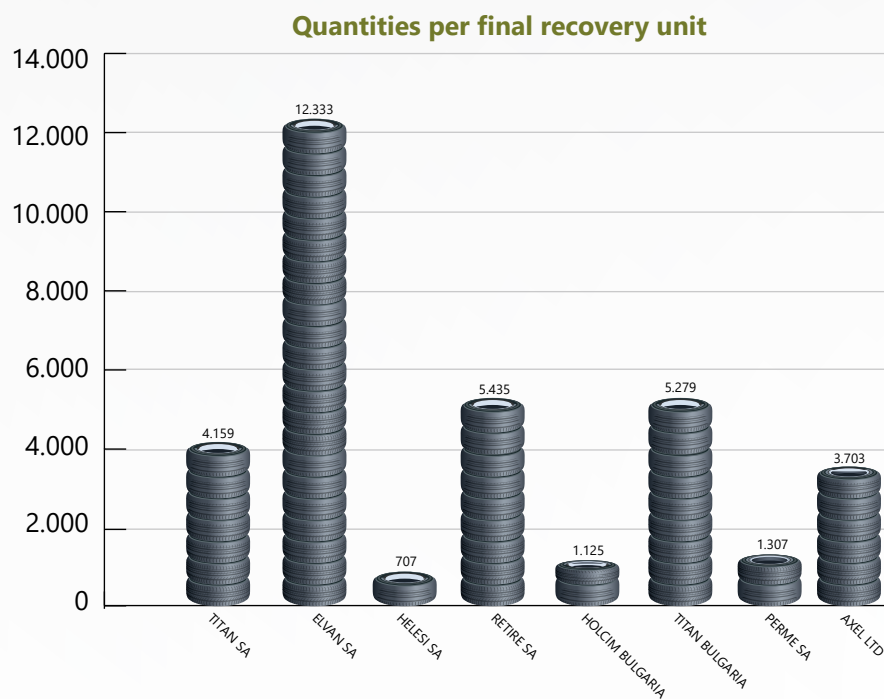
- In one (1) unit (cement industry in Viotia) energy recovery of whole used tires is made.
- In four (4) units, mechanical shredding, separation and granulation of ELT's is performed to produce crumb rubber for various uses (technical applications) or production of secondary fuel TDF (tire derived fuel) to energy recovery. In 2013 a fifth recovery unit also will be re-operating.
- In two (2) units, simple shredding of used tires is made to produce TDF for energy recovery.



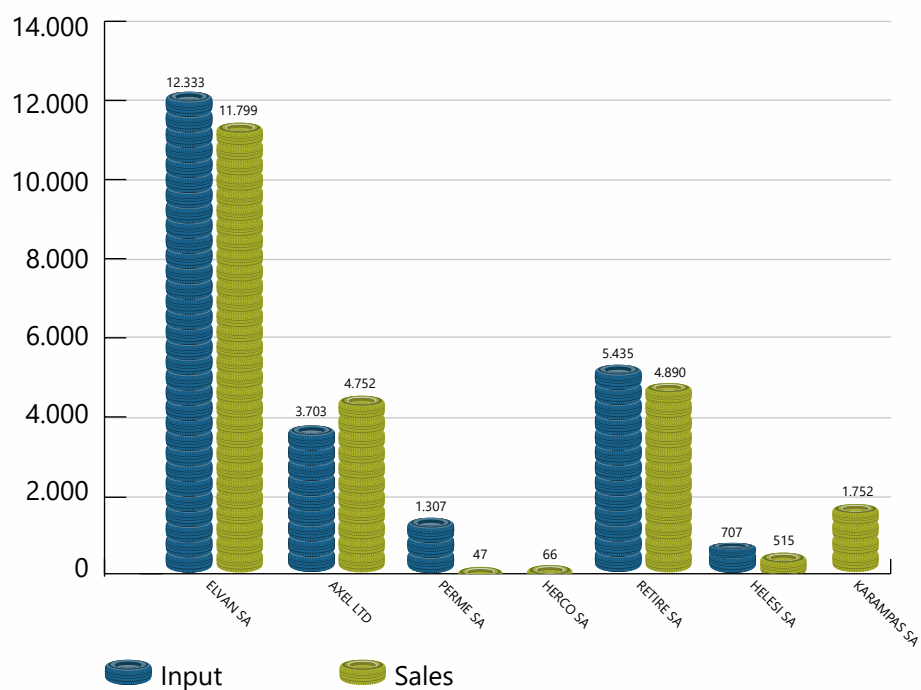
Additionally, export of whole ELT's is made from Northern Greece to cement plants in neighboring Bulgaria for energy recovery.

Unit	Area	Management type
TITAN SA	Kamari Viotia	Energy recovery
ELVAN SA	Aspropyrgos Attica	Production of crumb rubber and secondary fuel (TDF)
RETIRE SA	Industrial Area of Drama	Production of crumb rubber and secondary fuel (TDF)
KARAMPAS SA	Livanates, Lokrida, Fthiotida Munic.	Production of crumb rubber and secondary fuel (TDF)
HELESI SA	Industrial Area of Komotini	Production of crumb rubber and finished products
AXEL LTD	Magoula, Attica	Production of secondary fuel (TDF)
PERME SA	Inofyta Viotia	Production of secondary fuel (TDF)

b) Quantities managed by recovery units



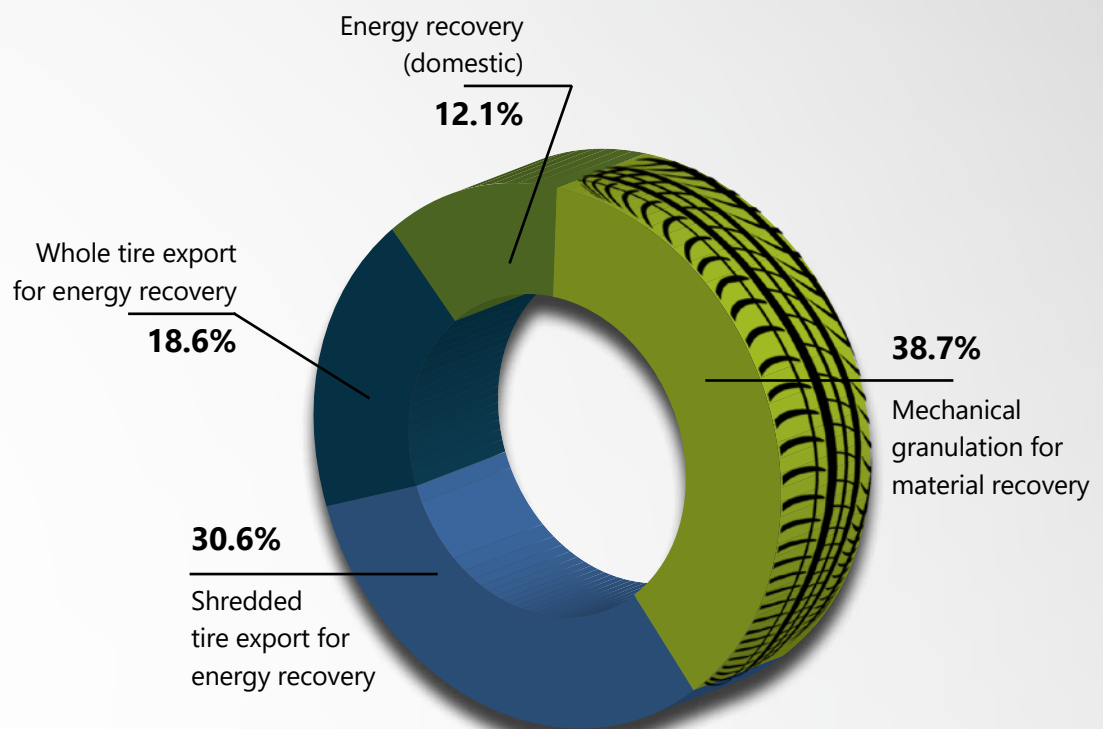
Comparison between input (in whole tires) by recovery units and sales of final products and byproducts (crumb rubber, rubber shreds, textiles, metals, etc.)



Recycling / Energy Recovery

c) End-use products

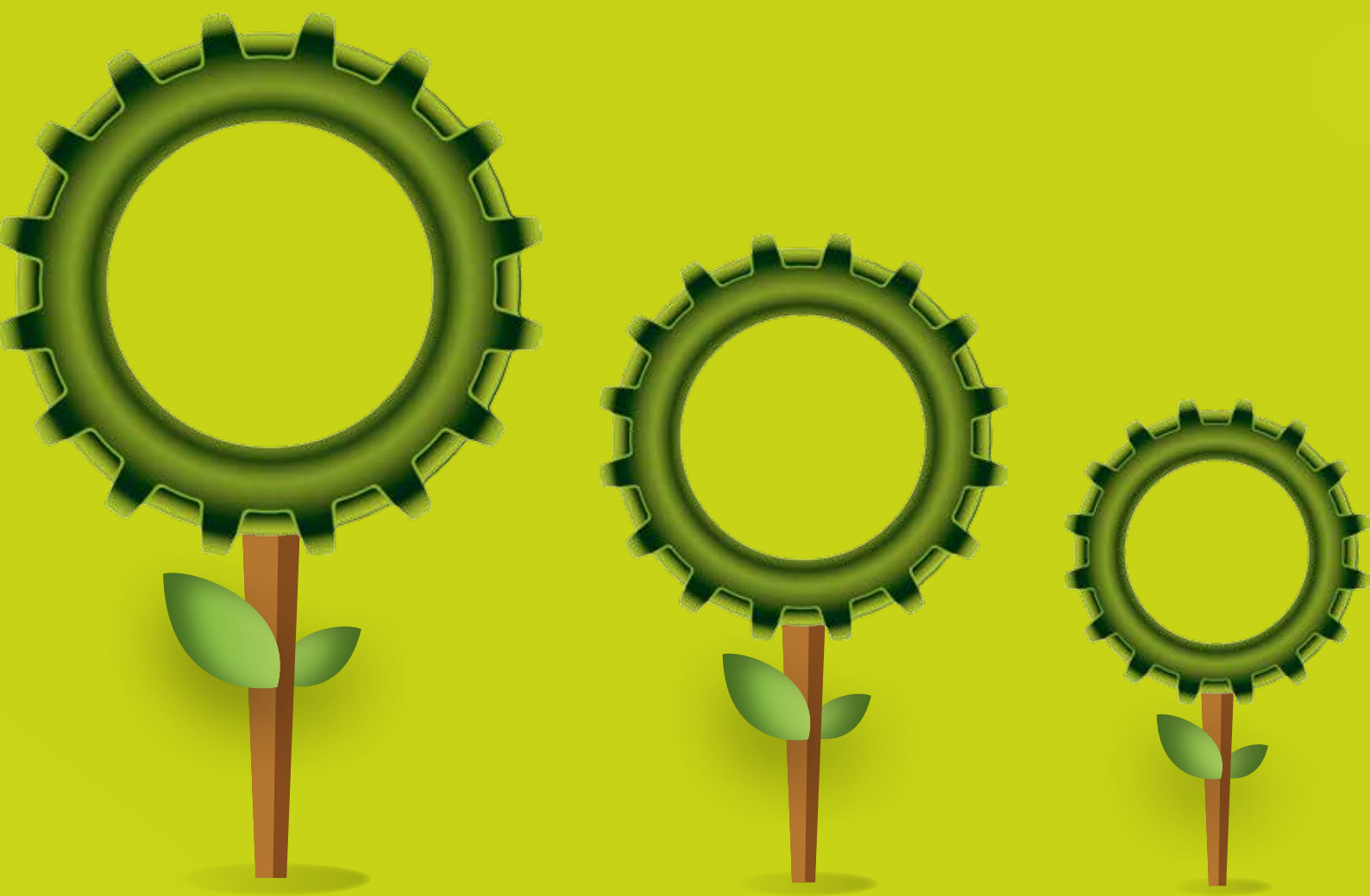
From a 38.7% of the total ELT's managed by the system in 2012 were produced finished products used in final applications ("recycling"), while the remaining 61.3% was used as secondary fuel (whole or shredded tires) in energy intensive industries in Greece and abroad.

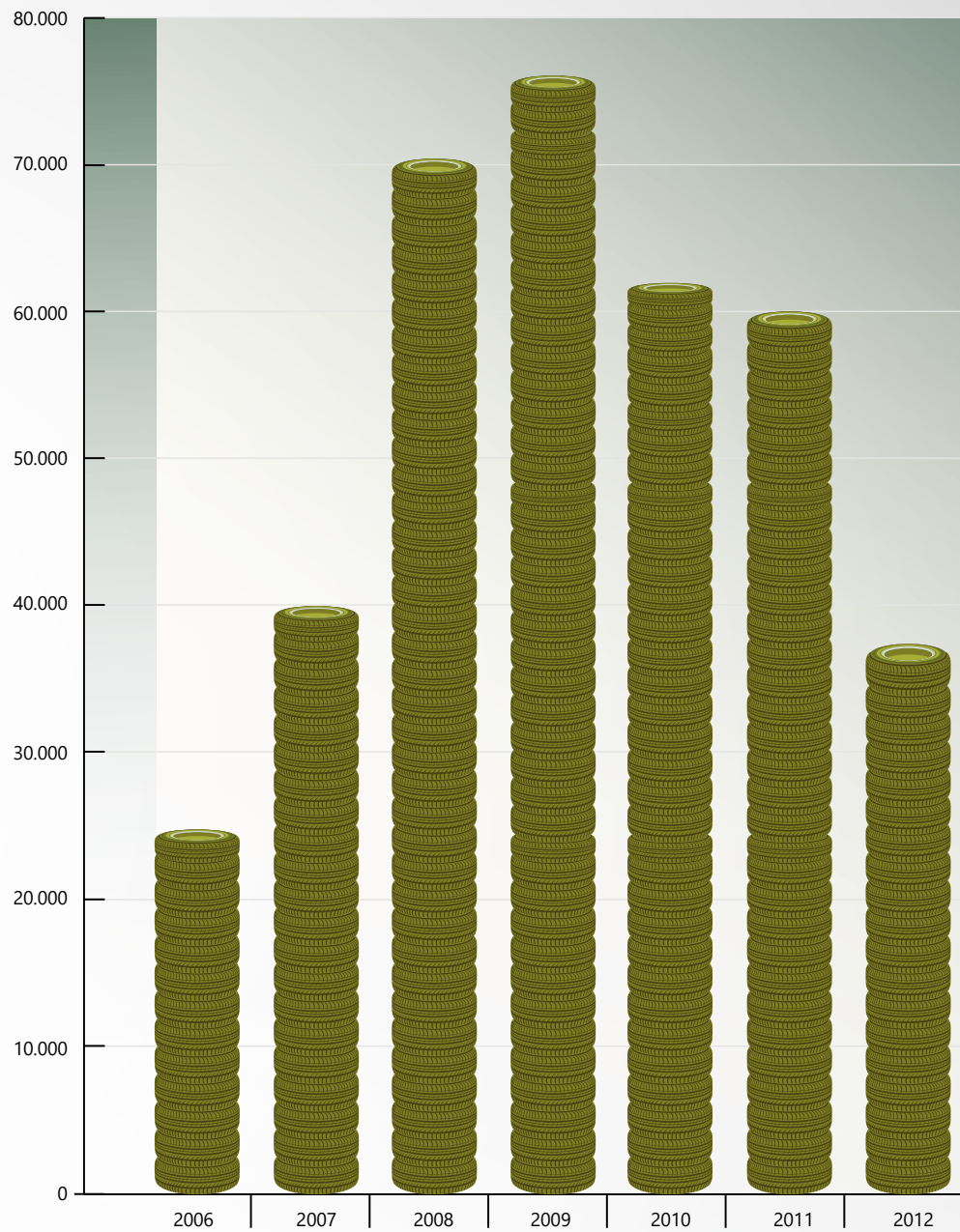


Quantities stored

Development of tires stockpiles

In total, there are approximately 40,000 tons of whole or pre-cut ELT's stored quantities in recycling sites and temporary storage collection areas. These tires were collected during the first years of Ecoelastika from 2004 to 2009 due to the increased demands for collection point's service before creating the appropriate infrastructure for the complete processing of all quantities of end-of-life tires. Also, since September 2006, disposal of ELT's (whole or shredded) in landfills throughout Europe is fully banned.





Research & Development

Research Programs

In 2012 a study was completed which was assigned by Ecoelastika to the Institute of Technology and Applications for Solid Fuels focused on the investigation of possible tire management technologies, and especially techniques for tire recycling and energy recovery thereof. As part of this investigation was conducted analysis of available technologies and economic study on existing or emerging thermal management methods. These methods can be used for both material recovery and for energy recovery from used tires.

According to the analysis made there is no technologically mature method capable to absorb all ELT's. Solutions such as the use of tires in landfill construction projects, as soil additives and enhancers, in erosion works, as noise barriers, as insulating materials, in artificial turf or sports areas and playgrounds flooring are beneficial from the standpoint of environmental performance, but cannot absorb the total of the discarded ELT's. Also, using crumb rubber from used tires to modify asphalt in road construction is another good solution that could theoretically absorb relatively large amounts of ELT's although, in reality, there are very few applications in the European area.

Pyrolysis, as technology, could absorb very large amounts of ELT's and contribute to the problem of tyre managing. But conventional pyrolysis is not economically viable and despite all efforts, especially in the U.S., failed to prove that it is a complete techno-economic solution for the problem of ELT management.

Objectives for 2013

Decrease of stockpiles

Ecoelastika's objective in 2013 is to further reduce the stored quantities of tires by 12,000 tons. This will be achieved by subsidizing exports of shredded tire to utilizers, material for which no additional subsidy was provided in conventions previously. Also in 2013 will commence a second cooperation of Ecoelastika with cement industry TITAN in Zlatna Panega, Bulgaria, to absorb quantities of stored whole ELT's from licensed area near Yannitsa, Pella.

Market developments

During 2012, according to statistics, 61% of all used tires managed by Ecoelastika were promoted either as raw material (whole tires) or as pretreated (shredded tires) for energy recovery in Greece or abroad. This trend is pan-European since markets of crumb rubber gradually subside (applications in sports areas, stadiums, etc.) and use of ELT's as an alternative fuel is gaining ground. The eminent sector of energy intensive industries currently exploiting ELT's as an alternative fuel is the cement industry.

Annex - Partners

ECOELASTIKA CUSTOMERS

Companies importing tires and vehicles are obliged to participate in the collective system of Ecoelastika for the tires importing and selling in the Greek market, either as replacements or as vehicles fitted with tires.

TIRES IMPORTERS

DYNAMIC G. KARAOULANIS - D. MAKRIDIS BROS
 ENTIRE ELASTIKA LTD
 EUROTYP A MARANGONI LTD
 GOODYEAR DUNLOP ELASTIKA HELLAS SA
 INTRAMOTO SA
 MOTOMAX TSEVAIRIDIS S. PAVLOS
 RODAL LTD
 SAFE TIRES TSIKALOS M. IOANNIS LTD
 SUPER TIRE SERVICE SA
 TYRES FOR ALL LTD
 UNI ELASTIKA LTD
 ANGELIDIS B. SA AUTOSTRATA
 AHB HELLAS LTD
 ANATOLITIS NIK. ALEXANDROS
 ANTONIADIS G. & CO. LTD
 NTAKOUDI BROS SA
 TZEMPETZI BROS
 VAKALOPOULOS A. GIANNAKOPOULOS D SA
 VAPORIDIS A. & CO. LTD.
 VITAS SA
 VLASSOPOULOS NIKOLAOS
 GASDOGA Z. HELENI
 GOGAS LTD
 DERVENTLIS SA
 DODOURAGAS THEOD. DIMITRIOS
 EGNATIA AEGE
 ELASTIKA GROUP LTD
 ELASTIKA VASILADIS SA
 ELASTIKA MICHELIN SA
 ELASTIKA PACHYLAS & SONS SA
 ELASTIKA PIRELLI SA
 ELASTIKOEMPORIKI SA
 ELASTRAK SA
 ELVE SAKIZLIS SA
 ELMA ELASTIKA MACEDONIAS SA
 EMA SA
 EMVOLIADI BROS
 ZACHARIOUDAKIS F. SA
 ZOUMBOULAKIS LTD
 DIMITRA SA
 ILIOPOULOS K. LTD
 THALASSOUDIS EFSTRAT. & CO EE
 THEODORIDIS IOANNIS & CO BROS
 THEODORIDIS KON/NOS & ILIAS BROS
 THEOCHARAKIS SA
 IKAROS SA
 ISHIS SA
 KALOGRITSAS TH. & X. SA
 KALOSAKAS HARALAMBOS LTD
 KAMPRANIS GEORGIOS SA MOTOWAY
 CAPETANIOS D. & SONS SA
 CAPETANIOS GEORGIOS SA
 KARAVASILIS HRISTOU GEORGIOS
 KECHIDIS K. & CO EE
 KIOUPIS A. & CO BROS

KONTOGIANNIS IOAN. DIMITRIS
 KOUKOULAS ALEX. A.
 KOUTOUSIS P. & TH. BROS
 KYPRAIOS SOT. GEORGIOS "TROCHOKINISI"
 LAMPOUDIS P. ANTONIOS
 MAKRIDIS SA
 MAXIM KALTSIDIS SA
 MARGARITIDIS PAN. NIKOLAOS
 MAROUFIDOU E. KATSIAGONIS A. CO BROS
 MATENTZIDIS GEORGIOS
 MAVRIDIS SA
 ELASTIKA MEIDANIS SOFOS SA
 METSOPOULOS D. TH. SA
 MILIADIS ARSENIOS SA
 MODENA ENTZINIARINGK LTD
 MORAGLIS SA
 BAZIOS & CO BROS
 BALOGIANNIS ANTONIOS
 BEZAS S. - LEON M. LTD
 BOURAS NIK. PANAYOTIS
 NIANIAKOUDI A & CO EE
 NIKOU CHR. DIMITRIOS LTD
 NOUSIS N. IOANNIS
 NTAVIDI - EKIZANAS BROS
 PANELASTIKI PATRON LTD
 PAPADAKIS EMM. M. & CO. LTD
 PAPADIAMANTIS GEORG. SA
 PPAKONSTANTINOY ANASTASSIOS & CO. BROS
 PATMANIDI MARIA SA
 PATSOURAKOS GEORGIOS & CO BROS
 PERIFERIAKI LTD
 PETOUSIS B. SA
 PRASSOS PAN & CO BROS
 PYRRIS DIM LTD
 RODA SA
 SERAPHIM MEIDANIS & SON SA
 SIMEONIDIS THEOFANIS & CO BROS
 SOTIRIOU ANGELOS - RENDOMIS ARISTIDIS BROS
 SOTIRIOU EYANGELOS & CO BROS
 TAFAKIS DIMITR. A.
 TENORA TECHNIKI SA
 TECHNOMEK SA
 TOPALIDIS THEODOROS SA
 TOPSIS STEF. PANDELIS
 TROCHOEPIDOSI LTD
 TSAGKIAS EMM. ANTONIS
 TSANTOULIS SA
 TSIPNIS DAM. KONST.
 TSOUKAS APOSTOLIS LTD
 FRAGOULOPOULOS D. LTD
 HARALAMBIDIS KIRIAKOS SA
 CHATZIGIANNAKIDIS GEORGIOS

VEHICLES IMPORTERS

AGROHOUM SA
AUTO RINA LTD
BMW HELLAS SA
CHEVELLAS SA
CITROEN HELLAS SA
E&S MOTORS SA
ERGON TZANIDAKIS LTD
FORD MOTOR HELLAS SA
GENERAL MOTORS HELLAS SA
KOSMOCAR SA
KTM HELLAS SA
LADA HELLAS SA
LANCIA JEEP HELLAS SA
MERCEDES-BENZ HELLAS SA
MOTO LOCO DIMITRIADIS CHR. STAVROS
PANERGON SA
TEOMOTO SA
TOYOTA HELLAS SA
UNITRACK SA
VOLVO CAR HELLAS SA
A&F IOANNIDIS SA
AGRIPAN SA
ANT. SIOPIS - POL. TRYFINOPOULOS BROS "JOHN DEERE"
AUTO DEAL P. & R. DAVARI SA
ARGYRIOU PANAYIOTIS
KOLYMPIOTIS BROS & SONS
PAPADAKIS BROS SA
VAKAR SA
VIAMAR SA
BIEM AUSTRIA
VOURDOUNAS SA
GENESIS SA
GORGOLIS SA
EVOMPOUS HELLAS SA
ELVAT SA
ELLIN MOTO SA
ELMA SA
EMIKO SA
ELIOFIL SA
THEOCHARAKIS NIK. I. SA
INTERTRAK LTD
IOANNIS & CHARALAMBOS BIMBLITZIS
KARVOUNIS G. PANAYOTIS
DUTY FREE SHOPS SA
KATSAROS PANAYOTIS SA
CONDOR CARS SA
KONTELIS PAVLOS I. SA
CREMETI BROS CONSTRUCTION MACHINERY SA
KYKLOPODILATI KI SA
LION HELLAS SA
STAMATIOU BUSES SA
MAN HELLAS SA
MANIATOPOULOS N. SA
MOTO TREND SA
MOTODYNAMIKI SA

NIKI SA AUTORINA
POWER BEAUTY & SOUL SA
PEZEA GREECE CAR SALES LTD
PETROPOULOS PETROS SA
PIAGGIO HELLAS LTD
PROMOT E.I. LAINOPOULOS SA
PYTHAGORAS A. SA
SARAKAKIS BROS SA
SUBARU MOTORS HELLAS SA
SFAKIANAKIS SA
TECHNICAL OFFICE CHRIST A. KRAVVARIS SA
TECHNOCAR SA
JAGUAR HELLAS
TRIDENT CARS LTD
FIAT AUTO HELLAS SA
FILIS ANDREAS SA
HYUNDAI HELLAS P. & R. DAVARI SA
CHRISTODOULOU G. TZANIDAKI B. OE "DOMICAT"



2012

COLLECTORS-TRANSPORTERS

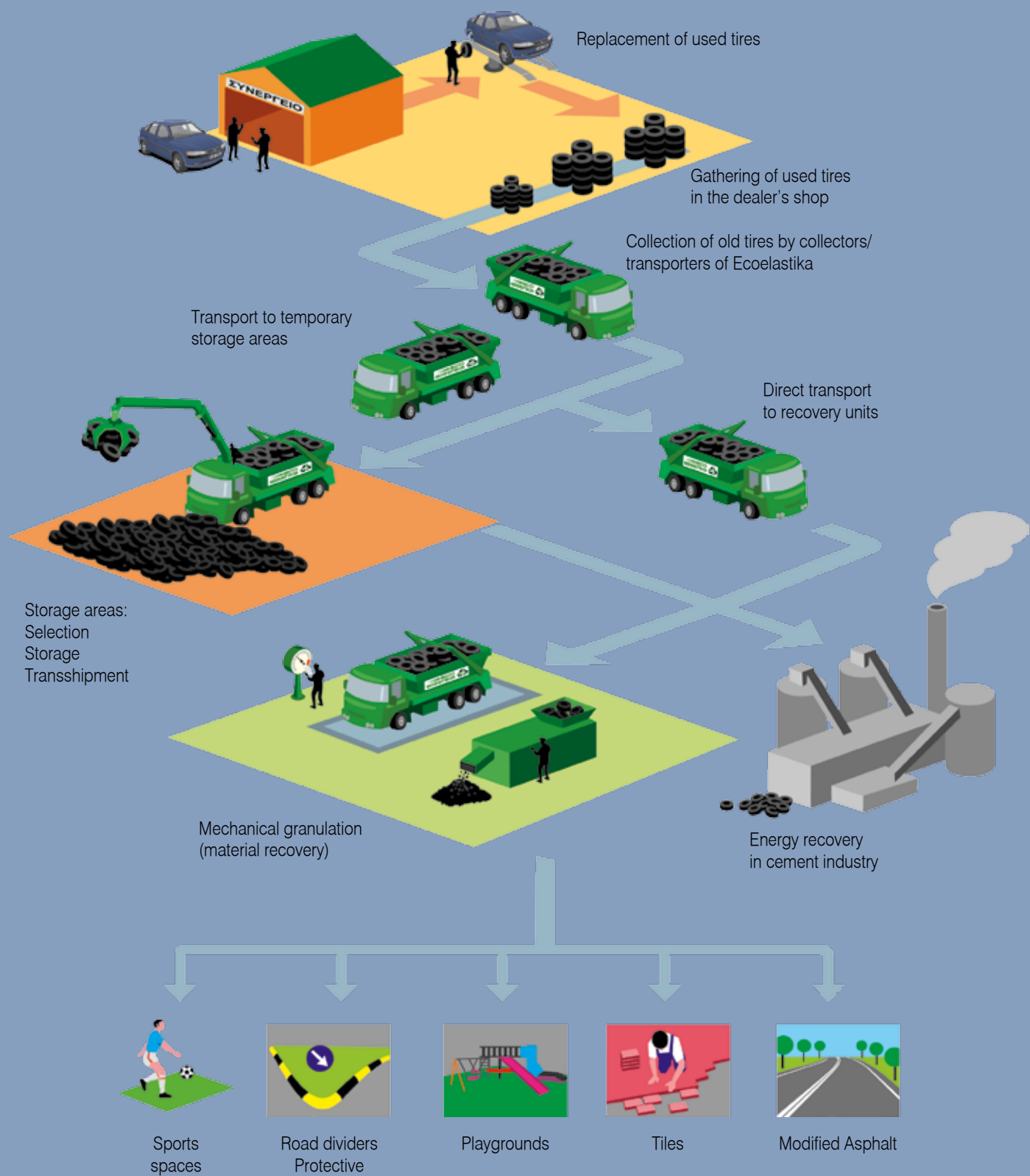
TRIAS ECO SA
 ANGELOS SOTIRIOU & CO BROS
 ANAKIKLOSI AIGAIOS SA
 ARMAKOLLA VICTORIA
 YOTIS PANAYOTIS
 D. K. KYKLOS SA
 DOGAKIS IOAN. ANTONIS
 DROSOS ANGELOS
 MOUZAKIS LTD
 KAIRIDIS CHR. TECHNICAL & COMMERCIAL SA
 KAPSALAKIS LTD
 MANDROS GEORGIOS & CO BROS
 MARATHOS G. - DRAGANIS ST. BROS
 NTOULIS MATTHEOS & NIKOS BROS
 ECOLOGICAL AETOLIA LTD
 PAPPAS EUGENIA LTD - STAR ECO LTD
 PERME HELLAS SA
 SIAKANDARIS BROS SA
 STATHAKIS ANT. VASILIS
 FLOROU BROS SA
 CHRISTOPHOROS GEORGIOS

RECOVERY UNITS

HELESI SA, INDUSTRIAL AREA OF KOMOTINI
HOLCIM BULGARIA, VRATZA DISTRICT, BULGARIA
RETIRE SA, INDUSTRIAL AREA OF DRAMA
AXEL LTD, MAGOULA ATTICA
ELVAN SA, ASPROPYRGOS ATTICA
KARAMPAS SA, LIVANATES, LOKRIDA, MUN. OF FTHIOTIDA
PERME HELLAS SA, LOCATION ROUMANIA, INOFITA MUN. OF VIOTIA
TITAN SA, KAMARI OF VIOTIA
TITAN BULGARIA, ZLATNA PANEGA, BULGARIA

ECOELASTIKA

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