

8. Income tax expense

(all amounts in Euro thousands)

Current tax
Deferred tax (note 18)
Non deductible taxes and differences from tax audit

Group		Company	
2015	2014	2015	2014
11,635	21,214	-	-
-5,678	-11,298	3,256	-9,610
891	1,188	221	1,012
6,848	11,104	3,477	-8,598

The tax on Group profit differs from the amount that would arise had the Group used the nominal tax rate of the country in which the parent Company is based as follows:

(all amounts in Euro thousands)

Profit before tax

Tax calculated at the statutory tax rate of 29% (2014: 26%)

Tax adjustments in respect of:

Income not subject to tax

Expenses not deductible for tax purposes

Dividends tax

Provision for tax on tax exempt reserves under special laws (L.4172/2013)

Other taxes

Re-measurement of deferred tax - tax rate change in Greece and Egypt

Effect of unrecognized deferred tax asset on tax carry forward losses

Tax incentives

Effect of different tax rates in other countries

Over-provision: prior years

Utilization of prior years unrecognized losses

Other

Effective tax charge

Group		Company	
2015	2014	2015	2014
42,144	46,821	63,619	83,126
12,222	12,173	18,450	21,613
-3,372	-2,151	-15,983	-29,120
8,958	4,295	766	126
-	5,898	-	-
-	-1,521	-	-1,521
891	1,188	221	1,012
-8,547	4,143	92	-
1,169	6,793	-	-
-5,395	-2,088	-	-301
-3,427	-17,400	-	-
4,984	-200	386	-407
-68	-26	-	-
-567	-	-455	-
6,848	11,104	3,477	-8,598

In accordance with the paragraph 11 of article 70 of L.4172/2013, tax exempt reserve formed under the terms of L.2238/1994 can be either offset against tax losses at the rate of 26% or be distributed after paying 19% tax. On 31.1.2015, the Group and the Company offset tax exempt reserves against tax losses.

Deferred tax assets are recognized for the carryforwards of unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. The determination of the amount of tax attribute carry-forward to recognize requires management judgment in assessing future profitability and recoverability (note 2.3).

On December 31, 2015, certain Group entities had tax carry forward losses of about €499.9 mil. (2014: €471.0 mil.). These entities have recognized a deferred tax asset amounting to €74.1 mil. (2014: €78.2 mil.), attributable to losses amounting to €206.1 mil. (2014: €219.3 mil.), as this deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans. For the remaining tax carry forward losses, no deferred tax asset has been recognized, since they did not meet the recognition criteria according to IAS 12 (note 18).

Of the above tax carry forward losses, €159.8 mil. expire in the period 2016-2020, while €340.1 mil. expire at various dates up to the period 2029-2035.

On December 31, 2015, the Company had recognized deferred tax assets amounting to €13.9 mil. (2014: €16.4 mil.) on tax carry forward losses which met the recognition criteria. The tax losses of the Company can be utilized up to (and including) 2018.