



## **ACADEMIC YEAR 2013 – 2014**

### **TITLE OF DIPLOMA THESIS:**

Sustainability Study of Construction Material Suppliers in the Greek Economy

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### **ABSTRACT**

The global financial crisis has had painful financial consequences for both the construction industry and its interconnected manufacturing base. Indicators relating to the viability of a company, such as a likelihood of an impending bankruptcy, are now more significant than ever. The objective of this thesis "Sustainability Study of Construction Material Suppliers in the Greek Economy" is to investigate the financial position of five leading building material suppliers, in relation to the state of the Greek economy and the development of the construction industry during the post-Olympic period and the period before and after the onset of the 2007 global financial crisis - specifically, the five largest Greek suppliers of cement and steel: HERACLES, TITAN Cement, SIDENOR, ELASTRON and BITROS HOLDING S.A. The methodology used to determine a suitable solvency indicator for each company was based on five financial ratios, distilled from official annual financial statements of these companies for the period 2003 to 2014, and has been used to produce values relating to: Capital, Earnings, Asset Value, Equity and Sales; and subsequently analysed to produce the 5-factor Altman Z-score. A comparative summary of the derived values and subsequent graphs, in conjunction with a correlation analysis, was then prepared to illustrate the relationship to and viability of the companies in the general economic environment. Finally, conclusions were drawn and proposals were suggested for each company's continuing financial health in the current economic climate.

### **KEYWORDS**

Prediction models, sustainability, bankruptcy prediction models, Construction supplier companies, Altman Z-score