HELIOGENESIS S.A.

2012

HELIOGENESIS S.A.

Financial statements
for the year ended 31 December 2012
(in accordance with L.3556/2007, article 4)

The financial statements pages 1 to 14 were approved by the Board of Directors on April 1st , 2013.

CHAIRMAN OF THE BOARD	VICE PRESIDENT AND CEO	CHIEF ACCOUNTANT
ANDREAS ZOMBANAKIS	CHRISTOS KAVATHAS	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08
ID No: AB 973717	ID No: I366256	NIKOLAOS ZAMANIS Reg. No.: A' 08257

April 2013

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BOARD OF DIRECTORS MEMBERS STATEMENTS
(based on article 4 par. 2c L.3556/2007)

As executive members of Board of Directors of "HELIOGENESIS S.A." (the "Company"), and to the best of our knowledge ,

1. Andreas Zombanakis, Chairman of the Board
2. Christos Kavathas, Vice President and CEO
3. Markos Komondouros, Member

we state that:

- the financial statements for the year ended December 31, 2012, which have been prepared in accordance with International Financial Reporting Standards (IFRS), present fairly the financial position, the income statement, statement of comprehensive income and the statement of changes in equity,

- the Board of Directors report presents fairly the developments, the achievements and the Company's financial position, including the description of the main risks and uncertainties it faces.

Athens, April 1st , 2013

CHAIRMAN OF THE BOARD	VICE PRESIDENT AND CEO	A Member
Andreas Zombanakis ID No: AB 973717	Christos Kavathas ID No: I366256	Markos Komondouros ID No: Λ 352042

BOARD OF DIRECTORS REPORT
(in accordance with Law 3556/2007, article 4)

Dear Shareholders,

According to the article 43α paragraph 3 of Commercial Law 2190/1920 as replaced by article 35 of P.D 409/86, we submit to the General Assembly this report, for the achievements of the year ended December 31, 2012.

A. GENERAL

The general status of the Company from an organizational and structural point of view, as well as the development prospects for next year, are positive. We hope that the business performance for 2013 will improve further .

In parallel, because of the market difficulties, the Company has decided and has already implemented a program, for a more efficient operating cost control that aims to improve our competiveness.

The economic crisis in the Greek market continues but the Company expects a steadily increasing development of its business course of its operations as its activity in the industry of renewable energy resources seems to have further development perspectives.

B. MAIN EVENTS ON THE COMPANY'S OPERATIONS

I. Operations of 2012

Based on the decision 3296 - 25/01/2012 of Ministry of Development, Competitiveness and Maritime a grant of 4,552,000 € was approved in relation to the incorporation of the photovoltaic station for production of electricity located at "Riganes", municipality of Farsala, in Prefecture of Larissa,.

II. Main risks and uncertainties for 2012

The deterioration of the international economic environment and the financial difficulties of our country, during the last years, result in conservative business expectations for the short term. The negative business environment for the Company is characterized by uncertainty in a number of external parameters and continuous fluctuations in interest rates and the payment conditions.

Management is called to realistically hedge and consider a variety of factors and parameters that constitute sources of risk and uncertainties for the progress of the Company's operations, in order to identify its strategy and to take decisions for the ordinary course of business.

The main risks and uncertainties for the Company for the future are as follows:

• Interest rate risk: The Company's interest rates depend on the international financial liquidity position. The Company maintains positive relations with the banking system in Greece and abroad in order to ascertain the best possible terms of cooperation. In order to mitigate the effects of fluctuations in the borrowing interest rate, the Company has already taken actions for hedging the interest risk.

• Credit risk: Due to the current economic crisis conditions, the Company has implemented a specific working capital program in order to ensure the availability of credit lines from banks and cash deposits.

With respect to the accounting treatment of this issue and given that the risk of not receiving the accrued contractual liabilities from the Greek State is zero, despite the known delays in the receipt of its liabilities, the Company does not provide for doubtful accounts. It should be further noted, that as from July 1st, 2012 and until June 30th , 2014 the Greek state has imposed an extraordinary special solidarity levy (L.4093/2012) which burdened the company's financial results by 25% of its annual turnover. We consider that the associated liquidity risk, due to this fact, has been addressed.

The Company does not take position to derivative instruments and other financial instruments that are not related to its basic operations, and does not try to achieve profit from prognosis of capital markets.

III. Estimations and prospects for 2013

The course of the financial figures during 2012, combined with the overall development potential of the renewable energy resources industry enables us to be reasonably optimistic about the course of financial figures in 2013.

Undoubtedly, the unfavorable financial environment in Greece creates a negative business environment, which in turn increases the uncertainty with regards to the time schedule for realizing further projects in Greece.

The Company's net financing and as a result the finance costs, is expected to decrease in 2013, due to cash flows that are expected to be received by the Company.

IV.Board of Directors

The Board of Directors, whose service ends on December 31, 2015, consists of the following:

1. Andreas Zombanakis	Chairman of the Board
2. Christos Kavathas	Vice president and CEO
3. Markos Komondouros	Member of the Board
4. Rekounioti Panagiota	Member of the Board
5. Power Development Projects Hellas Ltd	Member of the Board

The Company is legally represented by, the Vice president and executive director, Mr. Christos Kavathas, for every issue, by signing under the corporate name and in his absence and or inability by Mr. Markos Komondouros.

V. Subsequent events

Based on the decision of company's Board of Directors dated on April 1st ,2013, the distribution of a gross dividend to shareholders amounting to five hundred and forty thousand (540.000) euro was proposed

There are no other events, following the balance sheet issue date, that required reporting

C. FINANCIAL STATEMENTS PRESENTATION

Total sales for the year 2012 amounted to 3,211,910.74 € versus 2,931,653.26 € for 2011, as a result of the production of electricity from the photovoltaic park located in Farsala. Gross margin is presented as a percentage of 75.03% for the year 2012 versus 77.60% for 2011.

Profits before tax was 24.69% of total sales and amounted to 792,901.80 € versus 1,127,754.20 € for 2011.

Profit after tax was 19.73 % of total sales and amounted to 633,745.86 € versus 901,148.45 € for 2011.

EBIT margin, the profit before tax and finance costs, of the Company for 2012 was satisfactory despite the negative economic environment. It was44.04% of total sales and amounted to 1,414,500.55 € , reduced compared to 59,89% and 1,755,812.29 € for 2011.

Finance cost amounted to 621,598.75 € for 2012, slightly reduced compared to 628,058.09 € of the previous year.

Short term borrowing was reduced in 2012, mainly due to the transfer of funds from short term borrowing facilities to long term .

The controlled increase of borrowing is considered satisfactory and it is a result of the management's efforts for finance and working capital control. Borrowing has remained at high levels following the completion of the construction of the photovoltaic park located at Farsala. The total Company's borrowing is expected to start decreasing from 2013 onwards, based on the loan repayment schedule.

Trade and other receivables increased by 1,235,935. 42 € as a result of :

a) Net increase of trade receivables of 1,596,861. 22 € mainly due to the increase of the repayment period of related invoices fromLAGHE
b) Decrease of trade receivables by 321,171.55 € due to the effect of the special solidarity levy of L.4093/2012.
c) Increase by 66,661.97 € of advances related to tax

Current liabilities, not related to borrowing (to suppliers and other liabilities), increased significantly during the year and amounted to 407,853.94 € from 117,218.15 € at the end of 2011.

Non-current net long-term borrowing at the end of 2012 increased to 9,423,127.75 € versus 5,456,189.57 € in 2011. The increase in long-term borrowing is due to the transfer of borrowing from current borrowing accounts to long-term borrowing accounts during 2012.

During 2012 the Company's borrowing schedule was completed with duration up to 20 years, ensuring the Company's financial capability. At the end of 2012, long term borrowing finances the investments in fixed assets with a long term horizon.

The Company's capital structure improved in 2012, with equity amounting to 4,117,594.92 € versus 3,787,848.04 € in 2011.

"Non-current liabilities" increased to 131,781.13 € at the end of 2012 versus 124,615.73 € at the end of 2011, due to depreciation of forecasted dismantling expenses of the photovoltaic park located at Farsala at the end of its operations.

I. Basic economic ratios

Basic economic ratios are presented as follows:

('000 euro)

a) Ratios of economic structure

- Current Assets / Total Assets	:	3,533	/	14,817	=	23.84 %
- Equity / Total liabilities	:	4,118	/	10,700	=	38.48 %
- Equity / Non current assets	:	4,118	/	11,284	=	36.49 %
- Current Assets / Current liabilities	:	3,533	/	1,008	=	350.49 %

b) Profitability ratios

- Net results / Equity	:	793	/	4,118	=	19.25 %
- Gross profit/ Sales	:	2,410	/	3,212	=	75.03 %

II. Financial statements preparation

The financial statements of the Company for the year ending December 31st, 2012 have been prepared in accordance with International Financial Reporting Standards (IFRS), present fairly the financial position of "HELIOGENESIS S.A." as at December 31, 2012, and include the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year that ended, accompanied by a summary of significant accounting policies and other explanatory information.

As a result we invite the Shareholders to:

1. Approve the financial position and the other financial statements for the year ending December 31st, 2012.
2. To hold harmless, the members of the Board of Directors and the independent auditors of the Company, from any liability in relation to the fiscal year 2012, in accordance to the Law and the Company's articles of incorporation.

Athens, April 1, 2013

CHAIRMAN OF THE BOARD	**VICE PRESIDENT AND CEO**	**CHIEF ACCOUNTANT**
Andreas Zombanakis ID No: AB 973717	Christos Kavathas ID No: I366256	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08 Nikolaos Zamanis Reg. No.: A' 08257

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THIS REPORT IS A FREE TRANSLATION INTO ENGLISH FROM THE GREEK ORIGINAL

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of HELIOGENESIS S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of HELIOGENESIS S.A., which comprise the statement of financial position as at December 31, 2012, the statement of comprehensive income, changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 International Standards of 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 from 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 the 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 present fairly, in all material respects, the financial position of HELIOGENESIS S.A. as at December 31, 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements and complete in the context of the requirements of articles 43a and 37 of Codified Law 2190/1920.

Athens, April 4 2013

THE CERTIFIED AUDITOR ACCOUNTANT

VASILEIOS KAMINARIS
SOEL No 20411

ΕΡΝΣΤ & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
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144 51 METAMORFOSI
SOEL No 107

HELIOGENESIS S.A.

Financial statements

for the year ended 31 December 2012

(in accordance with International Financial Reporting Standards)

*It is hereby confirmed that the accompanying financial statements are those approved by the Board of Directors of "**HELIOGENESIS S.A.**" on April 1st , 2013 and that they have been made public on the internet site www.heliogenesis.eu*

It is noted that the published brief financial statements aim to provide the reader with certain general financial information but do not provide the full status of the Company's financial position based on International Financial Reporting Standards (IFRS). In addition, it is noted that, for simplicity reasons, in the published brief financial statements certain reclassifications and groupings of figures have been made.

Statement of financial position for the year ended 31 December 2012

	Notes	2012	2011
ASSETS			
Non-current assets			
Property, plant and equipment	7	11,176,896.03	11,792,062.38
Intangible assets	8	9,041.67	9,541.67
Deferred tax assets	12	98,034.09	0.00
		11,283,971.79	**11,801,604.05**
Current assets			
Trade and other receivables	14	2,017,664.48	781,729.06
Cash and short-term deposits	9	1,515,530.93	1,861,769.45
		3,533,195.41	**2,643,498.51**
Total assets		**14,817,167.20**	**14,445,102.56**
EQUITY AND LIABILITIES			
Issued capital	10	622,240.00	622,240.00
Share premium		2,517,859.68	2,517,859.68
Statutory reserve	13	71,616.01	39,928.71
Cash flow hedge reserve	13	(454,809.28)	(150,810.30)
Retained earnings		1,360,688.51	758,629.94
Total equity		4,117,594.92	3,787,848.04
Non-current liabilities			
Interest-bearing loans and borrowings	11	9,148,924.15	5,154,917.92
Derivative financial liabilities	14	411,188.20	130,440.33
Deferred tax liabilities	12	0.00	33,030.21
Other provisions and liabilities	15	131,781.13	124,615.73
		9,691,893.48	**5,443,004.20**
Current liabilities			
Trade and other payables	15	407,853.94	117,218.15
Income tax and other taxes payable	15	442,501.46	235,289.67
Interest-bearing loans and borrowings	11	0.00	4,803,669.97
Derivative financial liabilities	14	157,323.40	58,072.54
		1,007,678.80	**5,214,250.33**
Total liabilities		**10,699,572.28**	**10,657,254.53**
Total equity and liabilities		**14,817,167.20**	**14,445,102.56**

The accompanying notes are an integral part of these financial statements.

Income statement for the year ended 31 December 2012

	Notes	2012	2011
Sales	1	3,211,910.74	2,931,653.26
Cost of sales	2	(802,047.87)	(656,699.43)
Gross profit		**2,409,862.87**	**2,274,953.83**
Administrative expenses	2	(1,000,614.37)	(522,668.41)
Other income – expenses (net)	3	5,252.05	3,526.87
Operating income (Loss)		**1,414,500.55**	**1,755,812.29**
Finance cost (net)	4	(621,598.75)	(628,058.09)
Profit (Loss) before tax		**792,901.80**	**1,127,754.20**
Income tax expense	5	(159,155.94)	(226,605.75)
Profit / (Loss) for the year		**633,745.86**	**901,148.45**
Depreciation for the year	7 - 8	615,666.35	511,723.31

Statement of comprehensive income for the year ended 31 December 2012

	Notes	2012	2011
Profit / (Loss) for the year		**633,745.86**	**901,148.45**
Other comprehensive income			
Cash flow hedge		(379,998.73)	(188,512.87)
Income tax effect		75,999.75	37,702.57
Other comprehensive income for the year, net of tax		**(303,998.98)**	**(150,810.30)**
Total comprehensive income for the year, net of tax		**329,746.88**	**750,338.15**
Attributable to:			
Owners of the parent		329,746.92	750,338.15
Non-controlling interests		0.00	0.00
		329,746.88	**750,338.15**

The accompanying notes are an integral part of these financial statements.

Statement of cash flows for the year ended 31 December 2012

	Notes	2012	2011
Operating activities			
Profit / (Loss) for the year		633,745.86	901,148.45
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows			
Income tax	5	159,155.94	226,605.75
Depreciation and impairment of property, plant and equipment	7	615,166.35	511,264.98
Amortisation and impairment of intangible assets	8	500.00	458.33
Finance income	4	(2,534.57)	(8,490.98)
Finance costs	4	624,133.32	636,549.07
		2,030,166.90	**2.267,535.60**
Working capital adjustments:			
Increase / (Decrease) in trade and other receivables and prepayments		(1,235,935.45)	(351,531.58)
Increase / (Decrease) in trade and other payables υποχρεώσεων (except from borrowings)		283,627.13	(1,397,876.59)
		952,308.32	**(1,749,408.17)**
Net cash flows from operating activities		**1,057,858.58**	**518,127.43**
Finance costs r		(624,133.32)	(636,549,07)
Income tax paid	5	0.00	83.548,02
Net cash flows used in investing activities (a)		**453,725.26**	**(34,873.62)**
Investing activities			
Purchase of property, plant and equipment	7	0.00	(261,841.09)
Purchase of intangible assets	8	0.00	(10,000.00)
Proceeds from borrowings	4	2,534.57	8,490.98
Movements in provisions		7,165.40	124,615.73
		9,699.97	**(138,734.38)**
Financing activities			
Proceeds from capital increase (share premium)	10	0.00	0.00
Proceeds from borrowings	11	(809,663.74)	1,072,667.28
Net cash flows from/(used in) financing activities (c)		**(809,663.74)**	**1,072.667.28**
Net increase / (decrease) in cash and cash equivalents (a) + (b)+(c)		**(346,238.52)**	**899,059.28**
Cash and cash equivalents at 1 January		1,861,769.45	962,710.17
Cash and cash equivalents at 31 December	9	**1,515.530.93**	**1,861,769.45**

The accompanying notes are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 December 2012

	Issued capital	Share premium	Cash flow hedge reserve	Statutory reserve	Retained earnings	Total equity
As at December 31, 2010	**622,240.00**	**2,517,859.68**	**0.00**	**0.00**	**(102,589.79)**	**3,037,848.04**
Other comprehensive income	0.00	0.00	(150,810.30)	0.00	0.00	(150,810.30)
Profit / (Loss) for the year	0.00	0.00		39,928.72	861,219.73	901,948.45
Total comprehensive income	**0.00**	**0.00**	**0.00**	**0.00**	**758,629.94**	**750,338.15**
Issue of share capital	0.00	0.00	0.00	0.00	0.00	0.00
At December 31, 2011	**622,240**	**2,517,859.68**	**(150,310.30)**	**39,928.72**	**758,629.94**	**3,787,848.04**
As at January 1, 2012	**622,240**	**2.,517,859,68**	**(150,310.30)**	**39,928.72**	**758,629.94**	**3,787,848.04**
Other comprehensive income	0.00	0.00	(303,998.98)	0.00	0.00	(303,998.98)
Profit / (Loss) for the year				31,687.29	602,058,57	633,745.86
Total comprehensive income	**0.00**	**0.00**	**(303,998.98)**	**31,687.29**	**602,058,57**	**329,746.88**
At December 31, 2012	**622,240**	**2,517,859.68**	**(454,809.28)**	**71,616.01**	**1,360,688.51**	**4,117,594.92**

The accompanying notes are an integral part of these financial statements.

The financial statements pages 1 to 14 were approved by the Board of Directors on April 1, 2013.

CHAIRMAN OF THE BOARD	**VICE PRESIDENT AND CEO**	**CHIEF ACCOUNTANT**
Andreas Zombanakis ID No: AB 973717	Christos Kavathas ID No: I366256	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08 Nikolaos Zamanis Reg. No.: A' 08257

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

A.1 General information

The accompanying financial statements of HELIOGENESIS S.A. (the Company), were approved by the Board of Directors on 01.04.2013 and are subject to the approval of the Shareholder's General Assembly that will be held on 30.04.2013.

HELIOGENESIS S.A. was incorporated in 2007 in Greece with a 40 years operation period, as a production and trading of electricity power Company.

The registered office is located at 10 Merlin Street, Athens Municipality.

A.2 Company's main operations

- Production and trading of electricity power from renewable energy sources and from its photovoltaic systems.
- Trading, installation, operation and management of electricity production systems from renewable energy sources and from its photovoltaic systems.
- Consulting services in relation to the above.
- Issuance of related licenses for and on behalf of the Company, or for third parties.
- Ensuring the related grants and subsidies from private, government and international bodies and from European Union on behalf of the Company or for third parties.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company for the period between 1st of January and 31st of December 2012, have been prepared on a historical cost basis, on a going concern basis and the accrual basis. The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the relevant Interpretations, as issued by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union and are effective until December 31, 2012. There are no Standards which have been implemented prior to the date of their application. .
The preparation of the Company's financial statements in accordance with IFRS requires the use of specific accounting judgments, estimates and assumptions. Additionally, it requires from management to make judgments as part of the implementation process of the accounting policies of the Company. The judgments, estimates and assumptions are based on the management's best knowledge in relation to the current circumstances and are analyzed below, in note C1. The accounting policies and processes have been consistently applied to all presented financial years.

The accompanying financial statements are presented in Euro, unless otherwise stated.

C. Summary of significant accounting policies

C.1. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.
In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

(a) Income taxes and additional taxes for unaudited tax years

The estimated provision for income tax, in accordance with IAS 12, is based on taxes to be charged by tax authorities and includes current income tax, provision for any additional taxes that will probably be charged after future tax audit and recognition of any future tax benefits. The amount of tax that will be actually paid may differ from what has been provided and recorded in the financial statements. Further information is provided in note 5.

(b) Provision for environmental rehabilitation and dismantling of equipment

The Company provides for environmental rehabilitation and dismantling of the equipment at the end of the effective life of the photovoltaic park. The management of the Company reviews these provisions periodically in order to verify their adequacy. Further details are analyzed in Note 15.

(c) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company has entered into hedging agreements in order to limit its exposure to interest rate risk. There is no significant effect on the financial statements ended 31.12.2012. Further details are analyzed in Notes 11 & 13.

C.2. Functional and presentation currency (IAS 21)

Financial statements are presented in Euro, which is the Company's functional currency. Transactions in foreign currencies are recorded at the functional currency after recalculation using the rates on the date of the relevant transaction.

Gains or losses ,due to currency effects, from such transactions are recorded in the income statement. The currency differences of non-monetary items that are valuated at their present value are considered part of their present value and as such, they are recognized accordingly.

C.3. Property, plant and equipment (IAS 16)

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes all costs directly associated with the acquisition of property, plant and equipment or the amount attributed to that asset when initially recognized, including the cost of materials used, financial costs until the date of starting of its operation and all other related costs, direct or indirect.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings / Photovoltaic station	20 years
Machinery	20 years
Furniture and other equipment	5 – 6 years

Assets with cost below 1.200,00 € are fully depreciated during the year of its acquisition due to not significance.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial statements date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

C.4. Intangible assets (IAS 38)

Expenses within the scope of IAS 38.18 are capitalized (i.e. software licenses). All other intangible assets that were out of scope of IAS 38.18 have been written off. Intangible assets include software licenses that are amortized during a 3 years period.

C.5. Impairment of intangible assets

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

According to IFRS, the recoverable amount of an asset should be estimated when there are impairment indicators. For purposes of assessing impairment, certain assets are grouped at the lowest separately identifiable group of asset items that generates cash flows from their use (Cash Generating Units). Impairment losses are recognized when the carrying value exceeds the recoverable amount. The recoverable amount is the higher of fair value and the present value of the estimated future cash flows, which are expected to arise from the ordinary use of the asset until its de-recognition at the end of its useful life.
The company reviews those assets, on a periodical basis (at each reporting date), for any impairment indicators. In case of impairment, when the carrying amount exceeds the recoverable amount, the carrying amount is diminished to the recoverable and the difference is recognized to the income statement.

C.6. Financial instruments Initial recognition and subsequent measurement (IAS 39)

The standard is analyzing policies for the recognition and measurement of financial instruments, financial liabilities and certain contracts for the acquisition or sale non-financial instruments. Acquisition and sale of investments are recognized at the time of the transaction which is the date when the Company is obliged to acquire or sale the asset. Investments are initially recognized at fair value adding direct transaction costs, except those assets that are measured at fair value through income statement. Investments are derecognized when the right to cash flows from investments expires or transfers and the Company has substantially transferred all risks and rewards related to the ownership.
The Company's financial instruments are classified in the following categories based on the substance of the contract and the reason of their acquisition.

i) Financial assets/liabilities at fair value through income statement

Financial assets and liabilities that cover the following assumptions:

• Financial assets /liabilities that are acquired for commercial reasons (including derivatives, except those categorized as effective hedging instruments, those acquired or made for sale or acquire back and finally those that constitute part of the investment portfolio from recognized financial instruments).

• At the initial recognition it is determined by the Company as an asset that is valued at fair value, with recognition of changes in the income statement. The realized and not realized profit or loss that results from the changes in fair value of the financial assets, are recognized through the income statement for the year.

ii) Trade and other receivable

Trade and other receivable include non-derivative financial assets with fixed or determined payments that could be traded in active markets. Trade and other receivable include the following:

• advances for services,
• receivable from taxes, as imposed by tax authorities,
• any other receivable, not resulted by an official agreement resulting to a Company's right to receive cash or other financial assets.

Trade and other receivables, are initially measured at the transaction cost and subsequently measured at amortized cost using the effective interest rate method.
Trade receivables and other are tested for impairment periodically. In cases where the collection of the receivable is considered default, based on the respective contractual terms, then provision for such impairment is made. The amount of impairment is determined from the difference between the carrying amount of receivables and the present value of the estimated future cash flows, which are discounted by using the effective interest rate. Any impairment losses are recognized directly to the income statement.

iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold them to maturity.
After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest rate method.

iv) Available for-sale financial investments

Available-for-sale financial investments include non-derivative financial assets under this category or are not classified to any other category.
After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income, or the investment is determined to be impaired. Impairment losses that have been recognized in other comprehensive income are not reversed through profit & loss.
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.
For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques, such as using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, a discounted cash flow analysis or other valuation models.

Financial instruments not traded in an active market have been classified as available for sale financial assets and their fair value could not be reliably determined are valued at cost. At each financial statements date the Company estimates if there is any objective indication that these financial assets could be impaired. If an impairment is evidenced the cumulative impairment loss is transferred to income statement.

C.7. Financial assets and liabilities (IAS 32)

The specific standard is referred to the recognition and measurement of financial assets and liabilities under the scope of IAS 39.

Financial instruments: Recognition and measurement.
The specific standard is referred to the classification of financial assets, financial liabilities and investments and the classification of relative interest, dividends, losses and profits and the conditions under which the financial assets and financial liabilities should be netted off. A financial instrument is determined as every contract that creates on the same time a financial asset for an entity and a financial liability or an investment for another entity.

Financial asset is every asset that relates to:

(a) cash and cash equivalents including cash and bank deposits
(b) investments to other entities ,
(c) contractual rights :

(i) to deliver cash or other financial asset from another entity or
(ii) the exchange of financial assets or liabilities with another entity possibly in favor of another entity or

(c) a contact that could or will settle the instruments of the entity and are:

(i) non derivative for which the company is obliged to or could be obliged to obtain a fluctuated quantity of its own instruments or
(ii) a derivative that could or will be settled except the exchange of certain amount in cash or other financial asset with a certain amount of own instruments. For this purpose in its own instruments are not included means as the contracts for the future delivery or receipt of its own instruments.

Financial liabilities are liabilities related to:

(a) contractual right :

(i) to deliver cash or other financial asset to another entity or
(ii) the exchange of financial assets or liabilities with another entity possibly against the other entity or

(b) a contact that could or will settle the instruments of the entity and are:

(i) non derivative for which the company is obliged to or could be obliged to deliver a fluctuated quantity of its own instruments or
(ii) a derivative that could or will be settled except the exchange of certain amount in cash or other financial asset with a certain amount of own instruments. For this purpose in its own instruments are not included means as the contracts for the future delivery or receipt of its own instruments.

Instruments are every contract that demonstrates a right over the remaining amount, if the assets are deducted from its liabilities. Fair value is the amount with an asset could be exchanged or a liability could be settled between two parties who acts with their own will and are completely aware of the market conditions, under a transaction that is taking place on a commercial base.

C.8. Provisions (IAS 37)

Provisions are recognized when:

(a) The Company has a present obligation (legal or constructive) as a result of a past event

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation
(c) a reliable estimate can be made of the amount of the obligation

Provisions are measured at expected value that is required to determine the present obligation, using the most reliable evidence that is available at financial statements date, including the risks and uncertainties specific to the present obligation, using the method of effective interest discount rate.
Contingent liabilities are not recognized in the financial statements, but are disclosed, unless the possibility of future cash outflows is insignificant. Contingent assets are not recognized in the financial statements, but are disclosed if the cash inflow is probable.

C.9. Share capital (IAS 33)

Expenses realized for the issue of shares are shown in equity as a deduction from the proceeds and net of any taxes. Expenses realized for the issue of shares for the acquisition of other companies are included in its cost of acquisition.

C.10. Dividends distribution (IAS 18)

Dividends distribution to the Company's Shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved by the General Assembly of Shareholders.

C.11. Income & deferred taxes (IAS 12)

Taxes charged to the period consist of current and deferred taxes, i.e. taxes and tax relieves related to the financial benefits incurring within the period but have been charged or are going to be charged from the tax authorities to different periods.
Current income taxes include short-term liabilities or receivables attributable to the tax authorities related to payable taxes on the period's taxable income and any additional prior period's taxes.
Current taxes are calculated according to effective tax rates and tax laws prevailing in the relevant periods, based on taxable profits for the year.
Deferred taxes are calculated with the liability method in all temporary tax differences as of preparation date of the financial statements occurring between the tax base and the book value of the assets and liabilities. Deferred tax assets and liabilities are determined using tax

rates (and laws) that have been enacted or substantially enacted by the financial statements date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. In case it is not possible to determine the time of reversal of the temporary tax differences, the tax rate used is that of the fiscal year following that of the financial statements.
Deferred tax assets are recognized only to the extent that is likely that taxable profit will be generated in the future, which will generate the deferred tax asset.
Most of the changes in the deferred assets or liabilities are recognized as part of the tax expenses or income in the income statement for the year.
Changes in the assets or liabilities affecting temporary tax differences and are directly recorded in equity, and cause the slight change in the deferred tax receivables or liabilities to be debited against the equity account.

C.12 Recognition of revenue (IAS 18)

Revenue includes the fair value of sale of goods and rendering of services, net from VAT, discounts and sale returns.

Revenue is recognized as follows:

(a) Sale of goods:

Revenue from sales of goods is recognized to the income statement, if significant risks and rewards have been transferred to the buyer and the receipt of cash is granted.

(b) Sale of services:

Sales of services are recognized, on an accrual basis, in the income statement of the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income is recognized on an accrual basis using the effective interest rate method.

C.13. Leases (IAS 17)

In case of leased assets where the lessor substantially transfers all risks and rewards to the Company, the lease is classified as a finance lease. At the commencement of the lease term, the Company recognizes finance leases as assets and liabilities in their statements of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Lease payments are apportioned between the finance charge, which is recognized in the income statement, and the reduction of the outstanding liability, which is recognized to the balance sheet. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.
A lease is classified as an operating lease if the lessor substantially retains all risks and rewards. Any payments made for operating leases, including prepayments, (net of any incentives provided to the lessor) are recognized in the income statement, using the straight-line method through the leasing period.

Leased assets under a finance lease are classified as property, plant and equipment in the financial statements and are depreciated over their estimated useful life. Income from rentals is recognized using a straight line method over the lease period.

The Company has not entered to any financial lease contract.

C.14. Borrowing costs (IAS 23)

Borrowing costs are recognized as expenses as incurred, unless these costs are capitalized in accordance with IAS 23 "Borrowing costs". Borrowing costs, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets, if and only if it is probable that future economic benefits will flow to the Company and can be reliably measured.
All other borrowing costs are expensed in the period they occur in "Finance costs" by using the effective interest rate method. Effective interest rate method is a method of estimating the amortized cost of a financial asset or liability and allocation of interest income or interest expenses during the relevant period. The effective interest rate is the rate which is used to discount future payments or receipts in cash accurately, during the expected useful live of the financial instrument or, if required, for shorter period, in the net carrying value of the financial asset or liability.

While calculating the effective interest rate, the Company estimates the cash flows by taking into account the contractual terms behind the financial instrument (for example, prepayments) but not the future losses. The estimation includes all expenses and items paid or received among counterparties which are considered part of the effective interest rate, any issuance fees and additional charges or discounts.

Borrowing costs include:

- Interest for current bank loans and overdraft accounts.
- Depreciation of deep-discounted bonds,
- Depreciation of other expenses incurred related to loans,
- Financial costs from financial leases, under the scope of IAS 17.

All borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset must be capitalized.

D. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Company's business activities and the general economic environment exhibits a variety of risks that the management is requested to respond by weighting the cost of the possible negative effects from these risks.
Company's policies for the risk management are applied in order to recognize and analyze all Company's risks and to impose limits of risk taking and perform audits for towards that. The Company manages its risk management policies periodically, in order to embody the changes in the market's environment and the Company's business activities.

D.1 Interest rate risk

Interest rate over the Company's bank loans mainly depends from the European Central Bank's policy. The management is in constant cooperation with Greek financial Institutes and abroad in scheduling the amount of borrowings needed in order to constantly support the projects under construction with eliminated finance cost. The Company reviews constantly the need to enter into derivative hedging agreements in order to be covered from fluctuations in the interest rate. All short term borrowings bear floating interest rate. Long term loans bear floating interest rate, with an option to be converted to fixed rate.

D.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to a specific credit risk from its operating activities, as its sales are made to Greek State. At the same time, the risk from its financing activities, including deposits with banks and financial institutions is eliminated as the Company seeks to have always appropriate and agreed credit lines with banks.

D.3 Foreign currency risk

Company's transactions are made only in Euro.

E. STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NOT EARLY ADOPTED

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets

This amendment sets out disclosure requirements for transferred financial assets not derecognized in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment does not affect the Group's financial statements.

Standards and Interpretations effective from periods beginning on or after 1 January 2013

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IAS 12 (Amendment) "Income Taxes" (Effective for annual periods beginning on or after 1 January 2013)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment is not relevant to the Group.

IFRS 13 "Fair Value Measurement" (Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

IFRIC 20 "Stripping costs in the production phase of a surface mine" (Effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 *"Consolidated and Separate Financial Statements"*. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 *"Investments in Associates"* and IAS 31 *"Interests in Joint Ventures"* regarding separate financial statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"

IAS 28 *"Investments in Associates and Joint Ventures"* replaces IAS 28 *"Investments in Associates"*. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance" (effective for annual periods beginning on or after 1 January 2013)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities. These amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities" (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

Amendments to standards that form part of the IASB's 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the EU.

IAS 1 "Presentation of financial statements"

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

IAS 16 "Property, plant and equipment"

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

IAS 32 "Financial instruments: Presentation"

The amendment clarifies that income tax related to distributions is recognized in the income statement and income tax related to the costs of equity transactions is recognized in equity, in accordance with IAS 12.

IAS 34, 'Interim financial reporting'

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

NOTES TO THE FINANCIAL STATEMENTS

1. Sales

Sales are analyzed as follows:

Sales	**2012**	**2011**
Sales of electricity power	3,211,910.74	2,931,653.26
Services		
Sales	3,211,910.74	2,931,653.26

2. Cost of sales

Cost of sales is analyzed as follows:

Cost of sales	**2012**	2011
Insurance	(40,232.85)	(32,494.33)
Rentals	(16,196.62)	(16,159.71)
Repairs and maintenance	(124,000.00)	(92,666.67)
Other third party fees	(5,769,00)	(3,582.28)
Taxes other than income taxes	(683.05)	(531.46)
Depreciation	(615,166.35)	(511,264.98)
Other expenses	0.00	0.00
	(802,047.87)	**(656,699.43)**

Administrative expenses are analyzed as follows:

Administrative expenses	**2012**	**2011**
Third party fees & expenses	(191,908.10)	(94,331.07)
Board of Directors fees	(400,000.00)	(400,000.00)
Depreciation	(500.00)	(458.33)
Insurance	0.00	(187.57)
Rentals	(4,750.00)	(12,688.92)
Repairs and maintenance	0.00	(260.67)
Electricity cost	0.00	(585.48)
Other third party fees	(894.44)	(2,034.63)
Taxes other than income taxes	(397,075.63)	(450.00)
Other expenses	(5,486.20)	(11,671.74)
	(1,000,614.37)	**(522,668.41)**

- The variance in third parties fee & expenses is attributable to the fees paid to the consulting firm which prepared and support the subsidy file on the investment of solar park.
- The variance in taxes other than income taxes is attributable to the extraordinary special solidarity levy on producers of electricity , calculated on the price of electricity sales that take place during the period from 1.7.2012 which for the current fiscal amounts to 396,982.94 €.

3. Other income – expenses

Other income - expenses are analyzed as follows:

	2012	**2011**
Other income		
Sub- letting income	100.00	520.83
Other income	5,152.05	3,006.04
Total other income	**5,252.05**	**3,526.87**

4. Finance income and finance cost

Finance income and finance cost are analyzed as follows:

Finance cost

	2012	**2011**
Finance Income		
Interest	2,534.57	8,490.98
Total Finance Income	**2,534.57**	**8,490.98**
Finance cost		
Interest	(624,133.32)	(636,549.07)
Other		
Total Finance cost	**(624,133.32)**	**(636,549.07)**
Finance cost (net)	**(621,598.75)**	**(628,058.09)**

5. Income tax

Income tax is analyzed as follows:

Income tax expense for the year

	2012	**2011**
Income tax	(214,220.45)	(214,399.87)
Deferred tax	55,064.51	(12,205.88)
Total	**(159,155.94)**	**(226,605.75)**

Income Tax

	2012	**2011**
Profit (Loss) before tax	792,901.80	1,127.754.20
Tax rate applicable in Greece	20.00%	20.00%
Proportionate tax ; 20% (2011: 20%)	(158,580.36)	(225,550.84)
Permanent differences	(572.58)	(1,039.29)
Effect from the change in tax rate		
Total	(159,152.94)	(226,590.13)
Additional taxes (property)	(3.00)	(15.62)
Total income tax	**(159,155.94)**	**(226,605.75)**

According to law 3943/2011 the income tax rate applicable to Greek companies for 2012 will be 20%. Based on the recent law 4110/2013 the income tax rate applicable to Greek companies for 2013 and onwards will be 26%. Deferred tax assets and liabilities are determined using the effected tax rate at the end of the closing fiscal year, equal to 20%.

Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued.

Tax losses if recognized from tax authorities, could be used for the settlement of the next 5 years netted with future taxable profits. Unaudited tax years are 2010. Based on article 82 paragraph 5 of Law 2238/94 and Circular POL 1159/2011 the company has been audited for 2011 and for 2012 the tax audit is in progress No amount was provided against the possible additional taxes as a result from a future tax audit.

6. Not in use

7. Property, plant and equipment

Property, plant and equipment as at December 31, 2012 are analyzed as follows:

	Land and Buildings	Machinery and other equipment	Furniture and other equipment	Construction in progress	Total
Cost or valuation					
As at January 1, 2011	0.00	0.00	4,478.63	12,041,486.19	12,045,964.82
Additions	315,239.93	11,988,087.35	0,00	(12,041,486.19)	261,841.09
Disposals					0,00
As at December 31, 2011	315,239.93	11,988,087.35	4,478.63	0.00	12,307,805.91
Accumulated depreciation and impairment:					
As at January 1, 2011	0.00	0.00	(4,478.55)		(4,478,55)
Additions	(12,152.99)	(499,111.99)	0.00		(511,264.98)
Disposals					0.00
As at December 31, 2011	(12,152.99)	(499,111.99)	(4,478.55)	0.00	(515,743.53)
Net book value as at December 31, 2011	303,086.94	11,488,975.36	0.08	0.00	11,792,062.38
Cost or valuation					0,00
As at January 1, 2012	315,239.93	11,988,087.35	4,478.63	0.00	12,307,805.91
Additions	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00
As at December 31, 2012	315,239.93	11,988,087.35	4,478.63	0.00	12,307,805.91
Accumulated depreciation and impairment:					
As at January 1, 2012	(12,152.99)	(499,111.99)	(4,478.55)	0.00	(515,743.53)
Additions	(15,762.00)	(599,404.35)	0.00	0.00	(615,166.35)
Disposals					
As at December 31, 2012	(27,914.99)	(1,098,516.34)	(4,478.55)	(0.00)	(1,130,909.88)
Net book value as at December 31, 2012	287,324.94	10,889,571.01	0.08	0.00	11,176,896.03

- There are no mortgages or pledges on the Company's property, plant and equipment in favor of its loans.
- Fully depreciated items relate to furniture and other equipment of total amount (4,478.63 €).
- In the cost of buildings an amount of 117,839.83 € was capitalized, concerning the provision for dismantling of equipment after the agreement's expiration date.
- According to IAS 23 "Borrowing Costs" an amount of 167,280.15 € was capitalized as an increase to the cost of the photovoltaic park. An amount of 84,772.70 € concern interest for 2010 and 82,507.45 € for 2011.
- There are no indications of impairment for the tangible assets.

8. Intangible assets

Intangible assets are analyzed as follows:

	Goodwill	Other expenses	Patents and licenses	Software	Other	Total
Cost						
As at January 1,2011	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Additions				10,000.00		10,000.00
Disposals						0.00
As at December 31, 2011	**0.00**	**0.00**	**0.00**	**10,000.00**	**0.00**	**10,000.00**
Accumulated amortization:						
As at January 1,2011						
Amortization for the period			0.00	-458.33		-458.33
Disposals	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
As at December 31, 2011	**0.00**	**0.00**	**0.00**	**-458.33**	**0.00**	**-458.33**
Net book value as at December 31, 2011	**0.00**	**0.00**	**0.00**	**9,541.67**	**0.00**	**9,541.67**

	Goodwill	Other expenses	Patents and licenses	Software	Other	Total
Cost						
As at January 1,2012	**0.00**	**0.00**	**0.00**	**10,000.00**	**0.00**	**10,000.00**
Additions				0.00		0.00
Disposals						0.00
As at December 31, 2012	**0.00**	**0.00**	**0.00**	**10,000.00**	**0.00**	**10,000.00**
Accumulated amortization:				**458.33**		**458.33**
Amortization for the period			0.00	-500.00		-500.00
As at December 31, 2012	**0.00**	**0.00**	**0.00**	**-958.33**	**0.00**	**-958.33**
Net book value as at December 31, 2012	**0.00**	**0.00**	**0.00**	**9,041.67**	**0.00**	**9,041.67**

9. Cash and short-term deposits

Cash and short-term deposits are analyzed as follows:

	2012	2011
Cash in hand	322.93	351.86
Cash at banks	1,515,208.00	1,861,417.59
Total	**1,515,530.93**	**1,861,769.45**

Cash at banks earns interest at floating rates based on monthly bank deposit rates. There are no deposits in foreign currencies. Interest income on bank deposits were accounted for on an accrual basis and amounted to € 2,534.57 and € 8,490.98 as at December 31, 2012 and 2011 respectively and are included in the finance cost in the accompanying income statement (Note 4 above).

10. Issued capital and share premium

The Company's issued capital as at December 31, 2012 is divided into 62.224 authorized ordinary shares (December 31, 2010: 62,224 ordinary shares), of € 10 par value each.

11. Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are analyzed as follows:

	2012	2011
Non-Current borrowings		
Bond loans	9,423,127.75	5,456.189.57
Finance cost	(273,203.60)	(301,271.65)
Total Non-Current borrowings	**9,148,925.15**	**5,154,917.92**
Current borrowings		
Bond loans	0.00	4,910,000,00
Finance cost	0.00	(106,330.03)
Total Current borrowings	**0.00**	**4,803,669.97**
Total borrowings	**9,148,925.15**	**9,958,587.89**

Loan Repayment dates are as follows:

1 - 2 years	0.00	0.00
2 - 5 years	0.00	4,910,000.00
More than 5 years	9,423,127.75	5,456,189.57
	9,423,127.757	**10,366,189.57**

Company's loans have been granted form a German bank and are stated in Euro. Amounts payable up to 1 year after the financial statements date are classified as current borrowings and the amounts payable after 1 year are classified as non-current.

Subsequently, for the implementation of the construction project for the photovoltaic part located at Farsala, the Company based on the final agreement between HELIOGENESIS S.A. and creditor banks as it was defined on June 25, 2010 were entered to bond loan agreements on June 30, 2010 for the financing of the project.

Furthermore, on June 30, 2010 the Company entered into a bond loan facility agreement with the creditor banks as follows:

- Bond loan facility agreement of 5,436,000 €. The bond is repayable in 18 years and bears interest of 6 month EURIBOR + spread 3%. Its repayment started on March, 15 2012 with 6 month installments.

- Bond loan facility agreement of 4,152,000 € long term duration of 16 years and bears interest of 6 month EURIBOR + spread 3% in replacement of a short term bond loan agreement of 4,152,000 € ended on September March, 15 2012.
- Bond loan facility agreement of 430,000 € short term duration and bears interest of 3 month EURIBOR + spread 1.9%. Its repayment covered on March, 15 2012.
- Bond loan facility agreement of 328,000 € short term duration and bears interest of 3 month EURIBOR + spread 2.25%. Its repayment covered on March, 15 2012.

The repayment of the bank loan of 4,152,000 € ended on September, 15 2012, realized through a new bond loan of 4,152,000 €, already agreed with long term duration and repayment date on September 15, 2028.

The above bank loan agreements provide certain commitments for the Company and meeting certain indicators of financial performance, starting from the year ended December 31, 2011.

The Company provides for accrued interest expense and charges the related expense in the income statement (Note 4).

Issuance expenses related to the bond loan of 602,166.06 € were valued at amortized cost using the effective interest method.

12. Deferred tax

Deferred taxes are recognized with the liability method in all temporary tax differences as of preparation date of the financial statements occurring between the tax base and the book value of the assets and liabilities.

Deferred tax is analyzed as follows:

Deferred tax assets	**113,702.32**	**37.702.57**
Deferred tax liabilities	**0.00**	**70,732.78**
Deferred tax assets		
More than 12 months		
Up to 12 months	113,702.32	37,702.57
	113,702.32	**37,702.57**
Deferred tax liabilities		
Over 12 months	0.00	70,732.78
Up to 12 months	15,668.27	
	15,668.27	**70,732.78**

Deferred tax movement is analyzed as follows:

Deferred tax liabilities:

	Difference on depreciation/amortization	Provisions	Total
As at 1/1/2011			0,00
Income tax (expense)/profit	(58,526.90)	0.00	(58,526.90)

At 31/12/2011	(34,195.39)	21,989.51	(12,205.88)
As at 1/1/2012	**(92,722.29)**	**21,989.51**	**(70,732.78)**
Income tax (expense)/profit	10,613.09	44,451.42	55,064.51
At 31/12/2012	**(82,109.20)**	**66,440.94**	**15,668.27**

Deferred tax assets:

	Tax losses	Other	Total
As at 1/1/2011	**83,548.02**	**0.00**	**83,548.02**
Income tax (expense)/profit	(83,548.02)	37,702.57	(83,548.02)
At 31/12/2011	**(0.00)**	**37,702.57**	**37,702.57**
As at 1/1/2012	**(0.00)**	**37,702.57**	**37,702.57**
Income tax (expense)/profit	0.00	0.00	0.00
Tax (expense)/profit recognized in equity		75,999.75	75,999.75
At 31/12/2012	**0.00**	**113,702.32**	**113,702.32**

Deferred tax (expense) / income in the income statement is based on the following temporary differences:

	2012	2011
Depreciation	10,613.09	(34,195.39)
Accrued interest expense	44,451.42	21,989.51
Total	**55,064.51**	**(12,205.88)**

The change in the tax rate that enacted in early 2013 consists a 'non-adjusting event' which results companies to calculate deferred taxes based on the tax rate that is applicable at 31.12.2012. Based on the aforementioned in case the application of the new tax rate was applicable at the closing date of the fiscal year the deferred tax to be calculated should be increased by 21,219.84 €

13. Statutory and cash flow hedge reserves.

Statutory and cash flow hedge reserves are analyzed as follows:

	Statutory reserves	Cash flow hedge reserve	Total
As at January 1, 2011	**0.00**	**0.00**	**0.00**
As at December 31, 2011	**39,928.72**	**0.00**	**0.00**
Application of IAS 32 & 39		(150,810.30)	(150,810.30)

As at January 1, 2012	39,928.72	(150,810.30)	(110,881.58))
Additions	31,687.29	(303,998.98)	(423,121.99)
As at December 31, 2012	**71,616.01**	**(454,809.28)**	**(383,193.27)**

Statutory reserves: Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a legal reserve until such a reserve equals one third of the outstanding share capital. This reserve cannot be distributed during the corporation's existence, except from the amount exceeding the one third of share capital, as it concerns a voluntary reserve.

Cash flow hedge reserve: It is related to the financing of the construction of the photovoltaic park located at Farsala. The Company has entered to an interest rate swap agreement. The effective portion of cash flow hedging was recognized in equity. The ineffective portion was recognized immediately in the income statement.

14. Trade and other receivables

Trade and other receivables are analyzed as follows:

Current Assets	**2012**	**2011**
Trade receivables	2,155,552.86	558,691.64
Less: Special solidarity levy	321,171.55	0.00
Trade receivables net	**1,834,381.31**	**558,691.64**
Receivable from VAT	0.00	106,800.32
Other receivable	183,283.17	116,237.10
Total	**183,283.17**	**781,729.06**
Non Current Assets		
Deferred tax assets	113,702.36	0.00
Other non-current financial assets	0.00	0.00
	0.00	**0.00**
Total	**2,131,366.84**	**781,729.06**

The ageing analysis of trade receivables is as follows:

Receivable days	**Balance 31.12.2012**	**Balance 31.12.2011**
0 – 30	170,638.01	166,841.96
31 – 60	172,770.47	391,849.68
61 – 90	271,103.34	0.00
91 –120	334,161.35	0.00
121 – 150	413,641.38	0.00
151 – 180	356,977.93	0.00
181 +	436,260.38	0.00
Total	**2,155,552.86**	**558,691.64**

"Other receivables" are analyzed as follows:

Advance payment for income tax of 2013 amounts to:	171,165.57 €
Prepaid land rentals for 2012 amounts to:	12,117.60 €

The total amount will be netted off during 2013.

Derivative financial liabilities

	2011	2010
Non-current liabilities		
Interest rate swaps	411,188.20	130,440.33
Total	**411,188.20**	**130,440.33**
Current liabilities		
Interest rate swaps	157,323.40	58,072.54
Total	**157,323.40**	**58,072.54**

15. Trade and other payables

Trade and other payables are analyzed as follows:

	2012	2011
Suppliers	21,185.17	14,017.22
Other payables	255,199.99	0.00
Accrued expenses	131,468.78	103,200.94
Total	**407,853.94**	**117,218.16**
Non-Current Liabilities (Other provisions and liabilities)	131,781.13	124,615.73
Current Liabilities (Trade and other payables)	407,853.94	117,218.15
Total liabilities	**539,635.07**	**241,833.88**
Current tax liabilities		
	2012	**2011**
Income tax	291,001.44	234,502.35
Tax on third party fees	15,954.42	0.00
Other taxes	742.00	760.00
Stamp on rentals	144,800.00	0.00
Total	3.60	27.32

- Trade payables are not an interest bearing account and usually it is settled in 60 days period.
- The item "Other Creditors" recorded Directors' fees
- The item Other Taxes is attributable to tax withheld on the fees paid to the Board of Directors during FY 2012
- "Other provisions and liabilities" amounted to 124,615.73 €, are related to estimated cost of dismantling of equipment of the photovoltaic park located at Farsala, as at December 31, 2011 in current values. The amount of this provision is recognized at present values,

that was calculated over a 20 years period with interest rate of 5.75%, equal to the Company's interest on borrowings and is analyzed as follows:

Dismantling of equipment	220,000.00 €
Amount recognized on Present Value	117,839.93 €
Finance cost	242,655.69 €
Total provision	360,495.62 €

The movement is analyzed as follows:

	Amount €
Prediction of decommissioning 31/12/2011	124,615.72
Interest Cost 2012	7,165.40
Prediction of decommissioning 31/12/2012	131,781.12

16. Related parties

There is no parent company for HELIOGENESIS S.A. as a legal entity, as the share capital as at December 31, 2012 was majorly owned by natural persons.

HELIOGENESIS S.A. is supplied with services from related companies as part of normal business activities. These related companies are under the same management or / and same shareholders with HELIOGENESIS S.A.

Related parties balances are analyzed as follows:

	2012		2011	
A. Companies	**Receivable**	**Payable**	**Receivable**	**Payable**
ENEXON HELLAS S.A.	0.00	0.00	0.00	4,620.00
	0.00	**0.00**	**0.00**	**4,620.00**
B. Board of Directors and management	**0.00**	**0.00**	**0.00**	**0.00**

Related parties transactions are analyzed as follows:

	2012		2011	
	Sales	**Purchases**	**Sales**	**Purchases**
A. Companies				
ENEXON HELLAS S.A.	0.00	36,000.00	0.00	28,000.00

	0.00	**36,000.00**	**0.00**	**28,000.00**
B. Board of Directors and management				
Rekounioti Panagiota	0.00	15,630	0.00	15,000
Board of Directors fees	0.00	400,000	0.00	400.000
	0.00	**415,630**	**0.00**	**415,000**

Open balances as at December 31st, 2012 are not guaranteed and will be settled in cash.

Note 17: Contingent Liabilities - Commitments

There are no contingent liabilities or commitments of the Company, which have not been properly disclosed in the financial statements of the Company.

Note 18: **Subsequent events**

Based on the decision of company's Board of Directors dated on April 1 ,2013 it was proposed the distribution of a gross dividend to shareholders amounted of five hundred and forty thousand (540,000) euro

CHAIRMAN OF THE BOARD	**VICE PRESIDENT AND CEO**	**CHIEF ACCOUNTANT**
ANDREAS ZOMBANAKIS ID No.: AB 973717	CHRISTOS KAVATHAS ID No.: I366256	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08 NIKOLAOS ZAMANIS Reg. No.: A' 08257

HELIOGENESIS S.A.

Registration number : 62724/01/B/07/184

Registered office : 10, Merlin Street, Athens Municipality, pc 10671

Financial statements and notes for the year ended December 31, 2012

(publised based on C.L.2190 article 135 for companies who prepare its financial statements, consolidated or not, in accordance with International Financial Reporting Standards)

The following notes, as stated in the financial statements, target to give general information for the financial position and the income statement of "HELIOGENESIS S.A" . As a result, we recomment to the reader, before making any investing decision or other transaction with the Company, to visit the Company's internet site, where the financial statements and the independent auditor's report are published.

Company's internet site : www.heliogenesis.eu
Date of approval of the financial statements: April 1, 2013
Competent Prefecture: Prefecture of Athens
Board of Directors:
Chairman of the Board : Andreas Zombanakis
Vice president and CEO : Christos Kavathas
Member : Markos Komondouros
Member : Rekounioti Panagiota
Member : Power Development Project Hellas ΕΠΕ

Certified Auditors Accountant : Vassilios Kaminaris
Audit company : Ernst & Young
Type of independent auditor's report: Unqualified

STATEMENT OF FINANCIAL POSITION (Amounts in €)

	31/12/2012	31/12/2011
ASSETS		
Property, plant and equipment	11.176.896,03	11.792.062,38
Intangible assets	9.041,67	9.541,67
Other non-current financial assets	98.034,09	0,00
Trade and other receivables	1.834.381,31	558.691,64
Other current financial assets	183.283,17	223.037,42
Cash and short-term deposits	1.515.530,93	1.861.769,45
TOTAL ASSETS	14.817.167,20	14.445.102,56
EQUITY AND LIABILITIES		
Issued capital	622.240,00	622.240,00
Share premium	2.517.859,68	2.517.859,68
Other equity accounts	977.495,24	647.748,36
Total equity (a)	4.117.594,92	3.787.848,04
Non-current Interest-bearing loans and borrowings	9.148.924,15	5.154.917,92
Other provisions and liabilities	542.969,33	288.086,28
Current Interest-bearing loans and borrowings	0,00	4.803.669,97
Trade and other payables	407.853,94	117.218,15
Other current liabilities	599.824,86	293.362,21
Total liabilities (b)	10.699.572,28	10.657.254,53
TOTAL EQUITY AND LIABILITIES (c) = (a) + (b)	14.817.167,20	14.445.102,56

STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	Jan 1st - Dec 31, 2012	Jan 1st - Dec 31, 2011
Total equity as at January 1, 2012 & 2011	3.787.848,04	3.037.509,89
Total comprehensive income	329.746,88	750.338,15
	4.117.594,92	3.787.848,04
Issue of share capital	0,00	0,00
Total equity as at December 31, 2011 & 2010	4.117.594,92	3.787.848,04

STATEMENT OF CASH FLOWS (Amounts in €) - Indirect method

	Jan 1st - Dec 31, 2012	Jan 1st - Dec 31, 2011
Operating activities		
Profit / (Loss) for the year	633.745,86	901.148,45
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows :		
Income tax	159.155,94	226.605,75
Depreciation and impairment of property, plant	615.166,35	511.264,98
Amortisation and impairment of intangible assets	500,00	458,33
Finance income	-2.534,57	-8.490,98
Finance costs	624.133,32	636.549,07
	2.030.166,90	**2.267.535,60**
Working capital adjustments:		
Increase / (Decrease) in trade and other receivables and prepayments	-1.235.935,45	-351.531,58
Increase / (Decrease) in trade and other payables υποχρεώσεων (except from borrowings)	283.627,13	-1.397.876,59
Finance costs	-624.133,32	-636.549,07
Income tax paid	0,00	83.548,02
	-1.576.441,64	-2.302.409,22
Net cash flows used in investing activities (a)	**453.725,26**	**-34.873,62**
Investing activities		
Purchase of property, plant and equipment	0,00	-261.841,09
Purchase of intangible assets	0,00	-10.000,00
Proceeds from borrowings	2.534,57	8.490,98
Movements in provisions	7.165,40	124.615,73
Net cash flows from investing activities (b)	**9.699,97**	**-138.734,38**
Financing activities		
Proceeds from capital increase (share premium)		
Proceeds from borrowings	-809.663,74	1.072.667,28
Net cash flows from/(used in) financing activities ©	**-809.663,74**	**1.072.667,28**
Net increase / (decrease) in cash and cash equivalents (a) + (b)+ (c)	**-346.238,51**	**899.059,28**
Cash and cash equivalents at 1 January	1.861.769,45	962.710,17
Cash and cash equivalents at 31 December	**1.515.530,93**	**1.861.769,45**

INCOME STATEMENT (Amounts in €)

	Jan 1st - Dec 31, 2012	Jan 1st - Dec 31, 2011
Sales	3.211.910,74	2.931.653,26
Cost of sales	-802.047,87	-656.699,43
Gross profit	**2.409.862,87**	**2.274.953,83**
Administrative expenses	-1.000.614,37	-522.668,41
Other income – expenses (net)	5.252,05	3.526,87
Operating income (Profit)	**1.414.500,55**	**1.755.812,29**
Finance cost (net)	-621.598,75	-628.058,09
Profit (Loss) before tax	**792.901,80**	**1.127.754,20**
Income tax expense	-159.155,94	-226.605,75
Profit / (Loss) for the year (a)	**633.745,86**	**901.148,45**
Attributable to :		
Owners of the parent	633.745,86	901.148,45
	633.745,86	**901.148,45**
Other comprehensive income for the year, net of tax (b)	-303.998,98	-150.810,30
Total comprehensive income for the year, net of tax (a)+(b)	**329.746,88**	**750.338,15**
Attributable to :		
Owners of the parent	329.746,88	750.338,15
	329.746,88	**750.338,15**

Additional information:

1. The Company has not been audited by tax authorities for the year 2010.
2. Company's financial statements are not used for consolidation to other companies.
3. There are no mortgages or pledges on the Company's property, plant and equipment in favor of its loans.
4. As at the date of financial statements issuance there is no litigation against the Company.
5. The Company does not employe any personel.
6. The income tax presented in the income Statement above, is analysed as follows:

	Jan 1st - Dec 31, 2012	Jan 1st - Dec 31, 2011
Income tax for the year	-214.220,45	-214.399,87
Deferred tax	55.064,51	-12.205,88
	-159.155,94	**-226.605,75**

Athens, March 29, 2013

CHAIRMAN OF THE BOARD	VICE PRESIDENT AND CEO	CHIEF ACCOUNTANT
ANDREAS ZOMBANAKIS	CHRISTOS KAVATHAS	ACCOUNTING SOLUTIONS S.A. Reg. No.: 928/08
ID No: AB 973717	ID No: I366256	NIKOLAOS ZAMANIS Reg. No.: A' 08257