HELIOGENESIS S.A.

2013

HELIOGENESIS S.A.

Financial statements
for the year ended 31 December 2013
(in accordance with L.3556/2007, article 4)

The financial statements pages 1 to 14 were approved by the Board of Directors on May 21st , 2014.

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

Contents

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 from article 35 of P.D 409/86, we submit to the General Assembly this report, for the achievements of the year ended December 31, 2013.

A. GENERAL

The overall image of the company in terms of organization, infrastructure and growth prospects for the coming years remains unchanged. The progress of the company for the new fiscal year will hopefully improve, compared to that ended December 31, 2013, which was negatively impacted by the new regulations, with the enactment of the Law "Measures for the support and the development of the Greek Economy within the framework of implementation of Law 4046/2012».

The annual energy production of the company is growing steadily each year, mainly due to the extended periods of sunshine and high availability of the P/V Station.
However, although the crisis in the Greek economy has begun to de-escalate, the recent changes in the legislative framework, the adoption of the Law " Measures for the support and the development of the Greek Economy within the framework of implementation of Law 4046/2012' leading to outright reductions in the guaranteed tariff per kWh, which will adversely affect the results in the remaining years.

Given the difficulties of market, our company has decided and has already put in place a program to effectively control our operating costs that aims to further improve our competitiveness.

B. MAIN EVENTS ON THE COMPANY'S OPERATIONS

I. Operations of 2013

The Decision of the Ministry of Development Competitiveness and Shipping with Protocol No. 3296 - 25/01/2012, approved a subsidy of €4.552.000 regarding the construction of a photovoltaic power plant in the location "Riganes" in the municipality of Farsala in the prefecture of Larissa.
With the enactment of the Law "Measures for the support and the development of the Greek Economy within the framework of implementation of Law 4046/2012», Section M, 'Provisions concerning the Ministry of Environment, Energy and Climate Change" provides the redefinition of billing information for operating RES and CHP power stations. More specifically it is stipulated that:

- If the subsidy is disbursed, then the tariff per kWh will decrease from 40.9 Euro / kWh to 23.5 Euro / kWh, representing a 42% average reduction in. In this case, however, the Company will have the benefits that disbursing the subsidy will repay part of the loan which amounts to approximately Euro 300,000 per year and will have an additional income in the IFRS Financial Statements from the amortization of the subsidy.

- Otherwise, if the subsidy is not disbursed, then the tariff per kWh will decrease by 16.8% to Euro 34/ kWh without offsetting benefits from the disbursement of the subsidy.

Moreover, based on that same law, a mandatory reduction of 35% of the total energy invoiced during the year 2013 has been imposed on the company.

II. Main risks and uncertainties for 2013

The main risks and uncertainties for the company in the coming months are:

• Financial Risk: The interest rates depend on international economic conditions of credit liquidity in the economy. The company maintains good relations with the banking system both in Greece and abroad to ensure the best possible terms. In order to offset the changes in the borrowing interest rate, the Company has taken relevant measures to offset interest rate risk.
• Liquidity Risk: Due to the current economic crisis, the company relies on a specific cash flow program to be able to have at all times sufficient bank credit and cash reserves.
On the accounting treatment of the matter, given that the risk of non-recovery of accruals under contract by the Greek government is minimal, despite the known delays in the payment of its obligations, the company does not form bad debts. Please note that from July 1st 2012 to December 31st 2013 an extraordinary special solidarity levy was imposed according to L4093/2012, which burdened the company's financial results by 25% of turnover. We believe that the liquidity risk caused by this fact has been addressed.
The company does not take positions in derivatives and other financial instruments which are not related to the main object of activity or trying to record profit by predicting the course of capital markets.

III. Estimations and perspectives for 2014

In accordance with the provisions of the Law entitled " Measures for the support and the development of the Greek Economy within the framework of implementation of Law 4046/2012", Section M, 'Provisions concerning the Ministry of Environment, Energy and Climate Change " provides as follows:

- For the fiscal year ended December 31, 2013 the Company is required to issue under the provisions of KFAS a credit invoice to LAGIE, amounting to 35% of the total energy invoiced during the year 2013. Regardless, the credit invoice may be issued in 2014 but can be used to reduce taxable income.
- Furthermore, the special contribution of 25% laid down in the provisions of L4093/12 and the provisions of L4152/13 will be recalculated for 2013 on reduced income after the discount.

The overall burden amounts to the amount of 853,740 Euros with negative effects on the financial statements.
Consequently, the financial results of the 2014 are expected to be significantly enhanced compared to those of 2013, as they would not be affected by such a credit invoice.

The company's net debt and attendant financial costs are expected to decline in 2014 because of the cash flows expected to accrue to the company.

IV.Board of Directors

The Board of Directors service is ending on December 31, 2015 and constitutes from 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 Vice president and executive director is still engaging the Company Christos Kavathas, who is engaging the Company for every issue, signing under the corporate name and, in case of his inability or absence, Markos Komondouros is replacing him.

V. Subsequent events

Based on the decision of company's Board of Directors dated on May 21st, 2014 it was proposed the distribution of a gross dividend to shareholders amounting to EUR one hundred and twenty one thousand (121,000). There were no other events after the balance sheet date which required reporting

C. FINANCIAL STATEMENTS PRESENTATION

Total sales for the year 2013 amounted to 2.114.022,92 € versus 3.211.910,74 € for 2012, due to the credit invoice the Company was obliged to issue for the invoiced revenues of 2013 to LAFIE.
Gross margin is presented as a percentage of 62,06% for the year 2013 versus 75,03% for 2012.
Profits before tax resulted to a percentage of 11,47% of total sales , amount of 242.505,64 € versus profit of 792.901,80 € for 2012 i.e. 24,69%.
Profit after tax were resulted to a percentage of 8,24 % of total sales, amount of 174.145,19 € reduced in comparison to after tax profits of 633.745,86 € for 2012 or 19,73% of total sales. This negative impact is directly related to the discount imposed according to Section M «'Provisions concerning the Ministry of Environment, Energy and Climate Change» as enacted on March 30 2014.

EBIT margin, that is the profit before tax and finance costs, on the total of the Company is satisfactory in spite of the negative economic environment and the mandatory discount on turnover, with a percentage of 31,69%, amount of 669.841,66 € reduced compared to 44,04% for 2012, amount of 1.414.500,55 € .

Finance cost amounted to 427.336,02 € for 2013, presented quite reduced versus prior year that amounted to 621.598,75 € .
Short-term debt was zero in 2013 mainly due to the revaluation of short-term borrowings in current liabilities in 2012.

The total debt of the company will continue to decrease in 2014 in accordance with the repayment schedule of the loan.

Trade and other receivables was reduced by 637.768,56 € and the amount is referred to:

a) Net decrease of trade receivables of 638.240,21 € because of the reduction brought on by the mandatory discount on tariffs related to LAGIE for 2013.
β) Decrease by 471,65 € of advances related to tax.

Current liabilities not related to borrowing (to suppliers and other liabilities) decreased significantly during the year and amounted to 137.187,18 € from 407.853,94 € at the end of 2012.

Non-current net long-term borrowings at the end of 2013 reduced to 8.764.795,11 € versus 9.423.127,75 € for the previous year. The decrease in long-term debt is primarily due to the repayment of overdue amortization.

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

The Company's capital structure was reduced in 2013, with equity amounting to 3.977.023,15 € versus 4.117.594,92 € for 2012.
"Non-current liabilities" increased by 139.358,54 € στο τέλος 2013 έναντι 131.781,13 € at the end of 2012, 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 ευρώ)

a) Ratios of economic structure

- Current Assets / Total Assets	:	2.603	/	13.175	=	19,75 %
- Equity / Total liabilities	:	3.977	/	9.198	=	43,23 %

- Equity / Non current assets	:	3.977	/	10.562	=	37,65 %
- Current Assets / Current liabilities	:	2.603	/	338	=	770,11 %
b) Profitability ratios						
- Net results / Equity	:	243	/	3.977	=	6,11 %
- Gross profit/ Sales	:	1.312	/	2.114	=	62,06 %

II. Financial statements preparation

The financial statements of the Company for the year end December 31, 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) and present fairly the financial position of "HELIOGENESIS S.A." as at December 31, 2013, and include the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We invite you, all Shareholders to:

1. Approve the financial position and the other financial statements for the year ended December 31, 2013.
2. To hold harmless the member of the Boards of Directors and the independent auditors of the Company, from any liability in relation to the fiscal year 2013, in accordance to the Law and the Company's articles of incorporation.

Athens, May 21st 2014

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

TRANSLATION TO ENGLISH FROM THE GREEK ORIGINAL

INDEPENDENT AUDITORS' REPORT

To the Shareholders of HELIOGENESIS PRODUCTION AND TRADING OF ELECTRICITY POWER S.A. ("the Company")

Report on the Financial Statements

We have audited the accompanying financial statements of HELIOGENESIS PRODUCTION AND TRADING OF ELECTRICITY POWER S.A. ("the Company") which comprise the statement of financial position as at December 31, 2013, the income statement, the statement of comprehensive income, the statement of changes in equity and the 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 PRODUCTION AND TRADING OF ELECTRICITY POWER S.A. and its subsidiaries as at December 31, 2013, and of their financial performance and their 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 provided 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, May 30, 2014

AUDIT SERVICES SA
Certified Public Accountants
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153 43, Agia Paraskevi,
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Reg. No. 162

ACCOUNTING AUDIT-TAX ADVISORY NETWORK
GENEVA GROUP INTERNATIONAL
Independent Member

Marios Georgiou
Certified Public Accountant
Reg. No. 12951

HELIOGENESIS S.A.

Financial statements

for the year ended 31 December 2013

(in accordance with International Financial Reporting Standards)

Statement of financial position for the year ended 31 December 2013

	Notes	2013	2012
ASSETS			
Non-current assets			
Property, plant and equipment	7	10.561.729,68	11.176.896,03
Intangible assets	8	0,00	9.041,67
Deferred tax assets	12	9.357,00	98.034,09
		10.571.086,68	**11.283.971,79**
Current assets			
Trade and other receivables	14	1.367.154,59	2.017.664,48
Cash and short-term deposits	9	1.236.289,84	1.515.530,93
		2.603.444,43	**3.533.195,41**
Total assets		**13.174.531,11**	**14.817.167,20**
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	80.323,27	71.616,01
Cash flow hedge reserve	13	(229.526,24)	(454.809,28)
Retained earnings		986.126,44	1.360.688,51
Total equity		3.977.023,15	4.117.594,92
Non-current liabilities			
Interest-bearing loans and borrowings	11	8.520.823,51	9.148.924,15
Derivative financial liabilities	16	199.110,34	411.188,20
Deferred tax liabilities	12	0,00	0,00
Other provisions and liabilities	15	139.358,54	131.781,13
		8.859.292,39	**9.691.893,48**
Current liabilities			
Trade and other payables	16	137.187,18	407.853,94
Income tax and other taxes payable	16	89.968,13	442.501,46
Interest-bearing loans and borrowings	11	0,00	0,00
Derivative financial liabilities	15	111.060,26	157.323,40
		338.215,57	**1.007.678,80**
Total liabilities		**9.197.507,96**	**10.699.572,28**
Total equity and liabilities		**13.174.531,11**	**14.817.167,20**

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

Income statement for the year ended 31 December 2013

	Notes	2013	2012
Sales	1	2.114.022,92	3.211.910,74
Cost of sales	1	(801.982,89)	(802.047,87)
Gross profit		**1.312.040,03**	**2.409.862,87**
Administrative expenses	2	(648.795,51)	(1.000.614,37)
Other income – expenses (net)	3	6.597,14	5.252,05
Operating income (Loss)		**669.841,66**	**1.414.500,55**
Finance cost (net)	4	(427.336,02)	(621.598,75)
Profit (Loss) before tax		**242.505,64**	**792.901,80**
Income tax expense	5	(68.360,45)	(159.155,94)
Profit / (Loss) for the year		**174.145,19**	**633.745,86**
Depreciation for the year	7 - 8	624.208,32	615.666,35

Statement of comprehensive income for the year ended 31 December 2013

		2013	2012
Profit / (Loss) for the year		**174.145,19**	**633.745,86**
Other comprehensive income			
Cash flow hedge		(310.170,60)	(568.511,60)
Income tax effect		80.644,36	113.702,32
Other comprehensive income for the year, net of tax	13	**(229.526,24)**	**(454.809,28)**
Total comprehensive income for the year, net of tax		**(55.381,05)**	**178.936,58**

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

Statement of cash flows for the year ended 31 December 2013

	Notes	2013	2012
Operating activities			
Profit / (Loss) for the year		174.145,19	633.745,86
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows			
Income tax	5	68.360,45	159.155,94
Depreciation and impairment of property, plant and equipment	7	615.166,35	615.166,35
Amortisation and impairment of intangible assets	8	9.041,67	500,00
Finance income	4	(2.499,86)	(2.534,57)
Finance costs	4	429.785,88	624.133,32
		1.294.049,68	**2.030.166,90**
Working capital adjustments:			
Increase / (Decrease) in trade and other receivables and prepayments		637.768,,56	(1.235.935,45)
Increase / (Decrease) in trade and other payables υποχρεώσεων (except from borrowings)		(623.200,09)	283.627,13
		14.568,47	**952.308,32**
Net cash flows from operating activities		**1.308.618,16**	**1.057.858,58**
Finance costs r		(429.785,88)	(624.133,32)
Income tax paid	5	0,00	0,00
Net cash flows used in investing activities (a)		**878.832,27**	**453.725,26**
Investing activities			
Purchase of property, plant and equipment	7	0,00	0,00
Purchase of intangible assets	8	0,00	0,00
Proceeds from borrowings	4	2.449,86	2.534,57
Movements in provisions		7.577,42	7.165,40
		10.027,28	**9.699,97**
Financing activities			
Dividends paid	19	(540.000,00)	0,00
Proceeds from borrowings	11	(628.100,64)	(809.663,74)
Net cash flows from/(used in) financing activities (c)		**(1.168.100,64)**	**(809.663,74)**
Net increase / (decrease) in cash and cash equivalents (a) + (b)+(c)		**(279.241,09)**	**(346.238,52)**
Cash and cash equivalents at 1 January		1.515.530,93	1.861.769,45
Cash and cash equivalents at 31 December	9	**1.236.289,84**	**1.515.530,93**

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

Statement of changes in equity for the year ended 31 December 2013

	Paid Capital	Share Premium	Hedging Reserves	Legal Reserves	Profits carried forward	Total
As at January 1st, 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**
As at December 31st, 2012	**622.240**	**2.517.859,68**	**(454.809,28)**	**71.616,01**	**1.360.688,51**	**4.117.594,92**
As at January 1st, 2013	**622.240**	**2.517.859,68**	**(454.809,28)**	**71.616,01**	**1.360.688,51**	**4.117.594,92**
Other comprehensive income	0,00	0,00	225.283,04	0,00	0,00	225.283,04
Profit / (Loss) for the year				8.707,26	165.437,93	174.145,19
Dividends					(540.000,00)	(540.000,00)
Other comprehensive income	**0,00**	**0,00**	**225.283,04**	**8.707,26**	**165.437,93**	**399.428,23**
At December 31st, 2013	**622.240**	**2.517.859,68**	**(229.526,24)**	**80..323,27**	**986.126,44**	**3.977.023,15**

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

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

A.1 General information

These financial statements include the financial statements of HELIOGENESIS PRODUCTION AND TRADE OF ELECTRIC POWER SA (the Company).

The accompanying financial statements of HELIOGENESIS S.A. (the Company), were approved by Board of Directors on 21.05.2014 and are under approval of the Shareholder's General Assembly that will be held on 30.06.2014.

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 Company's account, or of third parties.
- Ensuring the related grants and subsidies from private, government and international bodies and from European Union on the name and for the company or third parties.

B. BASIS OF PREPARATION

The financial statements of the Company for the year end December 31, 2013 have been prepared on a historical cost basis, on a going concern basis and the accrual basis. The accompanying financial statements have been prepared for the first time 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, 2013. There are no Standards that were early adopted.

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 during 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

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 to 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 equipment at the time the photovoltaic park's operation stops. Company's management reviews periodically in estimation of the adequacy of this provision. 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 to hedging agreements in order to limit its exposure to interest rate risk. There is no significant effect to the financial statements ended 31.12.2013. 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 retranslated using the rates at the date the transaction.
All differences arising on settlement or translation of monetary items are taken to the income statement with the exception of monetary items that are adjusted to its present values. These are considered as part of the present value and 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 EUR 1.500,00 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.

Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction in which the parties have full knowledge and participate voluntarily, after deducting the costs of disposal of the asset, while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

At each reporting date the management assess whether there is any indication of impairment of an asset under IAS 36, according to which it is ensured that the assets are accounted for at a value not exceeding the recoverable amount, where recoverable amount of an asset is the higher of fair value (less costs to sell) and value in use.

This evaluation also takes into account information from internal and external sources. Impairment of assets does not apply to items of deferred tax assets and financial assets falling under IAS 39 and in current assets classified as held for sale. Any impairment loss is recognized directly in 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.
Τα χρηματοοικονομικά μέσα της εταιρείας ταξινομούνται στις παρακάτω κατηγορίες με βάση την ουσία της σύμβασης και το σκοπό για τον οποίο αποκτήθηκαν.

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 result 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

(d) 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 life 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

IAS 1 (Amendment) "Presentation of Financial Statements"
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"
This amendment makes significant changes to the recognition and 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.

IAS 12 (Amendment) "Income Taxes"
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".

IFRS 13 "Fair Value Measurement"

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.

IFRS 7 (Amendment) "Financial Instruments: Disclosures"
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.

IFRIC 20 "Stripping costs in the production phase of a surface mine"
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.

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.

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 recognised in the income statement and income tax related to the costs of equity transactions is recognised 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.

Standards and Interpretations effective for periods beginning on or after 1 January 2014

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

IFRS 9 "Financial Instruments: Hedge accounting and amendments to IFRS 9, IFRS7 and IAS 39" (effective for annual periods beginning on or after 1 January 2015)

IFRS 7 (Amendment) "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2015)

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

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 11 "Joint Arrangements"

IFRS 12 "Disclosure of Interests in Other Entities"

IAS 27 (Amendment) "Separate Financial Statements"

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

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 2014)

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

IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets" (effective for annual periods beginning on or after 1 January 2014)

IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2014)

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" (effective for annual periods beginning on or after 1 January 2014)

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 July 2014)

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014) The amendments set out below describe the key changes to seven IFRSs following the

publication of the results of the IASB's 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.
IFRS 2 "Share-based payment"
IFRS 3 "Business combinations"
IFRS 8 "Operating segments"
IFRS 13 "Fair value measurement"
IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"
IAS 24 "Related party disclosures"

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 July 2014) The amendments set out below describe the key changes to four IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.
IFRS 3 "Business combinations"
IFRS 13 "Fair value measurement"
IAS 40 "Investment property"
IFRS 1 "First-time adoption of International Financial Reporting Standards"

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Sales and Cost of Sales

Sales are analyzed as follows:

	2013	2012
Sales of electricity power	2.114.022,92	3.211.910,74
Sales	**2.114.022,92**	**3.211.910,74**

Cost of sales is analyzed as follows:

	2013	2012
Insurance	(34.010,41)	(40.232,85)
Rentals	(13.277,05)	(16.196,62)
Repairs and maintenance	(124.000,00)	(124.000,00)
Other third party fees	(10.020,64)	(5.769,00)
Taxes other than income taxes	(1.396,51)	(683,05)
Depreciation	(615.166,35)	(615.166,35)
	(801.982,89)	**(802.047,87)**

Note 2: Administrative expenses

Administrative expenses are analyzed as follows:

	2013	2012
Third party fees & expenses	(101.388,53)	(191.908,10)
Board of Directors fees	(0,00)	(400.000,00)
Depreciation	(9.041,67)	(500,00)
Rentals	(4.560,00)	(4.750,00)

Other third party fees	(1.208,35)	(894,44)
Taxes other than income taxes	(529.448,90)	(397.075,63)
Other expenses	(3.148,06)	(5.486,20)
Total	**(648.795,51)**	**(1.000.614,37)**

- 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 until 31.12.2013 , which for the current fiscal amounts to 528.505,73 €.

Note 3: Other income – expenses

Other income - expenses are analyzed as follows:

Other income	**2013**	**2012**
Sub- letting income	100,00	100,00
Other income	6.497,14	5.152,05
Total other income	**6.597,14**	**5.252,05**

Note 4: Finance income and finance cost

Finance income and finance cost are analyzed as follows:

Finance cost

	2013	**2012**
Finance Income		
Interest	2.449,86	2.534,57
Total Finance Income	**2.449,86**	**2.534,57**
Finance cost		
Interest and other relating expenses	(429.785,88)	(624.133,32)
Total Finance cost	**(429.785,88)**	**(624.133,32)**
Finance cost (net)	**(427.336,02)**	**(621.598,75)**

Note 5: Income tax

Income tax is analyzed as follows:

	2013	**2012**
Income tax	(12.741,33)	(214.220,45)
Deferred tax	(55.619,12)	55.064,51
Total	**(68.360,45)**	**(159.155,94)**

Income Tax

	2013	2012
Profit (Loss) before tax	242.505,64	792.901,80
Tax rate applicable in Greece	26,00%	20,00%
Proportionate tax ; 26% (2012: 20%)	(63.051,47)	(158.580,36)
Permanent differences	(605,50)	(572,58)
Effect from the change in tax rate	(4.700,48)	
Total	(68.357,45)	(159.152,94)
Additional taxes (property)	(3,00)	(3,00)
Total income tax	**(68.360,45)**	**(159.155,94)**

Based on the recent law 4110/2013 the income tax rate applicable to Greek companies for 2013 and onwards will be 26%. (2012: 20%).

Deferred tax assets and liabilities are determined using the effected tax rate at the end of the closing fiscal year, equal to 26%.

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, 2012 and 2013. No amount was provided against the possible additional taxes as a result from a future tax audit.

Note 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	Total
Cost or valuation				**0,00**
As at January 1, 2012	**315.239,93**	**11.988.087,35**	**4.478,63**	**12.307.805,91**
Additions				**0,00**
As at December 31, 2012	**315.239,93**	**11.988.087,35**	**4.478,63**	**12.307.805,91**
Accumulated depreciation and impairment:				
As at January 1, 2012	**(12.152,99)**	**(499.111,99)**	**(4.478,55)**	**(515.743,53)**
Additions	(15.762,00)	(599.404,35)	0,00	**(615.166,35)**
As at December 31, 2012	**(27.914,99)**	**(1.098.516,34)**	**(4.478,55)**	**(1.130.909,88)**
Net book value as at December 31, 2012	**287.324,94**	**10.889.571,01**	**0,08**	**11.176.896,03**
Cost or valuation				**0,00**
As at January 1, 2013	**315.239,93**	**11.988.087,35**	**4.478,63**	**12.307.805,91**
Additions	0,00	0,00	0,00	**0,00**
As at December 31, 2013	**315.239,93**	**11.988.087,35**	**4.478,63**	**12.307.805,91**

Accumulated depreciation and impairment:				
As at January 1, 2013	**(27.914,99)**	**(1.098.516,34)**	**(4.478,55)**	**(1.130.909,88)**
Additions	(15.762,00)	(599.404,35)	0,00	**(615.166,35)**
As at December 31, 2013	**(43.676,99)**	**(1.697.920,69)**	**(4.478,55)**	**(1.746.076,23)**
Net book value as at December 31, 2013	**271.562,94**	**10.290.166,66**	**0,08**	**10.561.729,68**

- 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.
- The management of the company is of the view that as of December 31,2013 there are no indications of impairment for the tangible assets.

Note 8: Intangible assets

Intangible assets are analyzed as follows:

	Software	Total
Cost		
As at January 1,2012	**10.000,00**	**10.000,00**
Additions	0,00	0,00
As at December 31, 2012	**10.000,00**	**10.000,00**
Accumulated amortization:		
Amortization for the period	-958,33	-958,33
As at December 31, 2012	**-958,33**	**-458,33**
Net book value as at December 31, 2012	**9.041,67**	**9.041,67**

	Software	Total
Cost		
As at January 1, 2013	**10.000,00**	**10.000,00**
Additions	0,00	0,00
As at December 31, 2013	**10.000,00**	**10.000,00**
Accumulated amortization:		
Amortization for the period	-9.041,67	-9.041,67
As at December 31, 2013	**-10.000,00**	**-10.000,00**
Net book value as at December 31, 2013	**0,00**	**0,00**

Note 9: Cash and short-term deposits.

Cash and short-term deposits are analyzed as follows:

	2013	2012
Cash in hand	188,08	322,93
Cash at banks	1.236.101,76	1.515.208,00
Total	**1.236.289,84**	**1.515.530,93**

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 € 2.499,86 and € 2.534,57 as at December 31, 2013 and 2012 respectively and are included in the finance cost in the accompanying income statement (Note 4 above).

Note 10: Issued capital and share premium

The Company's issued capital as at December 31, 2013, is divided into 62.224 authorized ordinary shares (December 31, 2010: 62.224 ordinary shares), of € 10 par value each.

Note 11: Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are analyzed as follows:

	2013	2012
Non-Current borrowings		
Bond loans	8.764.795,11	9.423.127,75
Finance cost	(243.971,60)	(273.203,60)
Total Non-Current borrowings	**8.520.823,51**	**9.148.924,15**
Total borrowings	**8.520.823,51**	**9.148.924,15**

Loan Repayment dates are as follows:

More than 5 years	8.764.795,11	9.423.127,75
Amounts in EUR	**8.764.795,11**	**9.423.127,757**
1 - 2 years	0,00	0,00
2 - 5 years	0,00	0,00
More than 5 years	8.764.795,11	9.423.127,75
	8.764.795,11	**9.423.127,757**

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 months and bears interest of 6 month EURIBOR + spread 3%. Its repayment starts 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% Its repayment starts on March, 15 2012 with 6 month installments.

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.

Note 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:

	2013	2012
Deferred tax assets	80.644,36	113.702,32
Deferred tax liabilities	(71.287,35)	(15.668,23)
	9.357,00	**98.034,09**
Deferred tax assets		
More than 12 months		
Up to 12 months	80.644,36	113.702,32
	80.644,36	**113.702,32**
Deferred tax liabilities		
Over 12 months	0,00	0,00
Up to 12 months	71.287,35	15.668,23
	71.287,35	**15.668,23**

Deferred tax movement is analyzed as follows:

Deferred tax liabilities:

	Difference on depre-ciation/amortization	Provisions	Change in TAX rate	Total
As at 1/1/2012	**(92.722,29)**	**21.989,51**	**0,00**	**(70.732,78)**
Income tax (expense)/profit	10.613,09	44.451,46	0,00	55.064,55
As at 31/12/2012	**(82.109,20)**	**66.440,97**	**0,00**	**(15.668,23)**
Difference due to implementation of IAS 32 & 39	**0,00**			**0,00**
At 1/1/2013	**(82.109,20)**	**66.440,97**		**(15.668,23)**
Income tax (expense)/profit	(142.173,31)	91..254,67	(4.700,48)	(55.619,12)
As at 31/12/2013	**(224.282,51)**	**157.695,64**	**(4.700,48)**	**(71.287,35)**

Deferred tax liabilities:

	Tax losses	Other	Total
As at 1/1/2012	**(0,00)**	**37.702,57**	**37.702,57**
Income tax (expense)/profit	0,00	0,00	0,00
(Debit) / credit of net position		75.999,75	75.999,75
At 31/12/2012	**0,00**	**113.702,32**	**113.702,32**
As at 1/1/2013	**0,00**	**113.702,32**	**113.702,32**
Income tax (expense)/profit	0,00	0,00	0,00
(Debit) / Credit of net position		(33.057,96)	(33.057,96)
As at 31/12/2013	**0,00**	**80.644,36**	**80.644,36**

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

	2013	2012
Depreciation	(142.173,31)	10.613,09
Change in TAX rate	(4.700,48)	0,00
Accrued interest expense	91.254,67	44.451,42
Total	**(55.619,12)**	**55.064,51**

Note 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, 2012	**39.928,72**	**(150.810,30)**	**(110.881,58)**
As at December 31, 2012	**71.616,01**	**(454.809,28)**	**(383.193,27)**
As at January 1, 2013	**71.616,01**	**(454.809,28)**	**(383.193,27)**
Other	8.707,26	225.283,04	233.990,30
As at December 31, 2012	**80.323,27**	**(229.526,24)**	**(149.202,97)**

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.

Note 14: Trade and other receivables

Trade and other receivables are analyzed as follows:

Current Assets

	2013	2012
Trade receivables	1.196.141,10	2.155.552,86
Less: Special solidarity levy	0,00	321.171,55
Trade receivables net	**1.196.141,10**	**1.834.381,31**
Receivable from VAT	171.013,49	0,00
Other receivable	0,00	183.283,17
Total	**171.013,49**	**183.283,17**
Total Receivables	**1.367.154,59**	**2.017.664,48**

The ageing analysis of trade receivables is as follows and is solely due to LAGIE, who is the sole customers of the Company:

Receivable days	**31/12/2013**	**31/12/2012**
0 – 30 days	82.442,09	170.638,01
31 – 60 days	74.105,00	172.770,47
61 – 90 days	130.985,93	271.103,34
91 –120 days	162.192,09	334.161,35
121 – 150 days	191.251,20	413.641,38
151 – 180 days	192.711,53	356.977,93
181 + days	362.453,26	436.260,38
Σύνολα	**1.196.141,10**	**2.155.552,86**

"Other receivables" are analyzed as follows:

Advance payment for income tax 2013/12	148.962,54	171.165,57
Advance payment for income tax 2014/13	9.827,38	
Prepaid land rentals for 2014	12.223,57	12.117,60
	171.013,49	**183.283,17**

The total amount will be netted off during 2014.

Note 15: Derivative financial liabilities

	2013	2012
Non-current liabilities		
Total	**0,00**	**0,00**
Current liabilities		
Total	**0,00**	**0,00**
Long term liabilities		
Interest rate swaps	199.110,34	411.188,20
Total	**199.110,34**	**411.188,20**
Curent liablities		
Interest rate swaps	111.060,26	157.323,40
Total	**111.060,26**	**157.323,40**

Note 16: Trade and other payables

Trade and other payables are analyzed as follows:

	2013	2012
Suppliers	58.729,71	21.185,17
Other payables	296,54	255.199,99
Accrued expenses	78.160,93	131.468,78
Total	**137.187,18**	**407.853,94**

The current TAX liabilities are analyzed as follows:

Ποσά σε ευρώ	2013	2012
Income tax	70.251,25	281.001,44
VAT	19.513,28	15.954,42
Tax on third party fees	200,00	742,00
Other Taxes	0,00	144.800,00
Stamp on rentals	3,60	3,60
Total	**89.968,13**	**442.501,46**

The total liabilities are analyzed as follows:

Long-term liabilities	139.358,54	131.781,13
Current Liabilities	137.187,18	407.853,94
Total Liabilities	**276.545,72**	**539.635,07**

- Trade payables are not an interest bearing account and usually it is settled in 60 days period.
- The item "Other Creditors" recorded Directors' fees for 2012 .
- 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" are related to estimated cost of dismantling of equipment of the photovoltaic park located at Farsala, 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:

Prediction of decommissioning 31/12/2012	131.781,13
Interest Cost 2013	7.577,41
Prediction of decommissioning 31/12/2013	139.358,54

Note 17: Related parties

There is no parent company for HELIOGENESIS S.A. as a legal entity, as the share capital as at December 31, 2013 was majorly owned by individuals.

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 as of December 31wt, 2013 are analyzed as follows:

	2013		2012	
A. Companies	**Receivable**	**Payable**	**Receivable**	**Payable**
HELIOGENESIS EPE	0,00	9.370,65	0,00	0,00
	0,00	**0,00**	**0,00**	**0,00**
B. Board of Directors and management:	**0,00**	**0,00**	**0,00**	**0,00**

Related parties transactions are analyzed as follows:

	2013		2012	
	Receivable	**Payable**	**Receivable**	**Payable**
A. Companies				
HELIOGENESIS EPE	0,00	42.000,00	0,00	0,00
ENEXON HELLAS S.A.	0,00	0,00	0,00	36.000,00
	0,00	**0,00**	**0,00**	**36.000,00**
B. Board of Directors and management:				
Rekounioti Panagiota	0,00	16.857	0,00	15.630
Board of Directors Fees	0,00	0,00	0,00	400.000
	0,00	**16.857**	**0,00**	**415.630**

Open balances as at December 31st, 2013 are not guaranteed and will be settled in cash.

Note 18: 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 19: Dividend Distribution

The ordinary general meeting of shareholders of the Company for the previous year, which was held on 1.4.2013, approved the dividend payment of 168,000 euros and then an extraordinary general meeting held on May 13, 2013 distributed an additional dividend of EUR 372,000.

Note 20: Subsequent events

Based on the decision of company's Board of Directors dated on May 21st, 2014 it was proposed the distribution of a gross dividend to shareholders amounting to EUR one hundred and twenty one thousand (121.000).

In March 30, 2014, the Greek Parliament passed the draft law entitled "Measures for the support and the development of the Greek Economy within the framework of implementation of Law 4046/2012", which in Section M, 'Provisions concerning the Ministry of Environment, Energy and Climate Change" provides redefinition of billing information for operating RES and CHP power stations.

Under this draft law the following events are expected to affect directly or in the near future the Company. More specifically:

- For the fiscal year ended December 31, 2013 the Company is required to issue under the provisions of KFAS a credit invoice to LAGIE, amounting to 35% of the total energy invoiced during the year 2013.
- The Company will not be able to collect the remuneration from LAGIE until the issuance of the aforementioned credit invoice.
- The abovementioned credit invoice may be issued by the Company in 2014 but can be used to reduce taxable income.
- The special levy of 25% laid down in the provisions of L4093/12 and the provisions of L4152/13 will be calculated for 2013 on reduced revenue.
- As mentioned in the «Yearly Report of the Board of Directors» a subsidy of €4.552.000 has been approved regarding the construction of a photovoltaic power plant in the location "Riganes" in the municipality of Farsala in the prefecture of Larissa. If the subsidy is disbursed, then the tariff per kWh will decrease from 40.9 Euro / kWh to 23.5 Euro / kWh, representing a 42% average reduction in. In this case, however, the Company will have the benefits that disbursing the subsidy will repay part of the loan which amounts to approximately Euro 300,000 per year and will have an additional income in the IFRS Financial Statements from the amortization of the subsidy.
- Otherwise, if the subsidy is not disbursed, then the tariff per kWh will decrease by 16.8% to Euro 34/ kWh without offsetting benefits from the disbursement of the subsidy.

Based on the above, the Company made the following actions in relation to the Financial Statements of December 31 2013:

- ✓ It has amended the recognition of revenue for 2013, taking into account the issuance of the credit invoice sated in the above provisions, and has amended accordingly the amount of the special levy payable to the Greek State.
- ✓ It has conducted an impairment test of tangible assets and in particular of the mechanical equipment that is absolutely necessary for the continuation of the business of the Company, based on two scenarios.

Appendix

HELIOGENESIS S.A.
Registration number : 62724/01/B/07/184 GEMI : 7468201000
Registered office : 10, Merlin Street, Athens Municipality, pc 10671
Financial statements and notes for the year ended December 31, 2013
(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: May 21, 2014
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 : Marios Georgiou
Audit company : Audit Services AE
Type of independent auditor's report: Unqualified

STATEMENT OF FINANCIAL POSITION (Amounts in €)

	31/12/2013	31/12/2012
ASSETS		
Property, plant and equipment	10.561.729,68	11.176.896,03
Intangible assets		9.041,67
Other non-current financial assets	9.357,00	98.034,09
Trade and other receivables	1.196.141,10	1.834.381,31
Other current financial assets	171.013,49	183.283,17
Cash and short-term deposits	1.236.289,84	1.515.530,93
TOTAL ASSETS	**13.174.531,11**	**14.817.167,20**
EQUITY AND LIABILITIES		
Issued capital	622.240,00	622.240,00
Share premium	2.517.859,68	2.517.859,68
Other equity accounts	836.923,47	977.495,24
Total equity (a)	3.977.023,15	4.117.594,92
Non-current interest-bearing loans and borrowings	8.520.823,51	9.148.924,15
Other provisions and liabilities	338.468,88	542.969,33
Current interest-bearing loans and borrowings	0,00	0,00
Trade and other payables	137.187,18	407.853,94
Other current liabilities	201.028,39	599.824,86
Total liabilities (b)	9.197.507,96	10.699.572,28
TOTAL EQUITY AND LIABILITIES (c) = (a) + (b)	**13.174.531,11**	**14.817.167,20**

STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	Jan 1st - Dec 31, 2013	Jan 1st - Dec 31, 2012
Total equity as at January 1, 2013 & 2012	4.117.594,92	3.787.848,04
Total comprehensive income	399.428,23	329.746,88
	4.517.023,15	4.117.594,92
Dividents distribution	540.000,00	0,00
Total equity as at December 31, 2013 & 2012	3.977.023,15	4.117.594,92

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

	Jan 1st - Dec 31, 2013	Jan 1st - Dec 31, 2012
Operating activities		
Profit / (Loss) for the year	174.145,19	633.745,86
Non-cash adjustment to reconcile profit / (loss) before tax to net cash flows :		
Income tax	68.360,45	159.155,94
Depreciation and impairment of property, plant	615.166,35	615.166,35
Amortisation and impairment of intangible assets	9.041,67	500,00
Finance income	(2.449,86)	(2.534,57)
Finance costs	429.785,88	624.133,32
	1.294.049,68	**2.030.166,90**
Working capital adjustments:		
Increase / (Decrease) in trade and other receivables and prepayments	650.509,89	(1.235.935,45)
Increase / (Decrease) in trade and other payables υποχρεώσεων (except from borrowings)	(635.941,42)	283.627,13
Finance costs	(429.785,88)	(624.133,32)
Income tax paid	0,00	0,00
	(415.217,41)	(1.576.441,64)
Net cash flows used in investing activities (a)	**878.832,27**	**453.725,26**
Investing activities		
Purchase of property, plant and equipment	0,00	0,00
Purchase of intangible assets	0,00	0,00
Proceeds from borrowings	2.449,86	2.534,57
Movements in provisions	7.577,42	7.165,40
Net cash flows from investing activities (b)	**10.027,28**	**9.699,97**
Financing activities		
Dividents Distribution	(540.000,00)	
Proceeds from borrowings	(628.100,64)	(809.663,74)
Net cash flows from/(used in) financing activities ©	**-1.168.100,64**	**-809.663,74**
Net increase / (decrease) in cash and cash equivalents (a) + (b)+ (c)	**(279.241,09)**	**-346.238,51**
Cash and cash equivalents at 1 January	1.515.530,93	1.861.769,45
Cash and cash equivalents at 31 December	**1.236.289,84**	**1.515.530,93**

INCOME STATEMENT (Amounts in €)

	Jan 1st - Dec 31, 2013	Jan 1st - Dec 31, 2012
Sales	2.114.022,92	3.211.910,74
Cost of sales	(801.982,89)	(802.047,87)
Gross profit	**1.312.040,03**	**2.409.862,87**
Administrative expenses	(648.795,51)	(1.000.614,37)
Other income – expenses (net)	6.597,14	5.252,05
Operating income (Profit)	**669.841,66**	**1.414.500,55**
Finance cost (net)	(427.336,02)	(621.598,75)
Profit (Loss) before tax	**242.505,64**	**792.901,80**
Income tax expense	(68.360,45)	(159.155,94)
Profit / (Loss) for the year (a)	**174.145,19**	**633.745,86**
Attributable to :		
Owners of the parent	174.145,19	633.745,86
	174.145,19	**633.745,86**
Other comprehensive income for the year, net of tax (b)	225.283,04	(303.998,98)
Total comprehensive income for the year, net of tax (a)+(b)	**399.428,23**	**329.746,88**
Attributable to :		
Owners of the parent	399.428,23	329.746,88
	399.428,23	**329.746,88**

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 occupy any personel.
6. The income tax presented in the Income Statement above, is analysed as follows:

	Jan 1st - Dec 31, 2013	Jan 1st - Dec 31, 2012
Income tax for the year	(12.741,33)	(214.220,45)
Deferred tax	(55.619,12)	55.064,51
	(68.360,45)	**(159.155,94)**

Athens, May 21,2014

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