R.F. ENERGY
HOLDING SOCIETE ANONYME

Distinctive title : R.F. ENERGY S.A.

128 Vouliagmenis Avenue - 166 74
Glyfada, Attiki

G.E.M.I Reg. No. 121616301000

ANNUAL FINANCIAL REPORT

January 1st, 2014 - December 31st , 2014

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STATEMENTS BY THE MEMBERS OF THE BOARD OF DIRECTORS

R.F. ENERGY S.A.

STATEMENTS BY THE MEMBERS OF THE BOARD OF DIRECTORS

We

1. Georgios Fidakis, President and Managing Director
2. Evangelos Korovesis, Board Member
3. Ioannis Pantousis, Board Member

STATE THAT

To the best of our knowledge:

a. Financial Statements for the period 1/1/2014-31/12/2014, which have been prepared in accordance with international accounting standards in force, present all figures pertaining to assets, liabilities, shareholders equity and financial results of the Company R.F. ENERGY S.A., as well as of the companies included in the consolidation and jointly referred to as Group, in a truthful manner, and

b. The Board of Directors Annual Report on the annual Financial Statements presents in a truthful manner all such issues as development, financial performance and financial position of R.F. ENERGY S.A., and of the businesses included in Group consolidation, as well as any major risks and uncertainties that the Company and the Group may face.

Glyfada, March 26th, 2015

President and Managing Director	Board Member	Board Member
Georgios Fidakis	Ioannis Pantousis	Evangelos Korovesis

ANNUAL REPORT BY THE BOARD OF DIRECTORS OF R.F. ENERGY S.A.
FOR THE FISCAL YEAR 2014

(01/01/2014 – 31/12/2014)

Dear Shareholders,

The Board of Directors of R.F. Energy S.A. furnishes its Annual Report for the 2014 fiscal year (01.01.2014 - 31.12.2014), which was prepared in accordance with the provisions of C.L. 2190/1920 (art. 136).

In this Report, information referring to the progress of different activities, the financial situation, the outcomes and the total progress of both the Company and the Group during this specific fiscal year, are concisely mentioned, as well as coming changes. Moreover, significant facts during 2014 fiscal year and their impact on the Annual Company and Consolidated Financial Statements, contingent risks for both the Company and the Group and important transactions between the Company and its related parties according to IFRS 24, are also reported.

Subsidiary companies to R.F. ENERGY S.A.., as at 31/12/2014, are presented in the table below:

Name of Subsidiary	Business Activity	Participation to share capital as at 31/12/2014
Direct Participation		
• KALLISTI ENERGIAKI S.A.	Energy Production	100,00%
• AIOLIKI KYLINDRIAS S.A.	Energy Production	100,00%
• CITY ELECTRIC S.A.	Energy Production	100,00%
• HYDROELECTRIKI ACHAIAS S.A.	Energy Production	100,00%
• R.F. ENERGY OMALIES S.A.	Energy Production	100,00%
• AIOLIKI ADERES S.A.	Energy Production	100,00%

R.F. ENERGY S.A. is a holding company which business scope lies in development, management and exploitation of energy investing plans, focusing on Renewable Energy Sources. F.G. Europe S.A. participates in R.F. Energy's share capital, as at 31/12/2014, with a 50,00% share, and a company directly owned by Restis family participates with the other 50% share.

I. DEVELOPMENTS AND FINANCIAL PERFORMANCE OF THE COMPANY FOR THE PERIOD

Financial figures of the Company during fiscal year period 2014, compared to relevant figures in the previous fiscal period, are presented in the table below:

	31/12/2014	31/12/2013	Change Amount	Change %
Revenue	120	175	(55)	(31)
Less : Cost of Sales	(104)	(315)	(211)	(67)
Gross Profit	**16**	**(140)**	**156**	**111**
Other income	1	375	(374)	(100)
Administrative expenses	(331)	(187)	144	77
Other expenses	(213)	-	(213)	(100)
Operating profit before taxation & finance cost	**(527)**	**48**	**(575)**	**(1198)**
Finance income	888	657	231	35
Finance cost	-	(131)	(131)	(100)
Earnings before tax	**361**	**574**	**(213)**	**(37)**
Income Tax	(200)	(85)	115	135
Net earnings after tax	**161**	**489**	**(328)**	**(67)**
Other total income				
Actuarial gains and losses from defined benefit plans	**(4)**	**7**	(11)	(157)
Income tax related to elements of total income	**1**	**(2)**	3	150
Other total net income for the period	**(3)**	**5**	**(8)**	**(160)**
TOTAL ACCUMULATED EARNINGS FOR THE PERIOD	**158**	**494**	**(336)**	**(68)**

Amounts in € thousands

1. Revenue

The Company is active in all stages of planning, development and operation of renewable energy production projects, starting from the initial design and planning, construction works, operation and maintenance. The Company also offers management, technology, marketing, consulting and financial management services to other companies.

Revenue from rendering of management, administration, development, organization and assignment of costs of energy projects in fiscal 2014 amounted to € 120, as opposed to € 175 in 2013, posting a decrease of (31)%.

2. Gross Profit/ (Loss)

Gross Profit for the period amounted to € 16 against loss of € (140) in the previous fiscal period, increased by 111%.

3. Other Revenues

Other Revenues amounted to €1 on 31/12/2014 and refer to company's revenue from attributing costs to an associated company.. In the previous fiscal year, the Company's Other Revenues amounted to €375, due to deletion of liabilities to third parties.

4. Other Expenses

Other Expenses during fiscal 2014 amounted to € (213) and refer to a) deletion of costs regarding finding suitable sites for renewable energy sources (wind studies etc.) or acquisition of energy projects that did not finally proceed, b) deletion of costs referring to the large investment project of the subsidiary R.F. ENERGY OMALIES S.A. in South Evia, which will not be invoiced to the subsidiary and c) expenses of the previous year that were recorded within 2014.

5. Operating expenses (Operating and administration expenses)

Operating and administration expenses during fiscal 2014 amounted to € 144 compared to previous year, presenting a significant increase of 77%. During the current fiscal year, the Company adjusted the pricing method to its subsidiaries, which resulted in the increase of expenses classified in that heading.

6. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) of the Company amounted to € (524) in fiscal 2014, as opposed to € 54 in the previous period, whereas EBITDA margin amounted to (437)%, as opposed to 31% in the previous period.

7. Finance Cost / Income

	The Company	
	1/1-31/12/2014	**1/1-31/12/2013**
Finance Cost:		
- Interest payable	-	(130)
- Other bank expenses	-	(1)
Total finance cost	**-**	**(131)**
Finance Income:		
Income from sale of investment and securities	-	650
Interest receivable and similar income	8	7
Dividends	880	-
Total finance income	**888**	**657**
Net Finance Income	**888**	**526**

Amounts in € thousands

8. Earnings before Taxes

Earnings before taxes posted a decrease of (37)%, amounting to €361, against €574 in the previous corresponding period.

9. Taxes

According to provisions of the Greek tax legislation, tax rate as at December 31, 2014 was 26%. The Greek tax legislation and respective provisions are subject to interpretation by the tax authorities. Income tax statements are submitted to the tax authorities on an annual basis but profit or loss stated for tax purposes, remain temporary until the tax authorities conclude audits of the tax statements and records of the company, at which time the respective tax liabilities of the company become final. Tax losses, if any, and in the amount recognized by tax authorities, can be carried forward to offset against profits for a period of five consecutive years after their occurrence.

	The Company	
	1/1-31/12/2014	**1/1-31/12/2013**
Income tax (current period)	-	(1)
Deferred Tax	(200)	(84)
Tax on dividends from subsidiary	-	-
Income Tax	**(200)**	**(85)**
Tax on other accumulated income	**1**	**(2)**

Amounts in € thousands

The Company has settled off according to Law 3888/2010 till fiscal year 2009. The Company has not been audited by tax authorities for fiscal year 2010. For the unaudited fiscal year 2010, the Company has made a provision for unaudited fiscal years amounting to €5.

10. Earnings After Taxes

Net earnings after taxes in fiscal 2014 amounted to € 161 against € 489 in the previous corresponding period, representing a decrease of (67)%.

BASIC FINANCIAL RATIOS

Certain financial ratios which can express the Company's financial standing as at the end of fiscal 2014, are presented in the table below:

	FY 2014	**FY 2013**
LIQUIDITY		
Current ratio	16.93	2.36
Quick ratio	16.93	2.36
SALES EFFICIENCY		
Gross results / Sales of inventories – Services	13%	(80)%
Net results / Sales of inventories – Services	134%	279%

II. DEVELOPMENTS AND FINANCIAL PERFORMANCE OF THE GROUP FOR THE PERIOD

Financial figures of the Group during fiscal year period 2014, compared to relevant figures in the previous fiscal year, are presented in the table below:

	The Group		Change	
	1/1-31/12/2014	**1/1-31/12/2013**	**Amount**	**%**
Revenue	7,003	11,378	(4,375)	(38)
Less : Cost of Sales	(6,241)	(6,569)	(328)	(5)
Gross Profit	**762**	**4,809**	**(4,047)**	**(84)**
Other income	137	453	(316)	(70)
Administrative expenses	(690)	(768)	(78)	(10)
Other expenses	(897)	(1,686)	(789)	(47)
Operating profit before taxation and finance cost	**(688)**	**2,808**	**(3,496)**	**(125)**
Finance income	53	1,275	(1,222)	(96)
Finance cost	(1,099)	(1,897)	(798)	(42)
Earnings / (Losses) before taxes	**(1,734)**	**2,186**	**(3,920)**	**(179)**
Income tax	(308)	(979)	(671)	(69)
NET EARNINGS/ (LOSSES) AFTER TAXES	**(2,042)**	**1,207**	**(3,249)**	**(269)**
Actuarial gains and losses from defined benefit plans	**(8)**	**16**	**(24)**	**(150)**
Income tax related to elements of total income	**2**	**(4)**	**(6)**	**(150)**
Other total net income for the period	**(6)**	**12**	**(18)**	**(150)**
TOTAL ACCUMULATED EARNINGS FOR THE PERIOD	**(2,048)**	**1,219**	**(3,267)**	**(268)**

Amounts in € thousands

As regards to figures above, reference should be made to the following:

1. Revenue

Revenue of the Group in fiscal 2014 posting a decrease of (38)%, compared to the previous fiscal year.

According to the provisions of L.4254/2014, energy producers from RES forced to issue a credit invoice, giving a discount on the total value of the produced energy during 2013. For the energy producers from wind farms and SHPs, the discount rate was 10%. The aforementioned credit invoice amounted to €1,138, charging the turnover of the fiscal year. Furthermore, there was a decrease in sales due to reduced wind and hydrological capacity, deviations of which are considered acceptable for projects of this type.

2. Gross Profit

Gross Profit of the Group for the period amounted to € 762 against € 4,809 in the previous fiscal period, decreased by (84)%. Said decrease noted in Gross Profit can mainly be attributed to the abovementioned reduction in sales.

3. Operating expenses (Operating and administration expenses)

Operating and administration expenses of the Group during 2014 are posting a decrease of € (78) or (10)%, compared to those in 2013.

4. Other expenses

Other expenses for the fiscal period amounted to € (897) and refer to:

a) the amount of special levy imposed from 01/07/2012 on the producers using RES according to L.4093/2012 and amounts to 10% of sales, for the period till 30/06/2014. According to Law 4254/2014, the imposition of special levy ended on 30/04/2014. The amount charged for 2014 amounted to € (143) against € (1.137) in the previous corresponding period, including the special levy on the sales of the first 3 months of 2014, reduced by € 114, due to the credit invoice of 10% on sales of the previous fiscal year issued by the Group's companies to LAGIE S.A., according to the provisions of Law 4254/2014.
b) the amount of € (33), regarding VAT deletion of previous years of the subsidiary AIOLIKI KYLINDRIAS S.A. and increments of € (25).
c) the amount of € (145) regarding VAT deletion of previous years of subsidiary RF ENERGY OMALIES S.A.
d) the amount of € (212) regarding deletion of expenses of the Parent Company, in relation to finding of suitable sites for establishment of RES projects (wind and other studies, other expenses) that did not finally proceed.
e) the amount of € (324) regarding deletion of assets of the subsidiary RF ENERGY OMALIES S.A., following the decision of its BoD for revocation/power reduction of some production licenses held and revocation of applications for production licenses, as well.
f) the amount of € (15) regarding other expenses of Group's companies classified in that account.

5. Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) of the Group amounted to € 2,882 in 2014, as opposed to € 6,420 in the previous fiscal period, whereas EBITDA margin amounted to 41%, as opposed to 56% in the previous period.

6. Finance Cost / Income

With regard to finance results for fiscal 2014, net finance expenses for the Group increased by € (424), compared to the previous period. Said increase is mainly due to profit from sale of securities that occurred during the comparative fiscal period, while large reduction in financial expenses of the current fiscal year relates to significant loan repayments during the previous year.

This change is analyzed in the table below:

	The Group	
	1/1-31/12/2014	1/1-31/12/2013
Finance Cost:		
- Interest payable	(955)	(1.726)
- Bank and other expenses	(7)	(10)
- Depreciation of raising loan costs	(38)	(68)
- Finance cost of provision for equipment removal	(99)	(93)
Total finance cost	**(1.099)**	**(1.897)**
Finance Income:		
- Income from sales of investments and securities	-	650
- Interest receivable and similar income	53	625
Total finance income	**53**	**1.275**
Net Finance Cost	**(1.046)**	**(622)**

7. Losses before taxes

The Group posted losses before taxes of € (1,734) in 2014 against earnings of € 2,186 in 2013, decreased by (179)%. The appearance of losses is due to the significant reduction of sales in current year.

8. Taxes

According to provisions of the Greek tax legislation, tax rate as at December 31, 2014 was 26%. All companies included in the consolidation are based and file a tax return in Greece. The Greek tax legislation and respective provisions are subject to interpretation by the tax authorities. Income tax statements are submitted to the tax authorities on an annual basis but profit or loss stated for tax purposes, remain temporary until the tax authorities conclude audits of the tax statements and records of the company, at which time the respective tax liabilities of the company become final. Tax losses, if any, and in the amount recognized by tax authorities, can be carried forward to offset against profits for a period of five consecutive years after their occurrence. Companies participating in the consolidation make provision for any additional taxes and charges which may arise from future tax audits, to the extent the reliable estimation of these amounts is possible.

	The Group	
	1/1-31/12/2014	1/1-31/12/2013
Income tax (current period)	(14)	(234)
Deferred tax	(294)	(745)
Income Tax	**(308)**	**(979)**
Tax on other accumulated income	**2**	**(4)**

9. Losses after Taxes

Net losses after taxes in fiscal 2014 amounted to € (2,042) against earnings of € 1,207 in the previous corresponding period, decreased by (269)%.

BASIC FINANCIAL RATIOS

Financial figures of the Group during fiscal year period 2014, compared to relevant figures in the previous fiscal period, are presented in the table below:

	FY 2014	**FY 2013**
DEBT LIABILITIES		
Liabilities / Equity	0.52	0.60
Liabilities to Banks / Equity	0.51	0.58
LIQUIDITY		
Current ratio	3.15	2.90
Quick ratio	3.15	2.90
SALES EFFICIENCY		
Gross results / Sales of inventories – Services	10.89%	42.27%
Net results / Sales of inventories – Services	(29.16)%	10.61%

III. SIGNIFICANT EVENTS DURING FISCAL YEAR (all the amounts are in €)

According to the decision of the Extraordinary General Assembly of the Shareholders of 100% subsidiary RF ENERGY OMALIES S.A. on 27/05/2014, the company's share capital increased by €41,010. The increase was made by cash payment on behalf of sole shareholder RF ENERGY S.A. and covered by issuance of 1,367 new shares with nominal value of €30 and disposal price of €300 each. The difference between the nominal value of €30 and the disposal price of €300, amounting to €369,090.00 was registered to the account "Difference from share premium". After the increase, the share capital of the company amounted to €1,375,320.00 divided into 45,844 ordinary shares with a nominal value of €30 each.

The 100% subsidiary RF ENERGY OMALIES S.A. with its decision of the BoD on 10/12/2014, decided to make a request to the competent Energy Regulatory Authority for:

a) Power reduction from 30MW to 24MW (removing WTGs No 1and No 2) of Energy Production License No 1396/2011 (ΑΔ-2944) for a wind farm in site "Molizeza I" of the Municipality of Karystos.
b) Power reduction from 30MW to 24MW (removing WTGs No 9 and No 10) of Energy Production License No 1398/2011 (ΑΔ-2946) for a wind farm in site "Megali Petra" of the Municipality of Karystos.
c) Power reduction from 18MW to 12MW (removing WTGs No 3 and No 4) of Energy Production License No 337/2011 (ΑΔ-2494) for a wind farm in site "Kalamaki" of the Municipality of Karystos.
d) Recall of application No Γ-05083/08.04.2011 for Energy Production License for a 12 MW wind farm in site "Vorino" of the Municipality of Karystos.
e) Recall of application No 1394/2011 (ΑΔ-2942) for Energy Production License for a 18 MW wind farm in site "Molizeza II" of the Municipality of Karystos.
f) Recall of application No 334/2011 (ΑΔ-2487) for Energy Production License for a 21 MW wind farm in site "Xesportes" of the Municipality of Karystos.

The above production licenses could not be licensed in whole or in part, since restrictions have been imposed by the competent authorities, regarding Environmental Impact Study.

During the fiscal year 2014, a tax audit in 100% subsidiary AIOLIKI KYLINDRIAS S.A. for the years 2009, 2010 and 2011, which was completed with the relevant official reports on 31/07/2014.
In the abovementioned report, there were accounting differences of € 31, which reduced the transferred tax losses and as a result, no Income Tax arose. Moreover, the aforementioned audit proceeded to prescription of VAT credit balance of € 33 of previous years due to failure of compensation within three years, and imputed increase for inaccuracy of € 25. The total amount of € 58 was accepted by the subsidiary and paid within the prescribed period.

During 2014, a tax audit was conducted in KALLISTI ENERGIAKI S.A. for the year 2009, which was completed with the relevant official report on 10/10/2014, according to the Law 4174/2013, with the findings of the audit concerning VAT and Income Tax for the year 2009.
In the abovementioned report for 2009, there were accounting differences of € 140 and an additional provision for unaudited fiscal year of €5 was made.

IV. SIGNIFICANT EVENTS OCCURRED POST BALANCE SHEET DATE

On 29/01/2015, AIOLIKI ADERES S.A. signed new PPAs with LAGIE S.A., due to termination of part of power limitation of existing wind turbines imposed because of saturated grid of Peloponnese. On 12/03/2015, amended Operating Permits for the wind farms “Astrapi” and “Sabales” were issued, with augmented power of 0,8MW and 1,6MW respectively.

There are no other significant events having occurred after December 31, 2014 concerning the Company that should have been disclosed and bear the capacity to significantly affect any element of the Company's financial standing or ability to conduct business, as of the date of issuance of the document at hand.

V. FUTURE OUTLOOK

The Company is in continuous search of suitable locations for the development and construction of Wind Energy Power Production Plants. The Company is exploring merger and acquisitions opportunities of already developed or under development renewable energy projects

VI. EXPANSION OF ACTIVITIES - INVESTMENTS - RESEARCH & DEVELOPMENT

The Company is actively paying great attention and effort with regard to research and implementation of new technological applications, and is constantly seeking suitable locations for the development and construction of renewable energy projects.Management attended international conferences and other venues where the latest developments in the field of renewable energy were presented.

In search of suitable locations to develop renewable energy projects, the Company also installed meteorological masts in certain sites to assess the wind potential in order to develop wind parks.

Particularly, meteorological masts have been installed in various locations in the Prefectures of Arkadia, Evia, Argolida and Limnos to assess the wind potential.

VII. ACCOUNTING PRINCIPALS IMPLEMENTED

In preparation of the Balance Sheet and Income Statement for the fiscal year 2014, the Company has applied the basic accounting principles of the International Financial Reporting Standards, as described in the Appendix of the 31/12/2014 Balance Sheet.

VIII. ENVIRONMENTAL ISSUES - EMPLOYEE RELATIONS

The Company pays great significance to environmental issues, and undertakes any action necessary to protect environmental stability and promote environmental sensitivity. The Company works with experienced in environmental matters consultants.

IX. RISKS AND UNCERTAINTIES

1. Financing risk

The Company works with related companies, of which the Company is the main shareholder, and to which the Company renders, based on contract agreements, services in the fields of management, financial management, marketing, and business development. Therefore, Management estimates that receivables from related parties bear no significant risk not to be collected. Moreover, the Company grows along with development of its projects, and as a result, no apparent risk of decrease in revenue exists.

2. Interest rate risk

The Company has substantial interest bearing assets in the amount of €398 (€2,073 for the Group) that are invested in compound time accounts at a predetermined exchange rate. Said exchange rate is calculated based on the interbank market floating interest rate in Euro. Therefore revenue and operating cash flow is affected by a change in interest rates.

As at December 31st, 2014 Earnings After Tax for the Company would have been €3 (€16 for the Group) lower / higher, if interest rates had lower / higher by 100 base points, all other variables remaining unchanged.

Interest rate risk results from long-term and short-term borrowings in euro at a floating interest rate. The Company assesses its exposure to interest rate risk on a steady basis, also taking into consideration any chance of refinancing under different terms, as well as renewal of existing financing.

As at December 31st, 2014 Earnings After Tax for the Group would have been € 121 lower/higher, if interest rates had decreased/ increased by 100 base points, all other variables remaining unchanged. This would have been caused mainly due to higher / lower finance expenses resulting from bank borrowings at a floating interest rate in Euro. The Company does not face this kind of risk.

As a consequence, as at December 31st, 2014 Earnings After Tax for the Company would have been €4 (€105 for the Group) lower / higher (total net influence) , if euro interest rates had decreased/increased by 100 base points, all other variables remaining unchanged.

	Interest rate risk			
	+100 bps		*-100 bps*	
	Earnings before tax		**Earnings before tax**	
	The Group	**Company**	**The Group**	**Company**
Financial assets				
Cash equivalents	21	5	(21)	(5)
Influence before tax	21	5	(21)	(5)
Income Tax 26%	(5)	(1)	5	1
Total influence	**16**	**4**	**(16)**	**(4)**
Financial liabilities				
Loans	(164)	-	164	-
Influence before tax	(164)	-	164	-
Income Tax 26%	43	-	(43)	-
Total influence	**(121)**	**-**	**121**	**-**
Total Net Influence	**(105)**	**4**	**105**	**(4)**

- Liquidity risk

The management of liquidity risk includes both existence of enough cash and cash equivalents and the reassurance of credit standing through approved financing terms. The table below analyses the company's obligations, based on the remaining contractual duration at the date of the balance sheet in discounted bills with an average interest rate, as it was formed during Year 2014.

The Group December 31st, 2014	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**
Borrowings	2.432	2.602	7.397	7.054
Liabilities	277	-	-	-
Total	**2.709**	**2.602**	**7.397**	**7.054**

The Company December 31st, 2014	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**
Liabilities	49	-	-	-
Total	**49**	**-**	**-**	**-**

X. TRANSACTIONS WITH RELATED PARTIES

The Company purchases commodities from related parties, and exchanges services with said parties. According to IAS 24 related parties are subsidiary companies, companies with common shareholders and/or management and any affiliates to such companies. Members of the Board of Directors and Top Management are also considered related parties. The table below presents payables and receivables from transactions with related parties.

Receivables from:	**31/12/2014**	**31/12/2013**
KALLISTI ENERGIAKI S.A.	45	5
AIOLIKI KYLINDRIAS S.A.	194	260
CITY ELECTRIC S.A.	14	4
HYDROELECTRIKI ACHAIAS S.A.	76	7
R.F. ENERGY OMALIES S.A.	49	69
FG EUROPE SA	1	-
AIOLIKI ADERES S.A.	29	843
CYBERONICA S.A.	17	17
LOGO VENTURES AEDAKES	-	23
Total	**425**	**1,228**

	31/12/2014	**31/12/2013**
Payables to:		
F.G. EUROPE S.A.	13	13
HYDROELECTRIKI ACHAIAS S.A..	-	715
CITY ELECTRIC S.A.	26	44
CYBERONICA S.A.	-	9
Total	**39**	**781**

<u>Income:</u>	**1/1-31/12/2014**	**1/1-31/12/2013**
KALLISTI ENERGIAKI S.A.	16	24
AIOLIKI KYLINDRIAS S.A.	12	22
CITY ELECTRIC S.A.	12	13
HYDROELECTRIKI ACHAIAS S.A.	892	24
R.F. ENERGY OMALIES S.A.	12	37
AIOLIKI ADERES S.A.	35	61
FG EUROPE S.A.	1	-
LOGO VENTURES AEDAKES	22	2
Total	**1,002**	**183**

<u>Costs:</u>		
CYBERONICA S.A.	(100)	(103)
F.G. EUROPE S.A.	(10)	(13)
Total	**(110)**	**(116)**

Group

Receivables from:	**31/12/2014**	**31/12/2013**
F.G. EUROPE S.A.	1	-
CYBERONICA S.A.	21	21
LOGO VENTURES AEDAKES	-	23
Total	**22**	**44**

Payables to:	**31/12/2014**	**31/12/2013**
F.G. EUROPE S.A.	13	13
CYBERONICA S.A.	3	9
Total	**16**	**22**

Income:	**1/1 - 31/12/2014**	**1/1/ - 31/12/2013**
F.G. EUROPE S.A.	1	-
LOGO VENTURES AEDAKES	80	2
Total	**81**	**2**

Costs:	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
F.G. EUROPE S.A.	10	13
CYBERONICA S.A.	111	119
LOGO VENTURES AEDAKES	-	37
Total	**121**	**169**

Members of the Board of Directors and Management:	**The Group**		**The Company**	
	1/1-31/1/2014	**1/1-31/1/2013**	**1/1-31/1/2014**	**1/1-31/1/2013**
Compensations - Other Benefits:				
Board of Directors Remuneration	(211)	(172)	(156)	(121)
Total	**(211)**	**(172)**	**(156)**	**(121)**

XI. ISO 9001-2000 QUALITY CERTIFICATION

R.F. ENERGY S.A. is organizing its operations in order to meet the Standards specified in ISO 9001:2000 Quality Management System.

Implementation of the Quality Management System is expected to considerably improve efficiency, contribute to optimal use of the Company's resources and human resources, and improve internal procedures and services offered to partners and clients.

XII. COMPANY PUBLIC RELATIONS AND PROMOTION

Company's website has been published and is kept updated, thus more efficiently communicating the Company's recent news, corporate goals and corporate image.

The President and

Managing Director of the BoD

GEORGIOS FEIDAKIS

R.F. ENERGY HOLDING

SOCIETE ANONYME

Distinctive title : R.F. ENERGY S.A.

128 Vouliagmenis Avenue - 166 74

Glyfada, Attiki

G.E.M.I Reg. No. 121616301000

Annual Financial Statements for the period ended December 31st 2014

According to IFRS

The Board of Directors of R.F. ENERGY S.A. approved the Consolidated Financial Statements on 26/03/2015. The Consolidated Financial Statements have been made available to the public at the Company's website, http:www.rfenergy.gr

President and Managing Director	Member of the BoD	Accounting Supervisor
GEORGIOS FIDAKIS	**IOANNIS PANTOUSIS**	**KON/NOS ZOUMPOULIS**
ID No. N 000657	**ID No. Ξ 168490**	**R.G. 0098374**

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Independent Auditors' Report

To the Shareholders of **RF ENERGY S.A.**

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of **RF ENERGY S.A.** and its subsidiaries, which comprise the separate and consolidated statement of financial position as at December 31, 2014, and the separate and consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated 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 separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated 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 separate and consolidated 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 company'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 separate and consolidated 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company **RF ENERGY S.A.** and its subsidiaries as at December 31, 2014, and of their financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We verified the agreement and correspondence of the content of the Board of Directors' Report with the above mentioned Separate and Consolidated Financial Statements, in the scope of the requirements of Articles 43a, 108 and 37 of Law 2190/1920.

Athens, March 26, 2015

The Certified Accountant

Christina Tsironi
I.C.P.A. Reg. No.: 36671

Grant Thornton
An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

R.F. ENERGY S.A.

Income Statement

For the Period ended December 31, 2014

(All amounts in Euro thousands, unless otherwise specified)

		The Group		Company	
	note	**1/1-31/12/2014**	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Sales	**6**	7,003	11,378	120	175
Cost of sales	**7**	(6,241)	(6,569)	(104)	(315)
Gross profit		**762**	**4,809**	**16**	**(140)**
Other operating income		137	453	1	375
Administrative expenses	**8**	(690)	(768)	(331)	(187)
Other operating expenses	**9**	(897)	(1,686)	(213)	-
Earnings before interest and taxes		**(688)**	**2,808**	**(527)**	**48**
Finance income	**10**	53	1,275	888	657
Finance costs	**10**	(1,099)	(1,897)	-	(131)
Earnings before taxes		**(1,734)**	**2,186**	**361**	**574**
Income Tax	**11**	(308)	(979)	(200)	(85)
Net profit for the period		**(2,042)**	**1,207**	**161**	**489**
Other accumulated income					
Actuarial gains and losses from defined benefit plans	**26**	(8)	16	(4)	7
Income tax related to elements of total income	**11**	2	(4)	1	(2)
Other net accumulated income for the period		**(6)**	**12**	**(3)**	**5**
TOTAL ACCUMULATED INCOME FOR THE PERIOD		**(2,048)**	**1,219**	**158**	**494**

Attached notes should be considered as part of the annual corporate and consolidated Financial Statements.

R.F. ENERGY S.A.

Balance Sheet

For the Period ended December 31, 2014

(All amounts in Euro thousands, unless otherwise specified)

		Group		Company	
		1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Assets	**note**				
Non-current assets					
Property, plant and equipment	**14**	61,097	66,270	4	7
Software	**15**	983	1,064	1	-
Intangible assets	**15**	10,280	10,591	-	-
Investments in subsidiaries	**16**	-	-	41,109	40,699
Long term receivables		22	23	17	17
Deferred tax assets	**11**	411	597	-	199
Total non-current assets		**72,793**	**78,545**	**41,131**	**40,922**
Current assets					
Trade receivables	**12**	6,388	9,268	887	2,047
Blocked deposits		1,142	1,472	-	-
Cash and cash equivalents	**13**	2,025	1,433	535	340
Total current assets		**9,555**	**12,173**	**1,422**	**2,387**
Total assets		**82,348**	**90,718**	**42,553**	**43,309**
SHAREHOLDERS' EQUITY & LIABILITIES					
Share capital	**18**	11,195	11,195	11,195	11,195
Share premium	**18**	31,098	31,098	31,098	31,098
Reserves		(69)	(117)	(258)	(268)
Retained earnings		(3,937)	(1,841)	405	257
Total shareholders' equity		**38,287**	**40,335**	**42,440**	**42,282**
LIABILITIES					
Non-current liabilities					
Long term Borrowings	**19**	16,939	20,539	-	-
Retirement benefit obligations	**26**	48	36	29	16
Deferred government grants	**21**	20,403	22,180	-	-
Provisions for long term liabilities	**22**	1,702	1,604	-	-
Deferred tax liabilities	**11**	1,939	1,833	-	-
Total non-current liabilities		**41,031**	**46,192**	**29**	**16**
Current liabilities					
Short term portion of long term borrowings	**19**	2,396	2,851	-	-
Current tax liabilities		-	120	-	2
Trade and other payables	**20**	634	1,220	84	1,009
Total current liabilities		**3,030**	**4,191**	**84**	**1,011**
Total liabilities		**44,061**	**50,383**	**113**	**1,027**
Total equity and liabilities		**82,348**	**90,718**	**42,553**	**43,309**

Attached notes should be considered as part of the annual corporate and consolidated Financial Statements.

R.F. ENERGY S.A.

Consolidated Statement of Changes in Equity

For the Period ended December 31, 2014

(All amounts in Euro thousands, unless otherwise specified)

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total
Balance on 1/1/2013	**11,195**	**30,668**	**144**	**(2,235)**	**39,772**
Net earnings for the fiscal year	-	-	-	1,207	**1,207**
Revaluation of benefit obligations to employees	-	-	16	-	**16**
Deferred tax on Revaluation of benefit obligations to employees	-	-	(4)	-	**(4)**
Accumulated total income	**-**	**-**	**12**	**1,207**	**1,219**
Other	-	430	(273)	(813)	**(656)**
Balance on 1/1/2014	**11,195**	**31,098**	**(117)**	**(1,841)**	**40,335**
Net earnings for the fiscal year	-	-	-	(2,042)	**(2,042)**
Revaluation of benefit obligations to employees	-	-	(8)	-	**(8)**
Deferred tax on Revaluation of benefit obligations to employees	-	-	2	-	**2**
Accumulated total income	**-**	**-**	**(6)**	**(2,042)**	**(2,048)**
Legal Reserves	-		54	(54)	**-**
Balance on 31/12/2014	**11,195**	**31,098**	**(69)**	**(3,937)**	**38,287**

Attached notes should be considered as part of the annual corporate and consolidated Financial Statements

R.F. ENERGY S.A.

Corporate Statement of Changes in Equity For the

Period ended December 31, 2014

(All amounts in Euro thousands, unless otherwise specified)

	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total
Balance on 1/1/2013	**11,195**	**30,825**	-	**(231)**	**41,789**
Net earnings for the fiscal year	-	-	-	489	**489**
Revaluation of benefit obligations to employees	-	-	7	-	**7**
Deferred tax on Revaluation of benefit obligations to employees	-	-	(2)	-	**(2)**
Accumulated total income	**-**	**-**	**5**	**489**	**494**
Other	-	273	(273)	(1)	**(1)**
Balance on 1/1/2014	**11,195**	**31,098**	**(268)**	**257**	**42,282**
Net earnings for the fiscal year	-	-	13	148	**161**
Revaluation of benefit obligations to employees	-	-	(4)	-	**(4)**
Deferred tax on Revaluation of benefit obligations to employees	-	-	1	-	**1**
Accumulated total income	**-**	**-**	**10**	**148**	**158**
Balance on 31/12/2014	**11,195**	**31,098**	**(258)**	**405**	**42,440**

Attached notes should be considered as part of the annual corporate and consolidated Financial Statements.

R.F. ENERGY S.A.

Consolidated Statement of Cash Flows For the Period ended December 31,2014

(All amounts in € thousands, unless otherwise specified)

	1/1-31/12/2014	**1/1-31/12/2013**
Operating activities		
Earnings before tax	(1,734)	2,186
Add / less adjustments for:		
Depreciation and amortization	5,347	5,387
Provisions	58	34
Income from investment activity (income, cost, profit and loss)	(52)	(1,275)
Interest paid and similar expenses	1,099	1,897
Recognized revenues from subsidies	(1,777)	(1,775)
Employee benefits	6	1
Assets' write off	664	549
Operating result before changes in working capital	**3,611**	**7,004**
Add / less adjustments for changes in working capital items:		
Decrease / (increase) of receivables	2,446	2,196
(Decrease) / increase of payables (except towards banks)	(436)	(901)
Decrease / (increase) of other long-term receivables	1	-
Total inflow / (outflow) from operating activities	**5,622**	**8,299**
Less:		
Interest and similar expenses paid	(973)	(1,852)
Taxes paid	(299)	(193)
Total net inflow / (outflow) from operating activities (a)	**4,350**	**6,254**
Investing activities		
Income from sale of subsidiaries, joint ventures and other investments	-	2,650
(Purchase) of PPE and intangible assets,	(70)	(127)
Interest income	50	88
Revenues from subsidies	-	15,463
Total net inflow / (outflow) from investing activities (b)	**(20)**	**18,074**
Financing activities		
Repayments of borrowings	(3,738)	(24,932)
Costs for capital withdrawal	-	800
Total net inflow / (outflow) from financing activities (c)	**(3,738)**	**(24,132)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**592**	**196**
Cash and cash equivalents at the starting of the fiscal year	**1,433**	**1,237**
Cash and cash equivalents at the end of the fiscal year	**2,025**	**1,433**

Attached notes should be considered as part of the annual corporate and consolidated Financial Statements.

R.F. ENERGY S.A.

Company Statement of Cash flows

For the Period ended December 31, 2014

(All amounts in Euro thousands unless otherwise specified)

	1/1-31/12/2014	1/1-31/12/2013
Operating activities		
Earnings before tax	361	574
Add / less adjustments for:		
Depreciation and amortization	3	6
Provision	1	17
Result of investment activity (income, cost, profit and loss)	(888)	(657)
Interest paid and similar expenses	-	131
Employee benefits	9	3
Assets' write off	195	-
Operating result before changes in working capital	**(319)**	**74**
Add / less adjustments for changes in working capital items:		
Decrease / (increase) of receivables	821	1,598
(Decrease) / increase of payables (except towards banks)	(762)	254
Total inflow / (outflow) from operating activities	**(260)**	**1,926**
Less:		
Interest and similar expenses paid	-	(188)
Taxes paid	(2)	(10)
Total net inflow / (outflow) from operating activities (a)	**(262)**	**1,728**
Investing activities		
Acquisition of subsidiary, related party and other investment	(410)	(1,174)
Income from sale of subsidiary, related party and other investment	-	2.650
(Purchase) of PPE	(1)	(2)
Interest income	8	7
Dividends	860	102
Total net inflow / (outflow) from investing activities (b)	**457**	**1,583**
Financing activities		
Repayments of borrowings	-	(3,500)
Total net inflow / (outflow) from financing activities (c)	**-**	**(3,500)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**195**	**(189)**
Cash and cash equivalents at the starting of the fiscal year	**340**	**529**
Cash and cash equivalents at the end of the fiscal year	**535**	**340**

Attached notes should be considered as a part of the annual corporate and consolidated Financial Statements.

(All amounts in Euro thousands unless otherwise specified)

1. Incorporation and business activities of the Company

The Company was incorporated under Greek law in 2006, as a societe anonyme holding and management company. Its scope lies in participation in Greek or foreign companies with business activities in the energy production sector. The Company's duration has been set to 50 years. The Company's headquarters have been set to be in the Municipality of Glyfada, at 128 Vouliagmenis Avenue, GR 16674.

Company's current Board of Directors was elected on the General Assembly of Shareholders on 07/09/2012. Its tenure expires on 30/6/2016 and it is comprised of the following members:

NAME	POSITION
Georgios Fidakis	President and Managing Director
Ioannis Tsakiris	Vice - President
Ioannis Pantousis	Member
Nikolaos Pimblis	Member
Evangelos Korovesis	Member

The companies that are included in the consolidated financial statements are, as follows:

Direct Participation	Headquarters	Consolidation Method	Participation to share capital as at 31/12/2014
• KALLISTI ENERGIAKI S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%
• AIOLIKI KYLINDRIAS S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%
• CITY ELECTRIC S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%
• HYDROELECTRIKI ACHAIAS S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%
• R.F. ENERGY OMALIES S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%
• AIOLIKI ADERES S.A.	128 Vouliagmenis Av., Glyfada	full	100,00%

The Company's parent company, F.G. EUROPE S.A. participates in R.F. ENERGY's share capital by 50,00%. Due to the fact that the Company shareholders have agreed to appoint the majority of the Board of Directors members from F.G. EUROPE S.A., it is understood that F.G. EUROPE S.A. controls management of R.F. ENERGY S.A. and consequently financial results of the Company are fully consolidated to the financial results of F.G. EUROPE S.A. Group of companies.

The Corporate and Consolidated Financial Statements for fiscal 2014 have been ratified by the Board of Directors on 26/3/2015.

2. Basic accounting policies

2.1 Framework of basic principles implemented in preparation of the Financial Statements

Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as they have been adopted by the European Union, Financial Statements have been prepared under the historical cost convention, The principal accounting policies adopted in the preparation of the Financial Statements are described below, The preparation of the Financial Statements according to IFRS requires use of accounting estimates and use of judgment for the application of the accounting principles followed, Such cases are described in note 4, There are no Standards which have been implemented prior to having officially been put in force, Figures are presented in Euro thousands and all amounts have been rounded to the most approximate thousand.

2.2.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following amendments and interpretations of the IFRS have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2014.

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2014)**

In May 2011, IASB issued three new Standards, namely IFRS 10, IFRS 11 and IFRS 12. IFRS 10 "Consolidated Financial Statements" sets out a new consolidation method, defining control as the basis under consolidation of all types of entities. IFRS 10 supersedes IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation — Special Purpose Entities". IFRS 11 "Joint Arrangements" sets out the principles regarding financial reporting of joint arrangements participants. IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". IFRS 12 "Disclosure of Interests in Other Entities" unites, improves and supersedes disclosure requirements for all forms of interests in subsidiaries, under common audit, associates and non-consolidated entities. As a result of these new standards, IASB has also issued the revised IAS 27 entitled IAS 27 "Separate Financial Statements" and revised IAS 28 entitled IAS 28 "Investments in Associates and Joint Ventures". **The standards affect the separate Financial Statements.**

- **Transition Guidance: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities (Amendments to IFRS 10, IFRS 11 and IFRS 12) (effective for annual periods starting on or after 01/01/2014)**

In June 2012, IASB issued this Guidance to clarify the transition provisions of IFRS 10. The amendments also provide additional accommodation during the transition to IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirements to provide adjusted comparative information to only the preceding comparative period. Furthermore, in respect to the disclosures relating to the unconsolidated entities, the amendments take away the requirement to present comparative information. **The amendments affect the separate Financial Statements.**

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (**effective for annual periods starting on or after 01/01/2014**)

In October 2012, IASB issued amendments to IFRS 10, IFRS 12 and IAS 27. The amendments apply to a particular class of business that qualifies as investment entities. The IASB uses the term ‘investment entity’ to refer to an entity sole business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must evaluate the return of its investments on a fair value basis. Such entities could include private equity organizations, venture capital organizations, pension funds, sovereign wealth funds and other investment funds. The Investment Entities amendments provide an exception to the consolidation requirements under IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them while making the required disclosures. **The amendments do not affect the consolidated or separate Financial Statements.**

- **Amendments to IAS 32 “Financial Instruments: Presentation” – Offsetting financial assets and financial liabilities** (**effective for annual periods starting on or after 01/01/2014**)

In December 2011, IASB issued amendments to IAS 32 “Financial Instruments: Presentation”, which provide clarification on some requirements for offsetting financial assets and liabilities in the Statement of Financial Position. **The amendments affect affect the consolidated Financial Statements.**

- **Amendment to IAS 36 “Impairment of Assets” - Recoverable Amount Disclosures for Non-Financial Assets** (**effective for annual periods starting on or after 01/01/2014**)

In May 2013, IASB issued amendments to IAS 36 “Impairment of Assets”. These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. **The amendment does not affect the consolidated.**

- **Amendments to IAS 39 “Financial Instruments: Recognition and Measurement” - Novation of Derivatives and Continuation of Hedge Accounting** (**effective for annual periods starting on or after 01/01/2014**)

In June 2013, IASB issued narrow-scope amendments to IAS 39 “Financial Instruments: Recognition and Measurement”. The purpose of the amendments is to introduce a limited scope exception in respect to the suspension of accounting setting off, as per IAS 39. In particular, it allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in IFRS 9 “Financial Instruments”. **The amendments do not affect the consolidated Financial Statements.**

- **IFRIC 21 “Levies”** (**effective for annual periods starting on or after 01/01/2014**)

In May 2013, the IASB issued IFRIC 21. IFRIC 21 provides guidance on when a company recognises a liability for a levy imposed by the state in its Financial Statements. IFRIC 21 is an interpretation of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. IAS 37 sets out criteria for the recognition of a liability, one of which is the present obligation resulting from a past event, known as an obligating event. This interpretation indicates that the obligating event is the activity that triggers the payment of the levy in accordance with the relevant legislation. **The amendments do not affect the consolidated Financial Statements.**

2.2.2 **New Standards and Interpretations that have not been applied yet or have not been adopted by the European Union.**

- IFRS 9 “FinaSncial Instruments” (effective for annual periods starting on or after 01/01/2018)

In July 2014, the IAB issued the final version of IFRS 9. This version brings together the classification and measurement, impairment and hedge accounting models and presents a new expected loss impairment model and limited amendments to classification and measurement for financial assets. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- IFRS 14 "Regulatory Deferral Accounts" (**effective for annual periods starting on or after** 01/01/2016)

In January 2014, the IASB issued a new standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- IFRS 15 "Revenue from Contracts with Customers" (**effective for annual periods starting on or after** 01/01/2017)

In May 2014, the IASB issued a new standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The new standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related interpretations. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Annual Improvements cycle 2010-2012 (effective for annual periods starting on or after 01/07/2014)

In December 2013, the IASB issued Annual Improvements to IFRSs 2010-2012 Cycle, a collection of amendments to IFRSs, in response to eight issues addressed during the 2010-2012 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 2**: Definition of 'vesting condition', **IFRS 3**: Accounting for contingent consideration in a business combination, **IFRS 8**: Aggregation of operating segments, **IFRS 8**: Reconciliation of the total of the reportable segments' assets to the entity's assets, **IFRS 13:** Short-term receivables and payables, **IAS 7:** Interest paid that is capitalised, **IAS 16/IAS 38**: Revaluation method—proportionate restatement of accumulated depreciation and **IAS 24**: Key management personnel. The Group will examine the impact of the above on its **consolidated Financial Statements.** The above have been adopted by the European Union at December 2014.

- Annual Improvements cycle 2011-2013 (effective for annual periods starting on or after 01/07/2014)

In December 2013, the IASB issued Annual Improvements to IFRSs 2011-2013 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2011-2013 cycle. The amendments are effective for annual periods beginning on or after 1 July 2014, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 1:** Meaning of effective IFRSs, **IFRS 3:** Scope exceptions for joint ventures; **IFRS 13:** Scope of paragraph 52 (portfolio exception); and **IAS 40:** Clarifying the interrelationship of IFRS 3 Business Combinations and IAS 40 Investment Property when classifying property as investment property or owner-occupied property. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union at December 2014.

- Annual Improvements cycle 2012-2014 (effective for annual periods starting on or after 01/01/2016)

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2012 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: **IFRS 5**: Changes in methods of disposal, **IFRS 7**: Servicing Contracts and Applicability of the amendments to IFRS 7 to Condensed Interim Financial Statements, **IAS 19:** Discount rate: regional market, and **IAS 34**: Disclosure of information elsewhere in the interim financial report. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (**effective for annual periods starting on or after** 01/07/2014)

In November 2013, the IASB published narrow scope amendments to IAS 19 "Employee Benefits" entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19). The narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have been adopted by the European Union.

- Amendment to IAS 27: "**Equity Method in Separate Financial Statements**» (effective for annual periods starting on or after 01/01/2016)

In August 2014, the IASB published narrow scope amendments to IAS 27 "Equity Method in Separate Financial Statements ". Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IFRS 10 and IAS 28: "**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**" (effective for annual periods starting on or after 01/01/2016)

In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture". The amendments will be applied by entities prospectively in respect of sales or contribution of assets performed in the annual periods starting on or after 01/01/2016. Earlier application is permitted, given that this fact is relatively disclosed in the financial Statements. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IAS 16 and IAS 41: «Agriculture: B**earer Plants"** (**effective for annual periods starting on or after** 01/01/2016)

In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (**effective for annual periods starting on or after** 01/01/2016)

In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods starting on or after 01/01/2016)

In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IAS 1: « Disclosures Initiative»(effective for annual periods starting on or after 01/01/2016)

In December 2014, the IASB issued amendments to IAS 1.The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

- Amendments to IFRS 10, IFRS 12 and IAS 28: "**Investment Entities: Applying the Consolidated Exception**" (effective for annual periods starting on or after 01/01/2016)

In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any**.** The above have not been adopted by the European Union.

2.3 Basis of consolidation

2.3.1 Subsidiary Companies

The consolidated financial statements include the financial statements of the parent company and all entities in which the parent company exercises control (its subsidiaries) as of December 31, 2011. Control is presumed to exist when the parent company has the power to control the financial and operating policies of the subsidiary so as to obtain benefits from its activities.

The acquisition of subsidiaries is accounted for using the purchase method of accounting that measures the acquirer's assets and liabilities at their fair value at the date of acquisition, The individual assets, liabilities and contingent liabilities acquired during a business combination are valued at the time of acquisition at fair values,

The cost exceeding the fair value of the acquisition is recorded as goodwill, if the total cost is below the fair value of the assets and liabilities the difference is charged directly to the statement of income of the respective period.

Minority interest is accounted for according to its percentage of the fair value, In subsequent periods any losses are allocated to minority interest according to its percentage plus the minority interest, Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group, The financial statements of the subsidiaries are adjusted appropriately to ensure consistency with the accounting policies of the Group.

All intercompany balances and transactions and any intercompany profit or loss on assets remaining within the Group are eliminated during the consolidation. The subsidiaries in separate financial statements are measured at cost less any accumulated provision for impairment.

2.3.2 Investments in Associates

Includes companies in which the Group exercises significant influence however they are not subsidiaries or joint ventures. The Group's participating interests are recorded using the equity method. According to this method the participating interest in the associate company is carried at acquisition cost plus any change in the percentage of its equity held by the Group, less any provisions for impairment. The consolidated income statement shows the Group's share in the associate's results, while the amounts recorded by the associates directly in their equity, are recognized directly in Group's equity. Unrealized earnings or losses on transactions between the Group and its associates are eliminated to the extent that the Group participates in them. Investments in Associates in the consolidated financial statements are measured at acquisition cost less any accumulated impairment losses.

2.4 Translations in foreign currency

The Company's functional currency is the Euro, Transactions involving other currencies are changed into Euro using exchange rates which stand in effect at the time of each transaction, At the balance sheet dates, monetary assets and liabilities which are denominated in other currencies, are adjusted using the official exchange rates, Gains or losses resulting from currency exchange rate differences are included in the Income Statement.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value, Cost includes all directly related costs for the acquisition of the asset, Expenses in subsequent periods are capitalized in the cost amount of the related assets if they increase the useful life of the asset and / or its production potential or reduce its operating cost, Repairs and maintenance are charged to the income statement as incurred, The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the consolidated statements of income, The carrying values of property, plant and equipment are tested for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, When the carrying amount of the asset exceeds the estimated recoverable amount an impairment loss is recognized and the asset is written down to its recoverable amount, The recoverable amount is the greater between fair value less costs to sell and value in use, In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, According to IAS 16 the Company recognizes costs related to obligations arising from the removal of assets in the period of occurrence and in the extent in which an estimate of its fair value is feasible, The related costs of removal are capitalized in the assets carrying amount and are depreciated relatively.

2.6 Cost of Borrowing

Borrowing costs that are directly related to the purchase, construction or production of assets and requiring considerable time to come to the desired position for use or sale, are capitalized as part of these assets. All other borrowing costs are recognized as an expense when incurred, including interest and other expenses for raising loans.

(All amounts in Euro thousands unless otherwise specified)

2.7 Depreciation

Depreciation of property, plant and equipment is computed based on the straight-line method at rates, which approximate average economic useful lives reviewed on an annual basis. Leasehold improvements are amortized over the term of the lease.

The useful lives and depreciation rates assumed per asset category are set out below:

	Years of useful life	Depreciation rate
Hydroelectrical plant	50	2%
Leasehold improvements	15 – 25	4% - 7%
Plant and equipment	15 – 33	3% - 7%
Furniture and other equipment	4 – 7	14% - 25%
Vehicles	4 – 10	10% - 25%
Other intangible assets	10 - 15	7% - 10%
Energy production licenses	35 - 45	2% - 2.5%

2.8 Intangible assets, business combinations and goodwill

Intangible assets mainly refer to energy production licenses, which are long-term with option to renew and depreciated. Business combinations are accounted for using the acquisition method (acquisition accounting method). Under this method, assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities) of the acquired business are recognized at fair values at the date of the transaction. Goodwill from business combinations results as the difference, at the date of the transaction, between the price and the fair value of the assets acquired and liabilities assumed,
On the transaction date, any goodwill acquired is allocated to cash generating units or groups of cash generating units expected to benefit from this combination.

If the difference between the purchase price and the fair value of net assets recognized exceeds the cost of business combination, then the Company:

- Reassesses the identification and measurement of both the identifiable net assets and the cost of combination and recognizes immediately in the income statement any negative difference between the purchase price and the fair value of net assets (negative goodwill).

Goodwill is measured at cost less the accumulated impairment losses. Goodwill is not amortized but is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. If the book value of a cash generating unit, including goodwill, exceeds its recoverable amount, an impairment loss is recognised. Impairment is determined by assessing the recoverable amount of the cash generating units, which the goodwill relates. If a part of a cash generating unit to which goodwill has been allocated, is sold, then the goodwill associated with the part sold, is included in its book value, in order to determine the gain or loss. The value of goodwill associated with the part sold is determined according to the relevant values of the part sold and the part of the cash generating unit that remains. Goodwill resulting from acquisitions or business combinations has been allocated and monitored at Group level to key cash generating units that have been defined according the provisions of IAS 36 “Impairment of Assets”. When the Group increases its participation share to existing subsidiaries (acquisition of minority interests), the total difference between the purchase price and the proportion of the minority interests acquired (positive or negative) is transferred directly to equity, as it is considered as a transaction between shareholders (entity concept method). Correspondingly, when minority interests are sold (without the final participation leads to loss of control of subsidiary), the relevant gain or losses are recognized directly to equity.

2.9 Impairment of assets excluding goodwill

Assets that are depreciated are tested of impairment each time there is an indication that the carrying amount is not recoverable, The recoverable amount is the maximum between the net selling price representing the possible proceeds from the sale of an asset in an arms' length transaction, after deduction of any additional direct cost for the sale of the asset, and the value in use representing the discounted future net cash flows from the continuing use and ultimate disposal of an asset using an appropriate discount rate, If the recoverable amount is less that the carrying amount the carrying amount is written down to the level of the recoverable amount, An impairment loss is recognized in the income statement of the related period occurred except if the asset was adjusted in value, when the
loss reduces the special value adjustment reserve, When in subsequent periods the loss must be reversed the carrying amount of the asset is increased to of the reviewed estimated recoverable amount in the extent that the new carrying amount is not greater than the carrying amount that would result as if the impairment was never recorded in prior periods, The reversal of an impairment loss is recorded as income in the income statement except for the case that the asset was value adjusted, case in which the reversal of the impairment loss increases the related special value adjustment reserve, For the assessment of impairments, assets are ranked in the minimum cash flow class

2.10 Finance instruments

Financial instruments of the Company are classified in one of the following categories:

a) Financial assets or liabilities estimated at fair value with changes reflected in the income statement, A financial asset or financial liability that meets either of the following conditions:

- It is classified as held for trading (including derivatives but excluding instruments designated for hedging purposes, acquired or designed for the purchase or repurchase purposes and finally those who are part of a portfolio including recognized financial instruments),
- Upon initial recognition it is designated by the entity as at fair value through the statement of income,
- On the balance sheet the transactions and the valuation at fair value are presented separately as derivative financial instruments, Changes in fair value of these derivatives are reflected in the income statement,

b) Borrowings and receivables. Non derivative financial assets with fixed or predetermined rates, which are not being traded in active markets, Borrowings and receivables do not include:

- Receivables from advance payments for the purchase of goods or services,
- Receivables from tax dealing, legally imposed by the State,
- Any non contractual element giving right to the company to raise claims in cash or in other financial elements,

Borrowings and receivables are included in the current assets, except those expiring within 12 months or more from the date of the balance sheet, In such case borrowings and receivables are recognized as other non-current assets (long-term receivables),

c) Retainable Investments, Non derivative financial assets of fixed or predetermined payment and set expiration date, which the Company has the ability and intention to retain until expiration,

d) Available-for-sale financial assets. Non derivative financial assets which are identified under this category or cannot be classified in any of the above categories, Available-for-sale financial assets are consequently valued at fair value and the resulting profit or loss is recognized in equity reserve, until those assets are sold or acknowledged as impairments, When sold, or when acknowledged as impairments, any such profit or loss is transferred to income statement, Impairment losses recognized in income statements cannot be reversed through income statements.

Purchases and sales of investments are recognized at the date of the transaction, which is the dated that the Company commits to purchase or sell the asset. Investments are initially recognized at their fair value plus directly attributable transaction costs, except for the directly attributable transaction costs for items that are measured at fair value with changes in results. Investments are derecognized when the right to receive cash flows from investment has expired or has been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Realized and unrealized gains or losses arising from changes in fair values of financial assets recognized at fair value with changes in results, are recognized in the period in which they arise. The fair values of financial assets that are traded in active markets are based on current bid prices. For non-traded assets, fair values are determined using valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. Not traded in an active market securities classified as available for sale financial assets whose fair value can not be reliably determined, are determined at acquisition cost. At each balance sheet date, the Company assesses whether there is objective evidence to suggest that financial assets have been impaired. For securities classified as available for sale financial assets, objective evidence would include a significant or prolonged decline in their fair value. If such evidence exists, the accumulated loss in equity which is the difference between the acquisition cost and fair value, is recognized in the income statement.

2.11 Receivables from customers

Accounts receivable are recognized and carried at originally invoiced amounts and subsequently are valued at amortized cost with the use of the effective interest rate less any impairment losses, Impairment losses (losses from doubtful accounts) are recognized when objective indication exists that the Group will be unable to collect all amounts due, The amount of impairment loss is the difference between the carrying amount of the receivables and the net present value of the discounted with the effective interest rate future cash flows, The amount of impairment loss is charged to the income statement, At each reporting period/date, all accounts receivable are assessed based on historical trends and statistical information and a provision is recorded for the probable and reasonably estimated loss for these accounts, All accounts receivable collection of which is not considered probable are written-off.

2.12 Cash and cash equivalents

Cash, time deposits and other highly liquid, low risk investments with original maturities of three months or less are considered to be cash equivalents.

2.13 Share Capital

Common shares are recognized in Equity, cost of issuance of new shares, net of deferred tax, are reflected as a deduction of Paid-in-Surplus, Share issuance costs related to business combinations are included in the cost carrying amount, he purchase cost of treasury shares less any income tax (if applicable) is presented as a deduction of equity unless the treasury shares are sold or cancelled, Gains or losses from the sale of treasury shares net of any direct transaction costs or income tax, if applicable, are presented as reserve in equity.

2.14 Borrowings

All loans and borrowings are initially recognized at fair value, net of issue costs associated with the borrowing, After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method, Gains or losses through the amortization process are recognized in the statement of income.

2.15 Income Tax – Deferred Tax

Income Tax expense for the period consists of current and deferred taxes, i,e, the tax (or the tax discount) associated with income (or loss) that are reported, for accounting purposes, in the current period but will generate a tax liability or asset in future accounting periods, Income taxes are recognized in the income statement, except for tax with regard to transactions charged directly to equity, In the latter case, the tax is also charged directly to equity.

Current income taxes are recognized based on taxable income of the period, in accordance with the Greek tax laws for each of the consolidated subsidiaries, The current income tax is based on taxable profits of the Company adjusted according to the requirements of tax legislation and is calculated with the current tax rate in force, Deferred income taxes have been provided using the liability method on all temporary differences arising between financial reporting and tax bases of assets and liabilities, using enacted tax rates in effect in the years in which the differences are expected to reverse, Deferred taxes are calculated using the liability method for all temporary tax differences as of the balance sheet date between taxable base and accounting base of the assets and liabilities.

Expected impacts from temporary tax differences are recognized and recorded either as future (deferred) tax liabilities or as deferred tax assets, Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against the above and can be utilized, The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. The Company writes off deferred tax assets against deferred tax liabilities only in cases when the Company has a legal right to write off current tax assets against current tax liabilities and deferred tax assets and the deferred tax liabilities relate to income tax and are imposed by the same tax authority

2.16 Employee Benefits

a) Short term benefits
Short term employee benefits are recorded on an accrual basis.

b) Provisions for Benefit Plans:
The programs for employee benefits concerning their service termination are included in defined benefit plans according to IAS 19 - "Employee benefits", The obligations resulting from the defined benefit plans are calculated as the discounted fair value of the future benefits to employees accrued as of the balance sheet date, These obligations are calculated based on financial and actuarial assumptions, The net cost for the period / year is charged to the income statement and is comprised from the present value of accrued benefits during the period / year, the discounting of the future obligation, the cost of experience of service. The actuarial gains or losses are recognized directly to own equity according to IAS 19 - "Employee benefits",

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or accrued) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be calculated, If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, Where discounting is used, the increase of the provision due to the passage of time is recognized as a borrowing cost, Provisions are reviewed at each balance sheet date and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed, Provisions are used only for expenditures for which they were originally recognized, Contingent assets and contingent liabilities are not recognized.

2.18 Revenue recognition

Revenue consist of the fair value of the sale of goods and services, net of value-added tax, rebates and discounts, Revenue is recognized as follows:

- **Services rendered:** Revenue from services are recognized in 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 cost,
- **Interest income:** Interest income is recognized on a time-proportion basis using the effective interest method.

2.19 Leases

Leases which transfer to the Company substantially all benefits and risks incidental to ownership of the item property are considered financial leases and are accounted for by the lessee as the acquisition of an asset and the incurrence of a liability, Financial charges are recognized directly to income, Finance leases, that transfer to the Company substantially all risk and benefits following the ownership of the leased asset are recorded as assets with amount equal to the initial lease amount, the fair value of the leased asset or if lower the present value of the minimum future lease payments, Lease payments are included in finance costs and deducted from the remaining liability, in such way that a constant interest rate applies to the remaining liability amount, Leased assets are depreciated in the shorter time between useful life of the asset and the lease period, Criterion for the classification of a lease as finance or operating is the type or transaction itself and not the type of agreement, If from a lease agreement arises that the lessor substantially holds all benefits and risks incidental to ownership of the asset, it is classified as an operating lease by the lessee and the rental payments are recognized as an expense as incurred.

2.20 Dividend distribution

Dividends payable to the shareholders are recognized and presented as liability in the period in which the General Shareholders Assembly approves them.

2.21 Government grants

Government grants are initially recognized as deferred income on the balance sheet, when the reimbursement of the grant is fairly secure and the Group has met its required obligations, Grants related to the Groups expenses are recognized as other operating income on a systematic base in the period the related expenses are recognized, Grants related to the purchase cost of the Group's assets are recognized as other operating income on a systematic base according to the useful estimated life of the asset.

2.22 Long-term Receivables / Payables

Long-term receivables and payables, which are interest free or bear interest significantly lower than the prevailing market rates, are recognized in their net present value, Differences between the present value and the face amounts are created as discount or premium and amortized as interest expense or income over the life of each receivable/payable.

2.23 Related Parties

Related party transactions and balances are disclosed separately in the consolidated financial statements, Such related parties mainly refer to major shareholders, Management, companies with common ownership and/or management with the company and its consolidated subsidiaries, or other affiliates of these companies.

2.24 Capital Management

The Group's policy is the maintenance of a solid capital structure to have confidence of investors and creditors and to support its future growth, Management monitors Equity in its total excluding minority interests so that the ratio to liabilities subtracting the Company's deposits is approximately 3 to 1, Based on the data of the balance sheets the ratio of liabilities to equity for the years 2013 and 2012 was 1,25 and 1,90 respectively for the Group and 0,02 and 0,10 for the parent Company, The provisions of L, 2190/1920 impose the following restrictions concerning equity:

- The purchase of treasury shares, except for the case of purchase for distribution to employees, cannot exceed 10% of the paid in share capital and cannot have as result the reduction of equity to a lower amount than the paid in share capital plus any reserves that are non distributable by law, In case the share capital is below the ½ of the paid in share capital the Board of Directors has to invite the General Assembly of shareholders within 6 months from the end of the fiscal year to decide about the dissolvement of the company or any other measure.
- Yearly at least the 1/20 of net earnings is distributed to legal reserves that is used to compensate before any dividend distribution the debit balance of retained earnings, The distribution to reserves is not mandatory if its level is 1/3 of the paid in share capital,
- If the total equity is below 1/10 of the paid in share capital and the general assembly does not apply appropriate measures the company can be dissolved by court decision after the request of any party that has legal interest.
- The distribution of the yearly cash dividend is mandatory for 35% of the net earnings after the deduction of the legal reserve and the distribution to special valuation reserves from the fair value valuation of assets and liabilities at fair value, This is not applied if the general assembly of shareholders decides at least with 65% majority. In this case the not distributed dividend is presented in a special reserves account for capitalization and new shares are distributed without any charge to the beneficiaries shareholders within four years, Finally, with 70% majority the general assembly can decide the non distribution of dividends.

(All amounts in Euro thousands unless otherwise specified)

The company is fully compliant with the related provisions imposed by law concerning equity.

3. Financial Risk Management

3.1 Financial risk factors

a. ***Foreign exchange risk:*** The Company is not exposed to foreign exchange risk,

b. ***Credit risk:*** The Company is not exposed to credit risk,

c. ***Cash flow risk:*** The Company is exposed to cash flow risk that may arise through the fluctuation of variable interest rates and may cause positive or negative fluctuations in cash inflows and/ or outflows of assets and/ or liabilities connected with these variable interest rates.

d. ***Market risk****:* The Company is not exposed significantly to market risk,

4. Important accounting assumptions and estimates

Preparation of financial statements in compliance with IFRS requires Management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, required disclosure of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period, Reasonable use of available information and subjective judgement are important elements of an assumption, Actual results may differ from estimates and deviations may significantly affect Financial Statements, The Company makes estimates and assumptions with regard to the outcome of future events, The majority of estimates concerns assets depreciation and calculation of deferred taxes, Management's estimates and assumptions are under continuous review based on historical data and expectations of future events, that are deemed highly probable based on current facts,

5. Share capital structure

The Company sees to it that its share capital structure is persistent to respective conditions of the subsidy programs in which the Company has entered.

6. Revenues

	The Group		Company	
	1/1-31/12/2014	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Revenue from energy sector	7,003	11,378	-	-
Revenue from services rendered	-	-	120	175
Total	**7,003**	**11,378**	**120**	**722**

(All amounts in Euro thousands unless otherwise specified)

7. Cost of sales

The cost of sales for the Group for the previous periods was revised due to the revision of the useful life of production licenses.

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Recovered exp. from participations to subsidies	-	-	-	(33)
Personnel salaries and expenses	(217)	(221)	(82)	(141)
Third party expenses	(168)	(387)	-	(24)
Supplies to third parties	(2,048)	(1,972)	(20)	(40)
Tax and stamp duty	(214)	(353)	-	(30)
Other expenses	(26)	(29)	(2)	(35)
Depreciation	(5,344)	(5,382)	-	(12)
Depreciation of subsidies	1.776	1.775	-	-
Total	**(6,241)**	**(6,569)**	**(104)**	**(315)**

8. Administrative expenses

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Personnel salaries and expenses	(329)	(299)	(117)	(35)
Third party fees and expenses	(110)	(69)	(53)	(7)
Supplies to third parties	(153)	(197)	(116)	(99)
Tax and stamp duty	(29)	(80)	(5)	(25)
Other expenses	(56)	(107)	(27)	(23)
Depreciations	(3)	(5)	(4)	5
Provisions	(10)	(11)	(9)	(3)
Total	**(690)**	**(768)**	**(331)**	**(187)**

9. Other expenses

	The Group		Company	
	1/1 - 31/12/2014	1/1 - 31/12/2013	1/1 - 31/12/2014	1/1 - 31/12/2013
Special Levy (N.4093/2012)	(143)	(1.137)	-	-
Assets' write off	(324)	(549)	-	-
Deletion of recovered expenses	(212)	-	(212)	-
VAT prescription	(178)	-	-	-

(All amounts in Euro thousands unless otherwise specified)

Fines for VAT prescription	(25)	-	-	-
Other	(15)	-	(2)	-
Total	**(897)**	**(1,686)**	**(214)**	**-**

Other expenses for the fiscal period amounted to € (897) and refer mainly to the amount of special levy imposed from 01/07/2012 on the producers using RES according to L.4093/2012, amounting to 10% of sales, for the period till 30/06/2014. According to Law 4254/2014, the imposition of special levy ended on 30/04/2014. The amount charged for 2014 amounted to € (143) against € (1,137) in the previous corresponding period, including the special levy on the sales of the first 3 months of 2014, reduced by € 114, due to the credit invoice of 10% on sales of the previous fiscal year issued by the Group's companies to LAGIE S.A., according to the provisions of Law 4254/2014.

10. Finance Income / (Cost)

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Finance expense:				
- Interest payable	(955)	(1,726)	-	(130)
- Bank and similar expenses	(7)	(10)	-	(1)
- Depreciation of raising loan costs	(38)	(68)	-	-
-Finance cost of provision for equipment removal	(99)	(93)	-	-
Total finance expenses	**(1,099)**	**(1,897)**	**-**	**(131)**
Finance income:				
- Interest receivable and similar income	53	625	8	7
-Dividends	-	-	880	
-Profit from sale of investments and securities	-	650		650
Total finance income	**53**	**1.275**	**888**	**657**
Net finance expenses	**(1,046)**	**(622)**	**888**	**526**

11. Income Tax

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Income tax (current period)	(14)	(234)	-	(1)
Deferred tax	(294)	(745)	(200)	(84)
Tax on dividends from subsidiary	-	-	-	-
Income tax	**(308)**	**(979)**	**(200)**	**(85)**
Tax on other accumulated income	**2**	**(4)**	**1**	**(2)**

(All amounts in Euro thousands unless otherwise specified)

According to provisions of the Greek tax legislation, tax rate as at December 31, 2014 was 26%. The headquarters of all the companies participating in the consolidation are in Greece, while these companies submit their income statements to the Greek tax authorities. The Greek tax legislation and respective provisions are subject to interpretation by the tax authorities. Income tax statements are submitted to the tax authorities on an annual basis but profit or loss stated for tax purposes, remain temporary until the tax authorities conclude audits of the tax statements and records of the company, at which time the respective tax liabilities of the company become final. Tax losses, if any, and in the amount recognized by tax authorities, can be carried forward to offset against profits for a period of five consecutive years after their occurrence.

Based on reasonable estimates, to the extent possible, consolidated companies make provisions for any contingent tax burden which may occur in future tax audits.

Consolidated companies have not been audited for the periods presented in the table below:

Company	Unaudited fiscal year
RF ENERGY S.A.	2010
KALLISTI ENERGIAKI S.A.	2010
CITY ELECTRIC S.A.	2010
HYDROELECTRIKI ACHAIAS S.A.	2010
R.F. ENERGY MISOCHORIA S.A.(merged in 2013)	2010
R.F. ENERGY TSOUKKA SA merged in 2013)	2010
R.F. ENERGY DEXAMENES S.A.(merged in 2012)	2010
R.F. ENERGY KORAKOVRAHOS S.A.(merged in 2012)	2010
R.F. ENERGY LAKOMA S.A(merged in 2012)	2010
R.F. ENERGY PRARO S.A(merged in 2012)	2010
R.F. ENERGY SCHIZALI S.A.merged in 2012)	2010
R.F. ENERGY KALAMAKI S.A.merged in 2012)	2010
R.F. ENERGY XESPORTES S.A.merged in 2012)	2010
R.F. ENERGY OMALIES S.A.	2010
AIOLIKI ADERES S.A.	2010

For the years 2011,2012 and 2013 the Company and the consolidated subsidiaries, due to their inclusion to the tax audit of Chartered Accountants provided by the provisions of the article 82, par 5 of the L2238/1994, received Tax Compliance Report with an unqualified opinion. For the year 2014, the tax audit by the Chartered Accountants is in progress and the relevant tax compliance reports are predicted to be granted after the publication of the Financial Statements for the year 2014. If additional tax liabilities incur till the completion of the tax audit, we believe that these will not affect significantly the Financial Statements of both the Company and the Group.

(All amounts in Euro thousands unless otherwise specified)

Deferred taxes in the balance sheet are analyzed as follows:

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Deferred tax on assets				
- Transferred tax losses	1,187	724	-	182
- Share capital increase	9	21	-	4
- Special Levy (10%)	259	317	-	-
- Other	5	17	-	9
- Deletion of installation costs	261	255	-	-
- Provision for equipment removal	195	148	-	-
Provision for staff	7	11	-	4
Offsetting	(1,512)	(896)	-	-
Deferred tax on liabilities				
- Depreciation of assets	(1,051)	(571)	-	-
- Government grants	(1,432)	(1,167)	-	-
- Operating licenses	(856)	(879)	-	-
- Depreciation expense borrowing	(40)	(49)	-	-
- Capitalization of interest	(72)	(63)	-	-
Offsetting	1512	896	-	-
Net deferred tax	**(1,528)**	**(1,236)**	**-**	**199**
Deferred Taxes				
Deferred tax on assets	411	597	-	199
Deferred tax on liabilities	(1,939)	(1,833)	-	-
Net deferred tax	**(1,528)**	**(1,236)**	**-**	**199**

Below reconciliation of the tax attributable to the accounting results and what the results were accounted for:

	The Group		Company	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Earnings/loss before tax	(1.734)	2.186	361	574
Tax corresponding to nominal tax rate	(451)	568	94	149
Income not subject to tax	-	-	(229)	-
Tax losses with no deferred tax recognized	343	(62)	141	-
Accounting differences	154	25	(6)	11
Increase in tax rates	-	139	-	(86)
Depreciation of Production Licenses	58	58	-	-
Derecognition of deferred receivables	204	237	200	-

(All amounts in Euro thousands unless otherwise specified)

Other	-	15	-	11
Income tax	**308**	**979**	**200**	**85**
Tax on other accumulated income	**(2)**	**4**	**(1)**	**2**

During the fiscal year 2014, a tax audit in 100% subsidiary AIOLIKI KYLINDRIAS S.A. for the years 2009, 2010 and 2011, which was completed with the relevant official reports on 31/07/2014.
In the abovementioned report, there were accounting differences of € 31, which reduced the transferred tax losses and as a result, no Income Tax arose. Moreover, the aforementioned audit proceeded to prescription of VAT credit balance of € 33 of previous years due to failure of compensation within three years, and imputed increase for inaccuracy of € 25. The total amount of € 58 was accepted by the subsidiary and paid within the prescribed period.

During 2014, a tax audit was conducted in KALLISTI ENERGIAKI S.A. for the year 2009, which was completed with the relevant official report on 10/10/2014, according to the Law 4174/2013, with the findings of the audit concerning VAT and Income Tax for the year 2009.
In the abovementioned report for 2009, there were accounting differences of € 140 and an additional provision for unaudited fiscal year of €5 was made.

12. Trade and other Receivables

	The Group		**Company**	
	1/1-31/12/2014	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Trade and other Receivables	4,585	7,298	81	28
Greek state - Debited VAT	1,411	1,177	5	1
Transit Debit Balances	342	766	243	603
Related companies	-	-	331	1,188
Down payments to suppliers	24	9	-	-
Other	26	18	227	227
Total	**6,388**	**9,268**	**887**	**2,047**

13. Cash and cash equivalent

	The Group		**Company**	
	31/12/2014	**31/12/2013**	**31/12/2014**	**31/12/2013**
Cash at hand	1	1	-	-
Sight and time deposits	2,024	1,432	535	340
Total	**2,025**	**1,433**	**535**	**340**

Cash and cash equivalents pertain to cash at hand and cash deposits available on sight.

(All amounts in Euro thousands unless otherwise specified)

14. Plants, property and equipment

The Group	Land	Buildings	Plant and Machinery	Vehicles	Furniture and miscellaneous equipment	Capital commitments underway	Total
Cost of Purchase on 01/01/2013	1,081	10,008	70,382	14	117	3,486	**85,088**
Accumulated depreciation on 01/01/2013	-	(1,565)	(11,746)	(6)	(94)	-	**(13,411)**
Net book value on 01/01/2013	**1,081**	**8,443**	**58,636**	**8**	**23**	**3,486**	**71,677**
Additions	-	-	-	-	2	109	**111**
Write-offs	-	-	-		-	(549)	**(549)**
Depreciations	-	(566)	(4,381)	(2)	(7)	-	**(4,956)**
Cost of Purchase	1,071	10,008	70,374	14	123	3,046	**84,637**
Depreciations	-	(2,131)	(16,127)	(8)	(101)	-	**(18,367)**
Net book value on 31/12/13	**1,071**	**7,877**	**54,247**	**6**	**22**	**3,046**	**66,270**
1/1- 31/12/2014							
Additions	10	-	9	-	2	84	**105**
Write-offs	-	-	-	-	(6)	(324)	**(330)**
Depreciations	-	(566)	(4,381)	(2)	(5)	-	**(4,954)**
Depreciations of disasters	-	-	-	-	6	-	**6**
Cost of Purchase	1,081	10,008	70,383	14	119	2,807	**84,412**
Depreciations	-	(2,697)	(20,508)	(10)	(100)	-	**(23,315)**
Net Book Value on 31/12/14	**1,081**	**7,311**	**49,875**	**4**	**19**	**2,807**	**61,097**

The net book value of plant and machinery includes an amount of €923 (2013: €1,005) related to the unamortized part of the provision fro equipment removal.

The Company	Buildings	Vehicles	Furniture and miscellaneous equipment	Total

Cost of Purchase	5	2	73	**80**
Accumulated depreciation	(3)	(1)	(66)	**(70)**
Net book value on 31/12/12	**2**	**1**	**7**	**10**
1/1- 31/12/2013				
Additions	-	-	2	**2**
Depreciation	(1)	-	(4)	**(5)**
31/12/2013				
Cost of Purchase	5	2	75	**82**
Accumulated depreciation	(4)	(1)	(70)	**(75)**
Net book value on 31/12/13	**1**	**1**	**5**	**7**
1/1- 31/12/2014				
Deletion/Destructions	-	-	(6)	**(6)**
Depreciation	-	(1)	(2)	**(3)**
Depreciation of destructions	-	-	6	**6**
31/12/2014				
Cost of Purchase	5	2	69	**76**
Accumulated depreciation	(4)	(2)	(66)	**(72)**
Net book value on 31/12/14	**1**	**-**	**3**	**4**

15. Intangible fixed assets and surplus value

The Group	**Production Licenses for wind farms**	**Other user rights**	**Total intangible fixed assets**
Cost of Purchase	11,847	1,378	**13,225**
Accumulated depreciation	(944)	(194)	**(1,138)**
Net book value on 01/01/13	**10,903**	**1,184**	**12,087**
1/1- 31/12/2013			
Depreciation	(312)	(120)	**(432)**
Cost of Purchase	11,847	1,378	**13,225**
Accumulated depreciation	(1,256)	(314)	**(1,570)**
Net book value on 31/12/13	**10,591**	**1,064**	**11,655**
1/1- 31/12/2014			
Additions	-	1	**1**
Depreciation	(311)	(82)	**(393)**
Cost of Purchase	11,847	1,379	**13,226**
Accumulated depreciation	(1,567)	(396)	**(1,963)**

(All amounts in Euro thousands unless otherwise specified)

Net book value on 31/12/14	**10,280**	**983**	**11,263**

16. Investment in subsidiaries and related companies (All amounts in this note refer to Euro)

According to the decision of the Extraordinary General Assembly of the Shareholders of 100% subsidiary RF ENERGY OMALIES S.A. on 27/05/2014, the company's share capital increased by €41.010. The increase was made by cash payment on behalf of sole shareholder RF ENERGY S.A. and covered by issuance of 1.367 new shares with nominal value of €30 and disposal price of €300 each.

The difference between the nominal value of €30 and the disposal price of €300, amounting to €369.090 was registered to the account "Difference from share premium" .

After the increase, the share capital of the company amounted to €1.375.320, divided into 45.844 ordinary shares with a nominal value of €30 each.
The remaining balance of the investment of the company(all companies are operating in the energy sector) is analyzed as follows:

Subsidiaries	**31/12/2014**	**31/12/2013**
KALLISTI ENERGIAKI S.A.	6,370	6,370
AIOLIKI ADERES S.A.	16,678	16,678
AIOLIKI KYLINDRIAS S.A.	6,699	6,699
HYDROELECTRIKI ACHAIAS S.A.	3,537	3,537
CITY ELECTRIC S.A.	460	460
R.F. ENERGY OMALIES S.A.	7,365	6,955
	41,109	**40,699**

The participation share of the Company in the aforementioned subsidiaries are on 31/12/2014, as follows:

	Participation share	
Subsidiary	**31/12/2014**	**31/12/2013**
KALLISTI ENERGIAKI S.A.	100,00%	100,00%
AIOLIKI KYLINDRIAS S.A.	100,00%	100,00%
CITY ELECTRIC S.A.	100,00%	100,00%
HYDROELECTRIKI ACHAIAS S.A.	100,00%	100,00%
R.F. ENERGY OMALIES S.A.	100,00%	100,00%
AIOLIKI ADERES S.A.	100,00%	100,00%

(All amounts in Euro thousands unless otherwise specified)

17. Share Capital (All amounts in this notes refer to Euro)

On 01/01/2014, the Company's share capital amounts to €11,195,400.96 consisting of 31,098,336 common nominal shares, with nominal value of €0.36 each.

18. Borrowings

	The Group		Company	
Long – term borrowings	**31/12/2014**	**31/12/2013**	**31/12/2014**	**31/12/2013**
Long – term borrowings	19,485	23,621	-	-
Uniliquidated raising loan cost	(149)	(231)	-	-
	19,336	**23,390**	-	-
Long –term liabilities payable within the next 12 months	(2,432)	(2,902)	-	-
Short-term part of unliquidated raising loan cost	36	51	-	-
	(2,396)	**(2,851)**	-	-
Long-term part of borrowings	**16,939**	**20,539**	-	-
Short-term borrowings	-	-	-	-

The 100% subsidiary company KALLISTI ENERGIAKI S.A. proceeded to refinancing of its existing short-term loan by issuing a Common Bond Loan in the amount of €12,800, according to the decision of the Shareholders' Extraordinary General Assembly on 3/4/2009.

The disbursal of the Bond Loan amounted to €12,800 and was used for both the long-term financing of the investing plan of the company of €6.065 (duration of 12 years and to be paid in 24 semi-annual installments with a fixed rate of 5,80% - the first 11 installments have already been paid till 31/12/2014) and the short-term financing against income from approved subsidy of €6,735. The purpose of the loan is financing of the investing plan of the company and has been partially been paid through income from approved public subsidy, cash and cash equivalents and refinancing.

Within September 2010, KALLISTI S.A. refinanced its existing short-term borrowing by issuing Long Term Bonds for the amount of €2,935, with a duration of 11 years, to be paid in 22 semi-annual installments. In November 2013, the subsidiary proceeded to voluntary repayment of Tranche B Bonds for the amount of €1,000, using own funds. In May, 2013, the Company proceeded to voluntary repayment of Tranche B Bonds amounting to €1,192, using own funds.

For the conclusion of the above loan, securities were given, including company's bank deposits its productive equipment and its future receivables coming from the Power Purchase Agreement with HTSO. Furthermore, the loan agreement also includes a financial covenant, which should be followed by the company on a 6 month-basis, and if not fulfilled, it will lead to an event of default.

AIOLIKI KYLINDRIAS S.A., 100% subsidiary company of RF ENERGY S.A., received in October 2009 short-term financing of €10,008 for refinancing of existing financing. In December 2009, an amount of €5,934 converted to Common Bond Loan with a duration of 14 years and floating rate Euribor plus fixed margin 2,30%, while the remaining amount of €4,074 remained as a short-term financing against approved subsidy with floating rate Euribor plus fixed margin 4.00% and was paid through the collection of the subsidy in years 2010 and 2011.

For the purpose of this loan, collateral have been used including company's future receivables coming from the Power Purchase Agreement with LAGIE S.A. (ex HTSO), bank deposits and the pledge on the shares of the issuer, as well. The loan will be paid in 28 semi-annual installments, of which up to 31/12/2014 ten have been paid.

Aioliki Aderes S.A. , according to the decisions of BoD on a)09/05/2011, b) 01/02/12 and c) 29/05/12 signed bond agreement up to an amount of € 35,246, for 11.5 years with a grace period of 12 and 24 months by case and floating rate Euribor plus a fixed margin of 3.80% and 4.00% by case, depending on the case and its subject of financing is: a) long-term financing of investment cost for the construction of three wind farms, b) short-term financing against subsidies approved by the decisions 52586/ΥΠΕ/5/01732/Ε/Ν.3299/04/19-11-2010 and 52589/ΥΠΕ/5/01840/Ε/Ν.3299/04/27-12-2010 and 26960/ΥΠΕ/5/01841/Ε/Ν.3299/2004-14/06/2012 c) the medium-term financing to cover the VAT of investment cost of the three wind farms. Till 31/12/2012, an amount of €32,809 has been disbursed, while an amount of €820 is related to capitalized interest for grace period.

The Bond series relating to the long-term financing of the investment cost for the construction of the 3 wind farms of the Company will be paid in 21 equal installments, of which up to 31/12/2014 five have been paid.

During the previous fiscal year, the subsidiary received the approved subsidies for its wind farms and proceeded to immediate repayment of respective financing received against the aforementioned subsidies, amounting to € 15,866.

Moreover, the subsidiary AIOLIKI ADERES requested a VAT refund of investment expenditure for the years 2010 and 2011, amounting to € 1,545 and proceeded immediately to repayment of the balance of the relevant financing received against receivable VAT of investment expenditure, totally of **€840.**

For the purpose of this loan, collateral have been used and the sole shareholder of Aioliki Aderes, RF Energy, has provided full and unconditional guarantee. Additionally, according to the term of the loan, the company has pledged its future receivables coming from the Power Purchase Agreement with LAGIE S.A. (ex HTSO), bank deposits and on insurance policies and contracts that has to maintain and on approved subsidies relating to investing plans, as well.

HYDROELECTRIKI ACHAIAS S.A., 100% subsidiary company, received during the previous year two medium-term loans of €400 each from NBG, with a duration of 2.5 and 3 years respectively from their date of disbursement, for financing its working capital, due to ongoing delays on behalf of LAGIE S.A. in paying electricity sales invoices. For the purpose of this loan, collateral have been used and its sole shareholder, RF Energy, has provided full and unconditional guarantee. Additionally, according to the term of the loan, the company has pledged its future receivables coming from the Power Purchase Agreement with LAGIE S.A.

(All amounts in Euro thousands unless otherwise specified)

Interest payable of all the above loans amounted for the period ended at December 31st, 2014 and 2013 to € 955 and € 1,719, respectively.

During 2014, total quittances of sum €3,738 against the above existing long-term loans raised by the Group, were realized.

20. Trade and other payables

	The Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Payables to related parties	-	-	39	768
Trade payables to suppliers	97	648	5	42
Accrued expenses	97	265	13	172
Suppliers' cheques payable	164	13	-	-
Creditors	16	20	5	5
Accrued interests on loans	88	106	-	-
Taxes-Fees	147	140	13	16
Other	25	28	9	6
Total	**634**	**1,220**	**84**	**1,009**

21. State subsidies

	The Group		Company	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Subsidies	22,180	24,412	-	-
Difference in subsidies of AIOLIKI ADERES SA	-	(457)	-	-
Depreciation of subsidies	(1,777)	(1,775)	-	-
	20,403	**22,180**	-	-

The depreciation of received state subsidies on behalf of the subsidiary company KALLISTI ENERGIAKI S.A., for the development of the wind park in location "Tsouka" in Municipalities of Skiritida and Valtetsiou in Argolida Prefecture, have been amounted to € 478 during the current period.
The depreciation of received state subsidies on behalf of the subsidiary company AIOLIKI KYLINDRIAS S.A., for the development of the wind park in location "Lofoi Kylindrias" in Municipality of Doirani in Kilkis Prefecture, have been amounted to € 201during the current period.

The depreciation of received state subsidies on behalf of the subsidiary HYDROELECTRIKI ACHAIAS S.A. for the development of a small hydroelectrical station in location "Boufaskia" in Municipality of Aigio, have been amounted to € 36 during the current period. After the beginning of the operation of the small hydroelectrical station in location "Agios Andreas", the subsidiary, within 2014 proceeded to depreciation of the subsidy amounting to € 21.

(All amounts in Euro thousands unless otherwise specified)

The Company AIOLIKI ADERES S.A received during 2013 the approved subsidies amounting to €15,463. AIOLIKI ADERES S.A. depreciates recoverable grants, which in the current fiscal year amounted to €1,041.

22. Long-term provisions

Environmental restoration

The Company, under the existing legislation, has the obligation at the end of the production license and if that is not renewed, to decommission the technical equipment of the wind farms and restore the surrounding environment of the establishment area.

	Environmental restoration	Total
On 31/12/2013	**1,604**	**1,604**
Financial cost for the year 2014	98	98
On 31/12/2014	**1,702**	**1,702**

23. Interest rate risk and liquidity risk

Interest rate risk

The Company has substantial interest bearing assets in the amount of €398 (€2.073 for the Group) that are invested in compound time accounts at a predetermined exchange rate. Said exchange rate is calculated based on the interbank market floating interest rate in Euro. Therefore revenue and operating cash flow is affected by a change in interest rates.

As at December 31st, 2014 Earnings After Tax for the Company would have been €4 (€16 for the Group) lower / higher, if interest rates had lower / higher by 100 base points, all other variables remaining unchanged.

Interest rate risk results from long-term and short-term borrowings in euro at a floating interest rate. The Company assesses its exposure to interest rate risk on a steady basis, also taking into consideration any chance of refinancing under different terms, as well as renewal of existing financing.

As at December 31st, 2014 Earnings After Tax for the Group would have been € 121 lower/higher, if interest rates had decreased/ increased by 100 base points, all other variables remaining unchanged. This would have been caused mainly due to higher / lower finance expenses resulting from bank borrowings at a floating interest rate in Euro.

As a consequence, Earnings After Tax for the Company would have been € 4 (€ 105 for the Group) lower/higher, if interest rates had decreased/ increased by 100 base points, all other variables remaining unchanged.

(All amounts in Euro thousands unless otherwise specified)

	Interest rate risk			
	+100 bps		*-100 bps*	
	Earnings before tax		**Earnings before tax**	
	The Group	**Company**	**The Group**	**Company**
Financial assets				
Cash equivalents	21	5	(21)	(5)
Influence before tax	21	5	(21)	(5)
Income Tax 26%	(5)	(1)	5	1
Total influence	**16**	**4**	**(16)**	**(4)**
Financial liabilities				
Loans	(164)	-	164	-
Influence before tax	(164)	-	164	-
Income Tax 26%	43	-	(43)	-
Total influence	**(121)**	**-**	**121**	**-**
Total Net Influence	**(105)**	**4**	**105**	**(4)**

- Liquidity risk

The management of liquidity risk includes both existence of enough cash and cash equivalents and the reassurance of credit standing through approved financing terms. The table below analyses the company's obligations, based on the remaining contractual duration at the date of the balance sheet in discounted bills with an average interest rate, as it was formed during Year 2013.

The Group **December 31st, 2014**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**
Borrowings	2,432	2,602	7,397	7,054
Liabilities	277	-	-	-
Total	**2,709**	**2,602**	**7,397**	**7,054**

The Group **December 31st, 2014**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**
Liabilities	49	-	-	-
Total	**49**	**-**	**-**	**-**

24. Legal reserves

According to the provisions of Greek company legislation, the creation of legal reserves, with the annual transfer of an amount equal to 5% of the annual earnings after tax, is compulsory till the level of the reserves becomes equal to 1/3 of share capital. The legal reserves are only distributed in case of dissolution, but they can be offset with accumulated losses.

(All amounts in Euro thousands unless otherwise specified)

25. Transactions with related parties

The Company purchases commodities from related parties, and exchanges services with said parties. According to IAS 24 related parties are subsidiary companies, companies with common shareholders and/or management and any affiliates to such companies. Members of the Board of Directors and Top Management are also considered related parties. The table below presents payables and receivables from transactions with related parties.

Receivables from:	**31/12/2014**	**31/12/2013**
KALLISTI ENERGIAKI S.A.	45	5
AIOLIKI KYLINDRIAS S.A.	194	260
CITY ELECTRIC S.A.	14	4
HYDROELECTRIKI ACHAIAS S.A.	76	7
R.F. ENERGY OMALIES S.A.	49	69
FG EUROPE SA	1	-
AIOLIKI ADERES A.E.	29	843
CYBERONICA S.A.	17	17
LOGO VENTURES AEDAKES	-	23
Total	**425**	**1,228**

Payables to:	**31/12/2014**	**31/12/2013**
F.G. EUROPE S.A.	13	13
HYDROELECTRIKI ACHAIAS S.A..	-	715
CITY ELECTRIC S.A.	26	44
CYBERONICA S.A.	-	9
Total	**39**	**781**

Income:	**1/1-31/12/2014**	**1/1-31/12/2013**
KALLISTI ENERGIAKI S.A.	16	24
AIOLIKI KYLINDRIAS S.A.	12	22
CITY ELECTRIC S.A.	12	13
HYDROELECTRIKI ACHAIAS S.A.	892	24
R.F. ENERGY OMALIES S.A.	12	37
AIOLIKI ADERES S.A.	35	61
FG EUROPE S.A.	1	-
LOGO VENTURES AEDAKES	22	2

(All amounts in Euro thousands unless otherwise specified)

Total	**1,002**	**183**

Costs:		
CYBERONICA S.A.	(100)	(103)
F.G. EUROPE S.A.	(10)	(13)
Total	**(110)**	**(116)**

Group

Receivables from:	**31/12/2014**	**31/12/2013**
F.G. EUROPE S.A.	1	-
CYBERONICA S.A.	21	21
LOGO VENTURES AEDAKES	-	23
Total	**22**	**44**

Payables to:	**31/12/2014**	**31/12/2013**
F.G. EUROPE S.A.	13	13
CYBERONICA S.A.	3	9
Total	**16**	**22**

Income:	**1/1 - 31/12/2014**	**1/1/ - 31/12/2013**
F.G. EUROPE S.A.	1	-
LOGO VENTURES AEDAKES	80	2
Total	**81**	**2**

Costs:	**1/1 - 31/12/2014**	**1/1 - 31/12/2013**
F.G. EUROPE S.A.	10	13
CYBERONICA S.A.	111	119
LOGO VENTURES AEDAKES	-	37
Total	**121**	**169**

Members of the Board of Directors and Management:	**The Group**		**Company**	
	1/1-31/1/2014	**1/1-31/1/2013**	**1/1-31/1/2014**	**1/1-31/1/2013**
Compensations - Other Benefits:				
Board of Directors Remuneration	(211)	(172)	(156)	(121)
Total	**(211)**	**(172)**	**(156)**	**(121)**

(All amounts in Euro thousands unless otherwise specified)

26. Benefit obligations due to retirement of service

Under Greek labor law, employees are entitled to compensation in case of dismissal or retirement, the amount of which is related to the remuneration, length of service and manner of termination (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to compensation. In particular, the compensation in case of termination due to retirement and the completion of 15 years of service with the same employer are as follows:

1) Termination of the contract due to retirement
Employees covered by any pension sector of any Insurance Agency, as long as they meet the requirements for full retirement, if they are craftsmen are able to leave, if employees are not able to leave or be dismissed by his employer.

In these cases, they are entitled to 50% of statutory compensation if they do not have supplementary insurance or 40% if they have. Employees with fixed-term contract, made redundant or leave before the end of it to retire, are entitled to the reduced allowance.

Note that the employer can not dismiss Technicians who have completed the requirements of full retirement age, with reduced compensation payment. Only employees have this option.

2) 15 years of service:
Employees associated with permanent work contracts and have completed 15 years of service with the same employer or the age limit laid down in the familiar Insurance Agency when there is no limit of 65 years of age, they can leave their work with the employer's consent , so are entitled to 50% of legal compensation.

The provision for employee retirement is based on an independent actuarial study which was dated 31 December 2014 with the projected unit credit method Obligation - Projected Unit Credit (IAS 19, § 67). In addition, during the preparation of the study, took into account the likelihood of voluntary retirement of active officials.

This account from 01/01/2014 to 31/12/2014 was as follows:

Accounting depictions in accordance with IAS 19	**The Group**		**Company**	
	2014	**2013**	**2014**	**2013**
Amounts recognized in the Statement of Financial Position				
Present value of unfunded obligations	36	52	16	20
Net liability recognized in the Statement of Financial Position	**36**	**52**	**16**	**20**

Amounts recognized in the income statement

(All amounts in Euro thousands unless otherwise specified)

Current service cost	3	3	2	2
Interest cost	1	3	1	1
Regular expense in the income statement	**4**	**6**	**3**	**3**
Settlement costs	-	8	-	-
Total expense in the income statement	**4**	**14**	**3**	**3**

Actuarial assumptions

Discount rate	3,50%	4,50%	3,50%	4,50%
Future salary increases	2,20%	2,50%	2,20%	2,50%
Inflation	2,00%	2,50%	2,00%	2,50%
Expected remaining service life	26,5	15,6	16	15,6

Changes in the net liability recognized in the Statement of Financial Position

Net liability at beginning of year	**36**	**52**	**16**	**20**
Benefits paid by the employer	-	(13)	-	-
Total expense recognized in the income statement	4	14	3	3
Net liability at end of year	**40**	**53**	**19**	**23**
Statement of actuarial (gains) and losses	8	(16)	3	(7)
Adjusting	-	-	6	-
Net liability at end of year	**48**	**36**	**29**	**16**

Any differences in totals are due to rounding

The above actuarial study showed "Actuarial gain / (loss) on defined benefit plans" amounting to € (8) and € (3) (€ 31 and € 11 in 2013), for the Group and the Company respectively and was recognized directly in other comprehensive revenue of the Group and the Company.

These results depend on the assumptions (financial and demographic) of the actuarial study. Thus, on the valuation date 31/12/2014:

• If you had used a higher rate of 0.5% (ie 4%) then the present value would be lower by 7%, but if it was lower by 0.5% would lead to the actuarial liability be higher by 8% .

• If you had used a higher salary growth assumption of 0.5% (ie 2.7%) then the present value would be higher by 8%, but if it was lower by 0.5%, would result in the actuarial liability being less by 7%.

(All amounts in Euro thousands unless otherwise specified)

During the previous year the Company made an early change in accounting policy, which refers to the recognition of actuarial (loss) / profit out of the income statement and recognized directly in other comprehensive income. Early application did not make significant impact on the financial statements of the Company and the Group.

27. Commitments, contingent liabilities and uncertainties

The litigation and arbitration are not likely to have a material effect on the financial condition or operation of the Company.

The Company's tax obligations are not final, since there are unaudited fiscal periods. The unaudited fiscal periods of the companies included in the consolidation are as follows:

The Group	Unaudited fiscal year
R.F. ENERGY S.A.	2010
KALLISTI ENERGIAKI S.A.	2010
CITY ELECTRIC S.A.	2010
HYDROELECTRIKI ACHAIAS S.A.	2010
R.F. ENERGY MISOCHORIA S.A.(merged in 2013)	2010
R.F. ENERGY TSOUKKA SA merged in 2013)	2010
R.F. ENERGY DEXAMENES S.A.(merged in 2012)	2010
R.F. ENERGY KORAKOVRAHOS S.A.(merged in 2012)	2010
R.F. ENERGY LAKOMA S.A(merged in 2012)	2010
R.F. ENERGY PRARO S.A(merged in 2012)	2010
R.F. ENERGY SCHIZALI S.A.merged in 2012)	2010
R.F. ENERGY KALAMAKI S.A.merged in 2012)	2010
R.F. ENERGY XESPORTES S.A.merged in 2012)	2010
R.F. ENERGY OMALIES S.A.	2010
AIOLIKI ADERES S.A.	2010

For the years 2011, 2012 and 2013, the Company and the consolidated subsidiaries, due to their inclusion to the tax audit of Chartered Accountants provided by the provisions of the article 82, par 5 of the L2238/1994, received Tax Compliance Report with an unqualified opinion. For the year 2014, the tax audit by the Chartered Accountants is in progress and the relevant tax compliance reports are predicted to be granted after the publication of the Financial Statements for the year 2014. If additional tax liabilities incur till the completion of the tax audit, we believe that these will not affect significantly the Financial Statements of both the Company and the Group.

Provisions for unaudited fiscal years have been made amounting to €5 for the Company and € 54 for the Group.

There are some encumbrances on the fixed assets of the 100% subsidiary KALLISTI ENERGIAKI S.A., arising from the lien of the turbines of the subsidiary.

In 2008 Company's subsidiaries filed applications to RAE and the Ministry of Development for the issuance of Production Licenses for Wind Power Energy Production Plants, located at various sites in Evia Prefecture, and with 387MW capacity in total. Subsequently meteorological masts were erected in said site locations in order to measure wind potential while parent Company R.F. ENERGY S.A. provides to its subsidiaries administrative, development and management services on this project. Moreover Company's subsidiaries have taken actions to receive approval from competent authorities to develop this project.

During 2010, subsidiaries of the Group submitted to RAE and the Ministry of Energy and Climate Change (YP.E.K.A.) completed files with applications for relevant production licenses from wind stations in the southern Evia, with total capacity of 144MW. Therefore, the group of wind farms being developed by subsidiaries of the Group in the southern Evia has total capacity of 531MW. Said Production Licenses have not been granted as of the date of issuance of the document at hand.

Within 2011, subsidiaries of the Group submitted to RAE and the Ministry of Energy and Climate Change (YP.E.K.A.) completed files with applications for relevant production licenses from wind stations in the southern Evia, with total capacity of 57MW, while an application for production license from wind farm of 9MW was withdrawn. Therefore, the group of wind farms being developed by subsidiaries of the Group in the southern Evia has total capacity of 579MW.

Within fiscal year 2011 Production Licenses of total 279MW were granted to 14 wind farms of the group, while 7 of these farms have been granted with Temporary Connection Terms by HTSO. Finally, in December 2011, Study of Environmental Impact of the wind farms was submitted, so that Approval of Environmental Terms could be granted.

Within fiscal year 2009 several Production Licenses were granted to unrelated companies for Wind Power Energy Production Plants located at sites which are at close proximity to Company owned projects, for which Company's subsidiaries have applied for Production Licenses. Due to this fact, in December 2009 the Company proceeded to legal action against Decisions by the Ministry of Energy and Environment, RAE, and the Special Committee for the Environment. Action was filed to the Council of State, requesting annulment of said Production Licenses which were issued in favor of unrelated companies, on the basis of impingement of the Company's subsidiaries' lawful rights (as Company's subsidiaries have also filed applications for Production Licenses for Wind Power Energy Production Plants located in the area, and no decision has been reached yet), and material breach of substantial legal and statutory provisions. As of the date of issuance of the document at hand the Council of State has not convened on the case matter.

Moreover, on December 31, 2014, the parent company R.F. ENERGY S.A. has guaranteed loans of its subsidiaries of total balance of € 16,053, which have been paid off gradually by 2023.

28. SIGNIFICANT EVENTS OCCURRED POST BALANCE SHEET DATE

On 29/01/2015, AIOLIKI ADERES S.A. signed new PPAs with LAGIE S.A., due to termination of part of power limitation of existing wind turbines imposed because of saturated grid of Peloponnese. On 12/03/2015, amended Operating Permits for the wind farms “Astrapi” and “Sabales” were issued, with augmented power of 0.8MW and 1.6MW respectively.

There are no other significant events having occurred after December 31, 2014 concerning the Company that should have been disclosed and bear the capacity to significantly affect any element of the Company's financial standing or ability to conduct business, as of the date of issuance of the document at hand.

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