ELLINIKI TECHNODOMIKI ANEMOS SA

Annual Financial Statements
prepared according to the International Financial Reporting Standards
for the period ended on 31 December 2009

ELLINIKI TECHNODOMIKI ANEMOS SA
POWER GENERATION & DISTRIBUTION
25 ERMOU STR. - 145 64 KIFISSIA
Tax ID No.: 094508956 Tax Office: ATHENS FABE
SA Reg.No. 38582/01AT/B/97/012(08)– 4990

Table of Contents

INDEPENDENT CERTIFIED AUDITOR-ACCOUNTANT'S REPORT 4
Statement of Financial Position 6
Income Statement 7
Statement of comprehensive income 8
Statement of Changes in Equity 9
Statement of Cash Flows 10
Notes to the financial statements 11
1 General information 11
2 Summary of significant accounting policies 11
2.1 Basis of preparation 11
2.2 New standards, amendments to standards and interpretations 11
2.3 Foreign exchange conversions 16
2.4 Tangible Assets 17
2.5 Intangible assets 17
2.6 Leases 17
2.7 Impairment of non-financial assets 18
2.8 Trade receivables 18
2.9 Cash and cash equivalents 18
2.10 Share capital 18
2.11 Borrowings 18
2.12 Deferred income tax 18
2.13 Trade and other payables 19
2.14 Environmental obligations 19
2.15 Employee benefits 19
2.16 Provisions 19
2.17 Roundings 19
2.18 Revenue recognition 19
2.19 Grants 20
2.20 Dividend allocation 20
3 Financial risk management 20
3.1 Financial risk factors 20
3.2 Cash management 22
3.3 Fair value estimation 22
3.4 Comparative information 22
4 Significant accounting estimates of the management 23
5 Tangible Assets 24
6 Intangible assets 25
7 Investments in subsidiaries 25
8 Investments in associates 26
9 Investments in Joint Ventures 26
10 *Prepayments for long-term leases* 27
11 Trade and other receivables 27

12 Cash and cash equivalents 27
13 Share capital 28
14 Reserves..28
15 Trade and other payables 28
16 Borrowings...29
17 Deferred taxation...30
18 Provisions for staff compensation 31
19 Provisions 32
20 Employee benefits..33
21 Grants..33
22 Financial income/ (expenses) - net...33
23 Expenses per category...34
24 Income tax...34
25 Other income/ expenses...35
26 Contingent liabilities 35
27 Company transactions with related parties 35
28 Other notes..36

INDEPENDENT CERTIFIED AUDITOR-ACCOUNTANT'S REPORT

To the Shareholders of ELLINIKI TECHNODOMIKI ANEMOS SA

Report on the Financial Statements

We have audited the accompanying financial statements of ELLINIKI TECHNODOMIKI ANEMOS SA, which comprise the financial position statement as of 31 December 2009, the income and comprehensive income statements, the statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management Duties regarding the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements, in accordance with the International Financial Reporting Standards, as adopted by the European Union, and for those safeguards the management thinks necessary to enable the preparation of financial statements free of material misstatements due to fraud or error.

Auditor's Responsibility

Our responsibility lies in the expression of opinion on these Financial Statements, on the basis of our audit. We conducted our audit in accordance with the International Auditing Standards. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatement.

An audit involves performing procedures to obtain audit evidence with regard to the amounts and disclosures in the financial statements. The procedures selected are based on the auditor's judgment including the assessment of risks of material misstatements in the financial statements either due to fraud or to error. In making such risk assessments, the auditor considers the safeguards related to the preparation and fair presentation of the financial statements of the company, with the purpose of planning audit procedures appropriate to the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the company's safeguards. Such audit also includes an evaluation of the appropriateness of accounting policies used and the fairness of accounting estimates made by the Management, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the attached financial statements fairly present, in all material aspects, the financial standing of the Company ELLINIKI TECHNODOMIKI ANEMOS SA as of 31 December 2009, as well as of its financial performance and cash flow for the year then ended, according to the International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Issues

We have verified the agreement and reconciliation of the Board of Directors Report with the attached financial statements, in the context of the provisions of articles 43a, 107 and 37 of Codified Law 2190/1920.

Athens, 25 May 2010

PriceWaterhouseCoopers	The Certified Auditor Accountant
Chartered Auditors Accountants S.A.	
Certified Auditors - Accountants	
268 Kifissias Avenue	
GR - 152 32 Halandri	Marios Psaltis
S.O.E.L. R.N. 113	SOEL Reg. 38081

Statement of Financial Position

	Note	31-Dec-09	31-Dec-08
ASSETS			
Non-current assets			
Tangible Assets	5	97,134,362	83,629,833
Intangible assets	6	2,021	-
Investments in subsidiaries	7	28,573,068	26,900,098
Investments in affiliates	8	9,471,700	9,477,700
Investments in joint ventures	9	25,900	16,000
Prepayments for long-term leases	10	816,997	599,392
Other long-term receivables	11	6,665	6,844
		136,030,713	**120,629,867**
Current assets			
Trade and other receivables	11	11,552,627	13,749,900
Cash and cash equivalents	12	1,499,995	6,433,346
		13,052,621	**20,183,246**
Total Assets		**149,083,335**	**140,813,113**
EQUITY			
Share capital	13	15,810,000	15,810,000
Share Premium	13	46,383,400	46,383,400
Other reserves	14	6,892,962	6,668,517
Profit/ (loss) carried forward		4,421,221	973,553
Total Equity		**73,507,584**	**69,835,469**
LIABILITIES			
Long term liabilities			
Long-term Loans	16	41,928,875	39,823,562
Deferred tax liabilities	17	267,433	231,027
Provisions for staff compensation	18	94,455	7,315
Grants	21	17,586,077	8,881,238
Other long term provisions	19	679,186	423,558
		60,556,026	**49,366,700**
Short term liabilities			
Trade and other payables	15	9,132,861	8,702,357
Current income tax liabilities		403,238	-
Short-term Loans	16	5,483,054	12,908,014
Dividends payable		573	573
		15,019,726	**21,610,943**
Total liabilities		**75,575,751**	**70,977,643**
Total equity and liabilities		**149,083,335**	**140,813,113**

The notes on pages 11 to 36 form an integral part of these financial statements.

Income Statement

	Note	31-Dec-09	31-Dec-08
Sales		**14,462,268**	**8,137,051**
Cost of goods sold	23	(7,536,956)	(3,182,199)
Gross profit		**6,925,312**	**4,954,852**
Administrative expenses	23	(1,000,852)	(1,220,546)
Other operating income/(expenses) (net)	25	888,322	177,215
Operating results		**6,812,782**	**3,911,521**
Financial income (expenses) - net	22	(1,807,618)	(2,946,391)
Earnings before taxes		**5,005,163**	**965,130**
Income tax	24	(1,333,049)	(318,074)
Net profits for the period		**3,672,114**	**647,056**

The notes on pages 11 to 36 form an integral part of these financial statements.

Statement of comprehensive income

	31-Dec-09	31-Dec-08
Net profits for the period	**3,672,114**	**647,057**
Other comprehensive income		
Other	-	(99,744)
Other comprehensive income for the period (net after taxes)	-	(99,744)
Total comprehensive income for the period	**3,672,114**	**547,312**

The notes on pages 11 to 36 form an integral part of these financial statements.

Statement of Changes in Equity

	Share capital	**Other reserves**	**Results brought forward**	**Total**
1 January 2008	**2,840,000**	**633,171**	**909,777**	**4,382,949**
Net profit for the year	**-**	**-**	647,057	647,056
Other comprehensive income				
Other	-	-	(99,744)	(99,744)
Other comprehensive income for the period (net after taxes)	-	-	(99,744)	(99,744)
Total Comprehensive income for the year	-	-	547,312	547,312
Issue of share capital / (reduction)	55,280,000	-	-	55,280,000
Transfer to reserves	-	4,238,603	(4,238,603)	-
Effect of subsidiary absorption	4,073,400	1,796,743	3,755,065	9,625,208
31 December 2008	**62,193,400**	**6,668,517**	**973,553**	**69,835,469**
1 January 2009	**62,193,400**	**6,668,517**	**973,553**	**69,835,469**
Net profit for the year	-	-	3,672,114	3,672,114
Other comprehensive income for the period (net after taxes)	-	-	-	-
Total Comprehensive income for the year	-	-	3,672,114	3,672,114
Transfer to reserves	-	224,446	(224,446)	-
31 December 2009	**62,193,400**	**6,892,962**	**4,421,221**	**73,507,584**

The notes on pages 11 to 36 form an integral part of these financial statements.

Statement of Cash Flows

	Note	01.01.2009-31.12.2009	01.01.2008-31.12.2008
Operating activities			
Earnings before taxes		5,005,163	965,130
Plus/ less adjustments for:			
Depreciation	5,6,21	2,561,851	643,813
Provisions		342,768	5,995
Results (income, expenses, gains and losses) from investing activities		(142,093)	(128,185)
Debit interest and related expenses	22	1,798,825	3,030,445
Plus/ less adjustments for changes in working capital accounts or related to operating activities:		-	-
Receivables Reduction / (Increase)		1,144,387	(5,356,827)
Liabilities (Reduction)/Increase (Except Bank Liabilities)		430,505	4,017,305
Less:		-	-
Debit interest and related expenses paid		(1,443,448)	(2,997,796)
Taxes paid		(57,945)	(932,085)
Total Cash inflows/(outflows) from operating activities (a)		9,640,012	(752,204)
Investing activities			
(Acquisition)/ sale of other subsidiaries, affiliates, joint ventures and other investments		(1,582,870)	(18,774,605)
Purchase of tangible and intangible assets and investment property		(16,858,062)	(49,286,426)
Interest received		48,093	128,185
Total inflows/(outflows) from investing activities (b)		(18,392,838)	(67,932,846)
Financing activities			
Proceeds from share capital increase		-	55,280,000
Loans received		7,232,500	75,009,054
Loans repaid		(12,608,724)	(61,135,896)
Repayment of financial lease liabilities		(298,200)	(800,000)
Dividends paid		-	(80,539)
Grants received	21	9,493,899	4,000,000
Capital increase expenses		-	(132,993)
Total inflows/(outflows) from financing activities (c)		3,819,475	72,139,626
Net increase/ (decrease) in cash and cash equivalents for the period (a) + (b) + (c)		**(4,933,351)**	**3,454,576**
Cash and cash equivalents at year start		6,433,346	611,421
Cash and cash equivalents of absorbed companies at year start		-	2,367,349
Cash and cash equivalents at year end		**1,499,995**	**6,433,346**

The notes on pages 11 to 36 form an integral part of these financial statements.

Notes to the financial statements

1 General information

Elliniki Technodomiki Anemos SA (the “Company”) mainly operates in the energy sector.

The Company was incorporated on 22 July 1997 and is established in Greece, with registered office and central offices at 25 Ermou str., Kifissia.

The Company’s financial statements are included (following the full consolidation method) in the consolidated financial statements of ELLAKTOR SA, available at www.ellaktor.com; therefore the Company has selected to not prepare consolidated financial statements. ELLAKTOR SA participates in the Company’s share capital with 84.00%.

These financial statements were approved by the Board of Directors on 3 March 2010 and are subject to the approval of the General Meeting.

2 Summary of significant accounting policies

2.1 Basis of preparation

The main accounting principles applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all years presented, unless otherwise stated.

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as these have been adopted by the European Union, and the IFRS published by the International Accounting Standards Board (IASB).

These financial statements have been prepared under the histirocal cost convention.

The preparation of the financial statements under IFRS requires the use of accounting estimations and assumptions by the Management in implementing the accounting policies adopted. The areas requiring large extent of assumptions or where assumptions and estimations have a significant effect on the financial statements are mentioned in Note 4.

2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning during the current reporting period or later. The Company’s evaluation of the effect of these new standards and interpretations is as follows:

<u>Standards mandatorily effective for the fiscal year ending on 31 December 2009</u>

IAS 1 (Revised) “Presentation of Financial Statements”

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The revised standard prohibits the presentation of items of income and expenses (that is ‘non-owner changes in equity’) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity. All ‘non-owner changes in equity’ are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Company has elected to present two statements.

IFRS 8 "Operating Segments"

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The amendment has no effect on the Company's financial statements.

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

This amendment requires additional disclosures about the measurement of fair value and liquidity risk. Specifically, the amendment requires disclosures regarding the fair value measurement through a hierarchy of three levels. The amendment has no effect on the Company's financial statements.

IFRS 2 (Amendment) "Share-based Payment'

The amendment clarifies the definition of "vesting conditions" by introducing the term "non-vesting conditions" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The amendment has no effect on the Company's financial statements.

IAS 23 (Revised) "Borrowing Costs"

This standard replaces the previous version of IAS 23. The main difference with the previous edition is the removal of the option of immediately recognizing as an expense borrowing costs that relate to assets, which need a substantial period of time to get ready for use or sale. The company will consider the effect of this standard in case of future borrowing.

IAS 32 (Amendment) "Financial instruments: Presentation" and IAS 1 (Amendment) "Presentation of Financial Statements"

The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The amendments have no effect on the Company's financial statements.

IAS 39 (Amendment) "Financial instruments: Recognition and measurement"

The amendment clarifies that entities no longer have to use hedge accounting for transactions between sectors in their individual financial statements. This amendment does not affect the Company's financial statements.

Interpretations effective for year ended 31 December 2009

IFRIC 13 "Customer Loyalty Programs"

This interpretation clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to customers who buy other goods or services. This interpretation is not relevant to the Company's operations.

IFRIC 15 "Agreements for the construction of real estate"

This interpretation addresses the diversity in accounting for real estate sales. Some financial entities recognise the revenue subject to IAS 18 (i.e. when risks and benefits of real estate ownership are transferred), and others recognize the revenue depending on the real estate completion stage, in line with IAS 11. The interpretation clarifies which standard applies to each case. The interpretation has no effect on the Company's financial statements.

IFRIC 16 "Hedges of a net investment in a foreign operation"

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Company's operations.

IFRIC 18 "Transfers of assets from customers" (applies to transfers received on or after 1st July 2009).

The interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, that the entity must then use either to provide the customer with ongoing access to a supply of goods or services. In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property. This interpretation is not relevant to the Company's operations.

<u>Standards mandatorily effective following the fiscal year ending on 31 December 2009</u>

IFRS 3 (Revised) 'Business Combinations' and IAS 27 (Amended) 'Consolidated and Separate Financial Statements' (<u>applicable to the annual accounting periods starting on or after 1 July 2009)</u>

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of costs related to acquisition and to recognition of subsequent changes in the fair value of a contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. These changes have no effect on the Company's financial statements.

• *IFRS 9 "Financial Instruments" (effective for annual accounting periods beginning on or after 1 January 2013)*

IFRS 9 is the first step in the project undertaken by IASB (International Accounting Standard Board) to replace IAS 39. IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, revoking recognition of financial instruments, impairment, and hedge accounting. Under IFRS 9, all financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, specific transaction costs. Subsequent measurement of financial assets is done either at amortized cost or at fair value depending on the model used by the financial entity for the management of the financial assets and the contractual cash flows of the financial asset. IFRS 9 forbids reclassifications, except for rare cases where the financial entity's business model changes; in that particular event, the entity must reclassify the affected financial assets prospectively. Under the principles set forth in IFRS 9, all equity investments must be measured at fair value. However, the management may elect to present the realized and unrealized fair value gains and losses from equity investments that are not held for trading in other comprehensive income. Such presentation is done at initial recognition for each separate financial instrument and is irrevocable. Fair value gains and losses are not subsequently transferred to profit and loss, whereas dividend income is still recognized in profit and loss. IFRS 9 dispenses with the exception of measurement at cost for unquoted equity investments and derivatives linked to unquoted equity investments, and guidance is provided to determine when the cost can be representative of fair value. The Company is currently assessing the effect of IFRS 9 on its financial statements. IFRS 9 may not be adopted early by the

Company as it has not been adopted by the European Union. Following adoption, the Company will decide whether it will apply IFRS 9 earlier than 1 January 2013.

• *IFRS 1 (Amended) "First-time adoption of international financial reporting standards" (effective for annual accounting periods beginning on or after 1 January 2010)*

The amendment provides additional clarifications for first-time adopters of the IFRS relating to the use of deemed cost to oil and gas assets, the determination of whether an arrangement contains a lease, and the decommissioning liabilities included in the cost of tangible assets (property, plant and equipment). The amendment will not have an effect on the financial statements, as the Company has already adopted the IFRS. The amendment has not yet been adopted by the European Union.

• *IFRS 2 (Amended) "Share Based Payment" (effective for annual accounting periods beginning on or after 1 January 2010)*

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting methods governing for fees dependent on share values settled in cash appearing in consolidated or individual financial statements of the financial entity receiving goods or services, where the financial entity has no obligation to settle the share-based payments. The amendment is not expected to have an effect on the Company's financial statements. The amendment has not yet been adopted by the European Union.

• *IAS 24 (Amended) "Related Party Disclosures" (effective for annual accounting periods beginning on or after 1 January 2011)*

This amendment reduces the disclosure requirements for transactions between government-related entities and clarifies the definition of "related party." In particular, it abolishes the obligation of public sector related parties to disclose details of all transactions with the public sector and other public sector related parties, it clarifies and simplifies the definition of "related-party" and requires disclosure not only of the relationships, transactions and balances between related parties but also commitments in both individual and consolidated financial statements. The Company will apply these changes from their effective date. The amendment has not yet been adopted by the European Union.

IAS 32 (Amendment) "Financial instruments: Presentation" (effective for annual accounting periods beginning on or after 1 February 2010)

The amendment provides clarifications relating to rights issue. More specifically, rights, options and warrants to acquire a fixed number of the financial entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all its existing shareholders of the same class of its own non-derivative equity instruments. The amendment is not expected to have an effect on the Company's financial statements.

IAS 39 (Amendment) "Financial instruments: Recognition and Measurement" (effective for annual accounting periods beginning on or after 1 July 2009).

This amendment clarifies the way in which the principles that determine whether a hedged risk or portion of cash flows falls within the scope of hedge accounting should be applied in specific cases. This amendment does not affect the Company's financial statements.

Interpretations mandatorily effective after the fiscal year ending on 31 December 2009

IFRIC 17 "Distributions of non-cash assets to owners" (effective for annual accounting periods beginning on or after 1 July 2009)

This interpretation provides guidance on accounting treatment for the following types of non-reciprocal distributions of assets by a financial entity to its shareholders acting in their capacity as shareholders: a) distributions of non-cash assets, and b) distributions when the owners are given a choice of taking cash in lieu of the non-cash assets. The Company will apply this interpretation from its effective date.

IFRIC 19 "Extinguishing Financial Liabilities" (effective for annual accounting periods beginning on or after 1 July 2010)

Interpretation 19 refers to the accounting treatment to be used by a financial entity issuing equity instruments to a creditor in order to fully or partially settle a financial obligation. The amendment has not yet been adopted by the European Union.

IFRIC 14 (Amended) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective for annual accounting periods beginning on or after 1 January 20011)

The amendments apply to specific cases: where a financial entity is subject to minimum funding requirements (MRF) and makes an early payment of contributions to cover those requirements. The amendments enable such an entity to treat the benefit of this early payment as an asset. This interpretation is not relevant to the Company's operations. The amendment has not yet been adopted by the European Union.

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

The following amendments describe the most important changes brought to the IFRS as a result of the IASB annual improvement project published in July 2009. These amendments have not been adopted yet by the European Union. Unless otherwise stipulated, the following amendments will apply to annual accounting periods starting on or after 1 January 2010. In addition, unless otherwise stipulated, these amendments are not expected to have a significant impact on the Company's financial statements.

IFRS 2 "Share Based Payment" (effective for annual accounting periods beginning on or after 1 July 2009)

The amendment confirms that the contributions made by a business entity for the establishment of a joint venture and the transactions of joint control are not subject to the scope of IFRS 2.

• ***IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"***

The amendment clarifies the disclosures required for non-current assets held for sale or discontinued operations.

IFRS 8 "Operating Segments"

The amendment clarifies the disclosure of information relating to a segment's assets.

• ***IAS 1 "Presentation of Financial Statements"***

The amendment clarifies that a possible settlement of a liability through the issue of equity instruments is irrelevant to its classification as current or non-current asset.

• ***IAS 7 "Cash Flow Statements"***

The amendment requires that only expenditures resulting in a recognized asset in the statement of financial position can be classified as investment activities.

• ***IAS 17 "Leases"***

The amendment provides clarifications on the classification of a lease of land and buildings as financial or operating leases.

• ***IAS 18 "Revenue"***

The amendment provides additional guidance for determining whether the financial entity is acting as a principal or as an agent.

• IAS 36 "Impairment of Assets"

The amendment clarifies that the largest cash-generating unit to which goodwill must be allocated for impairment auditing purposes is an operating segment in accordance with paragraph 5 of IFRS 8 (i.e. before aggregation of segments).

• IAS 38 "Intangible Assets"

The amendments (a) clarify the requirements, in accordance with IFRS 3 (amended), relating to accounting for intangible assets acquired in a business combination, and (b) describe the measurement methods that are widely used by financial entities to measure the fair value of intangible assets that are acquired in a business combination and are not traded in active markets.

• IAS 39 "Financial instruments: **Recognition and measurement"**

The amendments pertain to (a) clarifications on how to deal with penalties/fines resulting from the repayment of loans as derivatives linked to the main contract, (b) the scope of exemption for business combination contracts, and (c) clarifications that the gains or losses from hedge accounting made for the cash flow from a forecasted transaction must be reclassified from equity to profit or loss in the period that the hedged forecast cash flow affects profit or loss.

• IFRIC 9 "Reassessment of Embedded Derivatives" (effective for annual accounting periods beginning on or after 1 July 2009)

The amendment clarifies that IFRIC 9 will not apply to a possible reassessment, at the date of acquisition, of embedded derivatives in contracts acquired in combinations of entities or businesses under common control.

• IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" (effective for annual accounting periods beginning on or after 1 July 2009)

The amendment states that, in hedging of a net investment in a foreign operation, appropriate hedging instrument(s) may be held by any financial entity or entities within the group, including the foreign operation itself, if certain conditions are met.

2.3 Foreign exchange conversions

(a) Functional and presentation currency

The items in the Company's financial statements are measured in the currency of the primary economic environment in which the Company operates (functional currency). The financial statements are reported in Euros, which is the functional currency and the reporting currency of the Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the year and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are recorded in the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

2.4 Tangible Assets

Fixed assets are reported in the financial statements at acquisition cost minus accumulated depreciation and possible impairment. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent costs are posted to increase the tangible assets' carrying amount or recognised as a separate asset, only when it is probable that future economic benefits will flow to the Company and their cost can be measured reliably. The repair and maintenance cost is recorded in the results when such is realized.

Land is not depreciated. Depreciation of other tangible assets, if any, is calculated using the straight line method over their useful life as follows:

- Buildings 40 years
- Mechanical equipment (except wind farms) 5 - 7 years
- Mechanical equipment of wind farms 20 years
- Vehicles 5 - 7 years
- Software 1 - 3 years
- Furniture, fittings and equipment 5 - 7 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at least at each balance sheet date.

When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately recorded as an expense in the income statement. (Note 2.7).

Upon the sale of tangible fixed assets, any difference between the proceeds and the depreciable amount is recorded as profit or loss in the results.

Financial assets concerning the construction of assets are being capitalized for the period needed until the completion of the construction. All other financial expenses are recognized in the income statement.

2.5 Intangible assets

Software

Software licenses are valued at acquisition cost less depreciation. Depreciation is accounted for with the straight line method during the useful lives which vary from 1 to 3 years.

2.6 Leases

Company as lessee

Leases through which the lessor effectively undertakes all the risks and rewards of ownership are classified as operating leases. Operating lease expense is recognized in the income statement proportionally during the lease period and includes any restoration cost of the property if such clause is included in the leasing contract.

Leases of fixed assets which involve essentially all ownership risks and returns for the Company are classified as finance leases. Finance leases are capitalized at the leases inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The respective lease liabilities, net of finance charges, are included in liabilities. The part of the finance charge relating to finance leases is recognized in the income statement over the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

2.7 Impairment of non-financial assets

Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater value of the net sales and the value in use. For the calculation of impairment losses, assets are classified in the minimum cash generating units. Impairment losses are recorded as expenses in the income statement when they arise.

2.8 Trade receivables

Trade receivables are initially recognised at fair value and are later valued at the undepreciated cost using the effective rate method, unless the resulting discount is insignificant, less any impairment provisions. Impairment provisions for trade receivables are formed when objective indications are in place that the Company is not in the position to collect all receivables under contractual terms. Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganization and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of provision is the difference between the carrying value and the market value of estimated future cash flows, discounted at the effective rate, and posted as expense in the income statement.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand, sight deposits, short term (up to 3 months) highly liquid and low risk investments.

2.10 Share capital

The share capital includes the common shares of the Company. Share capital increase expenses are recorded, net of taxes and reducing the equity, as a decrease to the issue proceeds.

2.11 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

Loans are classified as short-term obligations unless the Company has the right to defer settlement of the obligation for at least 12 months after the balance sheet date.

2.12 Deferred income tax

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting or the taxable profit or loss. Deferred tax is valued taking into consideration the tax rates that have been put into effect or are essentially in effect at the balance sheet date.

Deferred tax receivables are recognised to the extent that there will be future taxable gains to use the temporary difference that gives rise to the deferred tax receivables.

2.13 Trade and other payables

Suppliers and other payables are initially recognised at fair value and accounted for in line with depreciated cost, using the effective rate method.

2.14 Environmental obligations

When carrying out its activities for which it has been granted a generation permit, the Company must comply with the Safety Rules issued and with the applicable environmental terms over the period of validity of the generation permit, in accordance with any terms which might be laid down by the competent authorities; more specifically, air pollutants must meet the requirements of Directive 2001/80/EC and of the applicable legislation.

2.15 Employee benefits

(a) Post-employment benefits

The employee benefits after their retirement include defined contribution programs and defined benefit programs. The accrued cost of defined contribution programs is recognized as expense during the relevant period.

The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The interest rate on long-term Greek treasury bonds is used for discounting purposes.

Actuarial gains and losses arising from adjustments based on historical data which are less or more than 10% of the accumulated liability are posted to the income statement over the average remaining service lives of the employees participating in the plan. The cost for the service time is directly recognized in the results except for the case where the scheme's changes depend on the employees' remaining service with the company. In such a case the service cost is booked in the results using the straight line method within the maturity period.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted.

In case of an employment termination where there is an inability to assess the number of employees to use such benefits, a disclosure for a contingent liability is made, but no accounting treatment is followed.

2.16 Provisions

Provisions for litigations, if any, are recognized when: there is an obligation (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated.

2.17 Roundings

The amounts contained in these financial statements have been rounded in euros.

2.18 Revenue recognition

Revenues are mainly derived from power generation and sale, and are recognised during the period the relevant services are rendered.

2.19 Grants

Government grants are recognized at fair value when there is a reasonable assurance that the grant will be received and the Company will comply with all stipulated conditions.

Government grants relating to costs are deferred and recognized in the income statement to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in long-term liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.20 Dividend allocation

The distribution of dividends to the Company's shareholders is recognized as a liability at the date on which the distribution is approved by the General Meeting of the shareholders.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to various financial risks, such as market risks, credit risk, liquidity risk, and interest rate risk.

Risk management is monitored by the finance division of the parent Company ELLAKTOR SA, and more specifically, by the Central Financial Management Division, and is determined by rules approved by the Board of Directors. The finance division determines and estimates the financial risks in collaboration with the services managing those risks. The Board of Directors provides directions on general risk management as well as specialised directions on the management of specific risks such as interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, as well as investment of cash.

(a) Market Risk

i) Foreign exchange risk

The Company is not exposed to any foreign currency risks. Currency risks arise from transactions made in foreign currencies. The Company's assets and liabilities were initially recognised in Euros, being the functional currency. Currency risks might arise from future trade transactions.

ii) Cash flow risk and risk from changes in fair value due to changes in interest rates

The Company holds significant interest-bearing assets which include sight deposits and short-term deposits with banks. The Company's exposure to risk from interest rate fluctuations results from loans at floating rates. The Company is exposed to interest rate fluctuations seen on the market, which affect its financial standing and cash flows. Cost of debt may increase as a result of these changes thus creating losses or it can decrease on the occurrence of unexpected events.

All Company loans have been taken out at floating rates, and total borrowing is in euro. Therefore, the interest rate risk is mainly connected to fluctuations of euro rates.

(b) Credit Risk

The Company has no material concentrations of credit risk. The major customers of the Company are PPC and the HTSO, which demonstrate adequate creditworthiness.

(c) Liquidity Risk

To manage liquidity risk, the Company makes estimates of and monitors its cash flows and takes appropriate action to ensure availability of liquid assets and unused credit limits with banks. Liquidity risk is kept low, ensuring adequate cash and credit limits.

The Company's liquidity is monitored by the Management at regular intervals. The following table presents an analysis of the Company's financial liabilities maturing on 31 December 2009 and 2008 respectively:

	31 December 2009 MATURITY				
	Within 1 year	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Trade and other payables	9,132,861	-	-	-	**9,132,861**
Borrowings	6,366,630	11,987,119	18,231,124	15,327,736	**51,912,609**

	31 December 2008 MATURITY				
	Within 1 year	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Trade and other payables	8,702,357	-	-	-	**8,702,357**
Borrowings	14,782,617	5,505,269	23,439,257	18,183,460	**61,910,604**

The above amounts are represented in contractual, undiscounted cash flows and, therefore, are not in line with the respective amount for loans and suppliers represented in the financial statements.

The amounts reported under Trade and Other liabilities do not include Advances from Customers.

Analysis of the Company's Loan Sensitivity to Interest Rate Fluctuations

A reasonable and possible interest rate change by fifty base points (increase/decrease 0.5%) would lead to the decrease / increase in earnings before taxes for the year 2009, all other variables being equal, by €237,060 (2008: €263,657). It is noted that the aforementioned change in earnings before taxes is calculated on the loan balances at the end of the year and does not include the positive effect of interest income from cash deposits and cash equivalents.

3.2 Cash management

Capital management aims to ensure the Company's going concern, and achieve its development plans, combined with its creditworthiness.

For the evaluation of Company's credit rating, Company net debt must be evaluated (i.e. total long term and short term liabilities to financial institutions minus cash and cash equivalents).

The Group's net loans as of 31.12.2009 are presented in detail in the following table:

	31-Dec-09	**31-Dec-08**
Short term bank loans	5,483,054	12,908,014
Long term bank loans	41,928,875	39,823,562
Total loans	**47,411,929**	**52,731,576**
Less: Cash and cash equivalents	1,499,995	6,433,346
Net Borrowing	**45,911,934**	**46,298,230**
Total equity	**73,507,584**	**69,835,469**
Total capital	119,419,518	116,133,699
Capital Leverage Ratio	**38.45%**	**39.87%**

The capital leverage ratio as of 31.12.09 for the Company is calculated at 38.45%. This ratio is defined as the quotient of net debt (i.e. total long and short term loans with banks) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

3.3 Fair value estimation

Starting from 1 January 2009, the Company has adopted the revised version of IFRS 7 for financial assets accounted for at fair value at the balance sheet date. According to the above review, financial assets and liabilities are classified in the following levels, depending on the method of determining fair value:

- Tier 1: for assets traded in an active market and whose fair value is determined by the market prices (unadjusted) of similar assets.

- Tier 2: for assets whose fair value is determined by factors related to market data, either directly (prices) or indirectly (prices derivatives).

- Tier 3: for assets whose fair value is not determined by observations from the market, but is mainly based on internal estimates.

As of 31 December 2009, the Company had no financial assets subject to the aforementioned disclosures.

3.4 Comparative information

Comparative amounts have been adjusted, where necessary, to be in line with the changes in the disclosures for the current year.

4 Significant accounting estimates of the management

The annual financial statements and the accompanying notes and reports might contain certain assumptions and calculations pertaining to future events in relation to the Company's operations, growth and financial performance. Although such assumptions and calculations are based on the best knowledge of the Company's Management with regard to current conditions and actions, the actual results may be different from such calculations and assumptions taken into account in the preparation of the Company's annual financial statements.

Assessments and assumptions that involve important risk of causing future material adjustments to the assets' and liabilities' book values:

(i) Potential provision for landscape restoration

According to Ministerial Decision 1726/2003, art 9, para. 4, companies operating wind farms should remove the facilities and restore the landscape upon termination of operation of the Power Plant.

The Company has formed provisions for the equipment removal and landscape restoration cost, for the wind farm it operates.

(ii) Income tax

Estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5 Tangible Assets

	Land & buildings	Vehicles	Mechanical equipment	Furniture & other equipment	Assets under Constructio n	Total
1 January 2008	**521,000**	**-**	**12,449,924**	**22,876**	**-**	**12,993,799**
Absorption of a subsidiary	**-**	**-**	**8,933,601**	**1,160**	**13,774,159**	**22,708,919**
Additions except for leasing	**-**	**49,900**	**38,838,872**	**126,764**	**10,657,649**	**49,673,185**
Additions with leasing	**-**	**-**	**988,920**	**-**	**-**	**988,920**
31 December 2008	**521,000**	**49,900**	**61,211,317**	**150,799**	**24,431,807**	**86,364,823**
1 January 2009	**521,000**	**49,900**	**61,211,317**	**150,799**	**24,431,807**	**86,364,823**
Additions except for leasing	56,820	5,500	183,511	64,172	16,540,583	**16,850,587**
Reclassifications from assets under construction	-	-	39,683,724	-	(39,683,724)	**-**
31 December 2009	**577,820**	**55,400**	**101,078,552**	**214,972**	**1,288,666**	**103,215,410**
Accumulated depreciation						
1 January 2008	**-**	**-**	**(1,909,093)**	**(9,556)**	**-**	**(1,918,648)**
Depreciation for the period	**-**	**(3,743)**	**(776,573)**	**(36,027)**	**-**	**(816,343)**
Sales/Write-offs	**-**	**-**	**-**	**-**	**-**	-
31 December 2008	**-**	**(3,743)**	**(2,685,666)**	**(45,583)**	**-**	**(2,734,991)**
1 January 2009	**-**	**(3,743)**	**(2,685,666)**	**(45,583)**	**-**	**(2,734,991)**
Depreciation for the period	(5,820)	(7,760)	(3,288,911)	(43,566)	-	**(3,346,057)**
31 December 2009	**(5,820)**	**(11,503)**	**(5,974,577)**	**(89,148)**	**-**	**(6,081,048)**
Net book value as of 31 December 2008	**521,000**	**46,158**	**58,525,651**	**105,217**	**24,431,807**	**83,629,833**
Net book value as of 31 December 2009	**572,000**	**43,898**	**95,103,975**	**125,823**	**1,288,666**	**97,134,362**

Fixed assets included in above data under financial leasing:

	31-Dec-09		**31-Dec-08**	
	Mechanical equipment	**Total**	**Mechanical equipment**	**Total**
Cost – Capitalised financial leases	2,155,860	2,155,860	2,155,860	2,155,86 0
Accumulated depreciation	(111,925)	(111,925)	-	-
Net book value	**2,043,935**	**2,043,935**	**2,155,860**	**2,155,86 0**

No impairment was recognized regarding tangible assets during 2009 and 2008.

No mortgages-prenotations exist on the company's real estate property.

6 Intangible assets

	Software	Total
Cost		
1 January 2008	**-**	**-**
Additions	**4,150**	4,150
31 December 2008	**4,150**	**4,150**
1 January 2009	**4,150**	**4,150**
Additions	6,875	6,875
31 December 2009	**11,025**	**11,025**
Accumulated depreciation		
1 January 2008	**-**	**-**
Depreciation for the year	**(4,150)**	(4,150)
31 December 2008	**(4,150)**	**(4,150)**
1 January 2009	**(4,150)**	**(4,150)**
Depreciation for the year	(4,854)	(4,854)
31 December 2009	**(9,004)**	**(9,004)**
Net book value as of 31 December 2008	**-**	**-**
Net book value as of 31 December 2009	**2,021**	**2,021**

7 Investments in subsidiaries

	31-Dec-09	31-Dec-08
At year start	**26,900,098**	**-**
Absorption of subsidiary & split of segment	-	16,619,193
Additions	3,672,970	10,280,905
(Sales)	(2,006,000)	-
Transfer from/to subsidiaries, JV, available for sale	6,000	-
At year end	**28,573,068**	**26,900,098**

The Company's investments in subsidiaries as of 31.12.2009 are shown in the table below:

COMPANY	PARTICIPATION PERCENTAGE (%)
EOLIKA PARKA ELLADAS TRIZINIA SA	85.00%
EOLIKA PARKA MALEA SA	56.52%
EOLIKI ZARAKA METAMORFOSIS SA	85.00%
AEOLIKI KANDILIOU SA	100.00%
EOLIKI OLYMPOU EVIAS SA	100.00%
EOLIKI PARNONOS SA	80.00%
ANEMOS ALKYONIS SA	57.00%
ANEMOS ATALANTIS SA	100.00%
ANEMOS THRAKIS SA	100.00%
VIOTIKOS ANEMOS SA	100.00%
PPC RENEWABLES – ELLINIKI TECHNODOMIKI	51.00%
HELLENIC ENERGY & DEVELOPMENT SA - RENEWABLES	100.00%

8 Investments in associates

	31-Dec-09	31-Dec-08
At year start	**9,477,700**	**1,000,000**
Additions new	-	8,477,700
Transfer from/to subsidiaries, JV, available for sale	(6,000)	-
At year end	**9,471,700**	**9,477,700**

The Company's investments in associates as of 31.12.2009 are shown in the table below:

COMPANY	PARTICIPATIO N PERCENTAGE (%)
EOLIKI MOLAON LAKONIA S.A.	50.00%
EOLOS MAKEDONIAS SA	25.00%
ALPHA EOLIKI MOLAON LAKONIA S.A.	50.00%
BIOSAR ENERGY SA	32.77%
ANEMODOMIKI SA	50.00%
POUNENTIS ENERGY SA	50.00%

9 Investments in Joint Ventures

	31-Dec-09	31-Dec-08
At year start	**16,000**	**-**
Additions	9,900	16,000
At year end	**25,900**	**16,000**

The Company’s investments in Joint Ventures as of 31.12.2009 are shown in the table below:

COMPANY	**PARTICIPATIO N PERCENTAGE (%)**
J/V ITHAKI 1- ELLINIKI TECHNODOMIKI ENECO LTD	80.00%
J/V ITHAKI 2- ELLINIKI TECHNODOMIKI ENECO LTD	80.00%
J/V ELTECH ANEMOS- TH. SIETIS	99.00%

10 *Prepayments for long-term leases*

The balance of account ‘advance payments for long-term leases’ as of 31.12.2009 was € 816,997 (€ 599,392 on 31.12.2008) and pertains to the concession of right to use a forest area for the installation of the company’s wind farms at locations Ag. Dynati- Kefalonia, Achladokambos- Argolida, Asprovouni and Ortholithi-Trizinia, and of one photovoltaic farm at location Lekana-Argolida. With regard to the Wind Farms at the locations Ag. Dynati & Achladokambos, and to the photovoltaic farm in Lekana, depreciation has been accounted for (amounting to € 20,083 accumulated) due to operation of said farms; on the contrary, no depreciation is accounted for in relation to the Wind Farms at locations Asprovouni and Ortholithi, Trizinia, as these have not been commissioned yet.

11 Trade and other receivables

	31-Dec-09	**31-Dec-08**
Customers	4,265,436	3,838,862
Customers – Related parties	2,940,750	2,178,900
Income tax prepayment	-	31,487
Other receivables	4,228,913	7,707,495
Other receivables -Related parties	124,193	-
Total	**11,559,292**	**13,756,743**
Non-current assets	6,665	6,844
Current assets	11,552,627	13,749,900
	11,559,292	**13,756,743**

"Other receivables” includes the amount of € 1,663,453 representing a debit VAT balance, and the amount of € 1,515,000 representing receivables from the sale of participation, under the relevant agreement.

The book value of long term receivables is approximate to their fair value.

All other receivables are expressed in euro.

12 Cash and cash equivalents

	31-Dec-09	**31-Dec-08**
Cash on hand	8,070	1,651
Sight Deposits	1,491,924	6,431,696
Total	**1,499,995**	**6,433,346**

All cash and cash equivalents of the Company are expressed in Euro.

13 Share capital

	Share capital	Share premium	Total
1 January 2008	**381,550**	**2,458,450**	**2,840,000**
Issue of new shares	12,091,560	43,188,440	55,280,000
Absorption of a subsidiary	3,336,890	736,510	4,073,400
31 December 2008	**15,810,000**	**46,383,400**	**62,193,400**
1 January 2009	**15,810,000**	**46,383,400**	**62,193,400**
31 December 2009	**15,810,000**	**46,383,400**	**62,193,400**

The Company's share capital remained unchanged during 2009. It therefore stands at €15,810,000 dividedinto 170,000 ordinary registered shares with the face value of €93 each.

14 Reserves

	Ordinary reserves	Special reserves	Total
1 January 2008	**77,341**	**555,830**	**633,171**
Subsidiary acquisition / absorption	287,477	1,509,266	**1,796,743**
Transfer from profit and loss	7,772	4,230,831	**4,238,603**
31 December 2008	**372,591**	**6,295,926**	**6,668,517**
1 January 2009	**372,591**	**6,295,926**	**6,668,517**
Transfer from profit and loss	224,446	-	**224,446**
31 December 2009	**597,036**	**6,295,926**	**6,892,962**

15 Trade and other payables

	31-Dec-09	31-Dec-08
Suppliers	522,421	2,081,110
Suppliers – Related parties	1,043,485	382,619
Accrued expenses	-	32,801
Insurance organisations and other taxes/ duties	174,083	104,225
Other liabilities	6,606,943	5,978,250
Other liabilities -Related parties	785,930	123,351
Total	**9,132,861**	**8,702,357**
Long-term	-	-
Short-term	9,132,861	8,702,357
Total	**9,132,861**	**8,702,357**

"Other liabilities" includes the amount of €1,400,000 which represents by €300,000 the outstanding balance from the acquisition of ANEMOS ATALANTIS SA and by €1,100,000 the outstanding balance from the acquisition of VIOTIKOS ANEMOS SA. It also includes the amount of €4,175,000 which represents the outstanding balance from acquisition of stake in the companies POUNENTIS SA & ANEMODOMIKI SA. In addition, it includes the amount of €722,525 which represents the outstanding balance from the acquisition of stake in the company EOLIKA PARKA TRIZINIAS SA. The amount of €761,525 under "Other liabilities-related parties" represents a liability to a subcontractor (BIOSAR ENERGY SA).

16 Borrowings

	31-Dec-09	31-Dec-08
Long-term borrowings		
Bond loan	41,928,875	39,823,562
Total long-term borrowings	**41,928,875**	**39,823,562**
Short-term borrowings		
Banks borrowings	5,483,054	-
Bond loan	-	12,609,214
Financial lease commitments	-	298,800
Total short-term borrowings	**5,483,054**	**12,908,014**
Total borrowings	**47,411,929**	**52,731,576**

Exposure to rate fluctuations and contract re-pricing dates are as follows:

	under 6 months
31 December 2008	
Total borrowings	52,731,576
31 December 2009	
Total borrowings	47,411,929

The maturity dates of long-term loans are as follows:

	31-Dec-09	31-Dec-08
1 to 2 years	11,015,351	3,779,584
2 to 5 years	16,507,208	19,916,906
Over 5 years	14,406,316	16,127,072
	41,928,875	**39,823,562**

The borrowing currency for the Company is euro. Floating rates of borrowing are linked to Euribor plus spread.

The carrying value of loans approaches their fair value.

To ensure the loans, the energy sale contracts made with PPC and the HTSO have been submitted to the lender banks.

17 Deferred taxation

Deferred tax receivables and liabilities are compensated when there is an applicable legal right to compensate the current tax receivables against the current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

Deferred tax liabilities:

	31-Dec-09	31-Dec-08
Deferred tax liabilities:		
Recoverable after 12 months	267,433	231,027
	267,433	231,027

Total change in deferred income tax is presented below:

	31-Dec-09	31-Dec-08
Opening balance	**231,027**	**-**
Debit/ (credit) through profit and loss	36.407	122,607
Subsidiary acquisition / absorption	-	108,420
Closing balance	**267,434**	**231,027**

Deferred tax for the year 2009 has been calculated according to the new tax rates under article 19(1) of Law 3697/25.09.2008.

Changes in deferred tax receivables and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

Deferred tax liabilities:

	Different tax depreciation	Total
1 January 2008	**-**	**-**
Income statement debit/(credit)	297,619	**297,619**
Subsidiary acquisition / absorption	108,750	**108,750**
31 December 2008	**406,369**	**406,369**
1 January 2009	**406,369**	**406,369**
Income statement debit/(credit)	112,945	**112,945**
31 December 2009	**519,314**	**519,314**

Deferred tax receivables:

	Different tax depreciation	Other	Total
1 January 2008	**-**	**-**	**-**
Income statement (debit)/credit	89,167	85,845	**175,012**
Absorption of a subsidiary	-	330	**330**
31 December 2008	**89,167**	**86,175**	**175,342**
1 January 2009	**89,167**	**86,175**	**175,342**
Income statement (debit)/credit	17,985	58,553	**76,538**
31 December 2009	**107,152**	**144,728**	**251,880**

18 Provisions for staff compensation

The amounts identified in the Balance Sheet, are the following:

	31-Dec-09	31-Dec-08
Balance sheet liabilities for:		
Retirement benefits	94,455	7,315
Total	**94,455**	**7,315**

The amounts recognised through profit and loss are as follows:

	31-Dec-09	31-Dec-08
Income statement charge:		
Retirement benefits	88,564	5,995
Total	**88,564**	**5,995**

Change to liabilities as presented in the Balance Sheet is as follows:

	31-Dec-09	31-Dec-08
Present value of non-financed liabilities	98,616	7,315
Non-booked actuarial (profits)/losses	(4,161)	-
	94,455	**7,315**
Liability in the Balance Sheet	**94,455**	**7,315**

The amounts booked in the income statement are the following:

	31-Dec-09	31-Dec-08
Current employment cost	1,885	5,995
Finance cost	402	-
Past service cost	86,277	-
Total included in staff benefits	**88,564**	**5,995**

	31-Dec-09	31-Dec-08
Opening balance	7,315	-
Subsidiary acquisition / absorption	-	1,320
Indemnities paid	(1,423)	-
Total expense charged in the income statement	88.564	5,995
Closing balance	**94,455**	**7,315**

The main actuarial assumptions used for accounting purposes are:

	31-Dec-09	31-Dec-08
Discount rate	6.10%	5.50%
Future salary increases	**4.00%**	**4.00%**

19 Provisions

	Other provisions	Total
1 January 2008	-	-
Additional provisions for fiscal year	423,558	**423,558**
31 December 2008	**423,558**	**423,558**
1 January 2009	**423,558**	**423,558**
Additional provisions for fiscal year	255,627	**255,627**
31 December 2009	**679,186**	**679,186**

The amount of €629,186 under Other provisions represents provisions for restoration of the environment with regard to the wind farms operated by the Company, and the amount of €50,000 represents provisions fortaxes concerning unaudited years.

20 Employee benefits

	31-Dec-09	31-Dec-08
Wages and salaries	458,111	182,037
Social security expenses	88,202	35,398
Cost of defined benefit plans	88,564	5,995
Other employee benefits	170	6,519
Total	**635,046**	**229,949**

21 Grants

	31-Dec-09	31-Dec-08
At year start	**8,881,238**	**2,706,297**
Subsidiary acquisition / absorption	-	2,351,621
Additions	9,493,899	4,000,000
Transfer to Income statement: in other operating income-expenses (note 34) (-)	(789,060)	(176,680)
At year end	**17,586,077**	**8,881,238**

All grants correspond to grants collected under OPCE (CRES and ELANET acting as intermediate agencies) for the construction of Wind Farms in Kefalonia, Mytilini and Argolida. The grant percentage represents 30% of each investment’s budget.

22 Financial income/ (expenses) - net

	31-Dec-09	31-Dec-08
Interest expenses		
- Bank Borrowings	(1,798,825)	(3,030,445)
	(1,798,825)	**(3,030,445)**
Income from interest		
- Interest income	48,093	128,185
Net (expenses)/ income from interest	**(1,750,732)**	**(2,902,260)**
Other financial expenses	**(56,887)**	**(44,131)**
Financial income/ (expenses) - net	**(1,807,618)**	**(2,946,391)**

23 Expenses per category

	31-Dec-09			31-Dec-08		
	Cost of goods sold	**Administrative expenses**	**Total**	**Cost of goods sold**	**Administrative expenses**	**Total**
Employee benefits	137,607	497,439	635,046	107,473	122,476	229,949
Inventories used	15,436	-	15,436	11,791	-	11,791
Depreciation of tangible assets	3,301,443	44,615	3,346,057	776,573	39,770	816,343
Amortization of intangible assets	4,425	429	4,854	-	4,150	4,150
Operating lease rental fees	140,536	74,759	215,295	95,200	74,580	169,780
Third party allowances	793,240	7,304	800,544	445,712	2,527	448,239
Third party fees	2,495,775	224,937	2,720,712	1,218,817	919,385	2,138,202
Other	648,494	151,370	799,864	526,632	57,659	584,290
Total	**7,536,957**	**1,000,852**	**8,537,810**	**3,182,199**	**1,220,546**	**4,402,745**

24 Income tax

	31-Dec-09	31-Dec-08
Tax for fiscal year	1,296,642	195,467
Deferred tax	36,407	122,607
Total	**1,333,049**	**318,074**

The tax on the Company's profits before taxes is different from the notional amount which would have resulted had we used the average weighted tax factor of the company's country, as follows:

	31-Dec-09	31-Dec-08
Accounting profit / (losses) before tax	5,005,163	965,131
Tax factor:	25.00%	25.00%
Tax calculated on profits under current tax rates applied in the respective countries	1,251,291	241,283
Adjustments		
Expenses not deductable for tax purposes	4,970	523
Differences from tax audit	35,095	106,838
Difference between current tax rate and deferred tax rate	(8,307)	(30,569)
Tax provisions	50,000	-
Taxes	**1,333,049**	**318,074**

During 2009, the Company was audited by tax authorities for the unaudited year 2008. Said audit resulted in additional taxes and charges of €35,095.

The Company has not been audited by tax authorities for 2009.

The Company has formed provisions of €50,000 for this unaudited year.

25 Other income/ expenses

	31-Dec-09	**31-Dec-08**
Profits /(losses) from sale of subsidiaries	94,000	-
Amortisation of grants received	789,060	176,680
Other profits/(losses)	5,262	535
Total	**888,322**	**177,215**

26 Contingent liabilities

The Company has contingent liabilities towards banks, other guarantees and relevant issues arising out of its ordinary course of business. No material charges from contingent liabilities are expected to arise.

27 Company transactions with related parties

Amounts regarding sales and purchases from year start, as well as the balance of both receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

		31-Dec-09	**31-Dec-08**
a)	Sales of goods and services	841,050	1,410,000
	Sales to subsidiaries	820,000	1,410,000
	Sales to related parties	21,050	-
b)	Purchases of goods and services	11,249,438	1,736,809
	Purchases from associates	10,228,119	-
	Purchases from related parties	1,021,319	1,736,809
c)	Management and administration fees	250,000	280,000
d)	Receivables	3,064,942	2,178,900
	Receivables from subsidiaries	2,939,500	2,178,900
	Receivables from associates	40,000	-
	Receivables from other related parties	85,442	-
(e)	Liabilities	1,829,415	505,971
	Obligations to associates	1,788,316	-
	Obligations to other related parties	41,099	505,971

The total fees payable to the Company's legal auditors for the mandatory audit on the annual financial statements for FY 2009 stand at €19,000.

28 Other notes

- No liens exist on fixed assets.

- The Company has no disputes in litigation or in arbitration, nor are there any pending decisions by judicial or arbitration bodies that may have a significant impact on its financial standing or operation.

- As of 31.12.2009 the number of employees amounted to 15, whereas at 31.12.2008 the respective number was 6.

Kifissia, 3 March 2010

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE-CHAIRMAN OF THE Bod & MANAGING DIRECTOR	THE EXECUTIVE DIRECTOR	THE CFO
LEONIDAS BOBOLAS	ANASTASIOS KALLITSANTSIS	THEODOROS SIETIS	GERASIMOS GEORGOULIS
ID Card No. Σ 237945	ID No. Ξ 434814	ID Card No. AE 109207	ID Card No. AA 086054