

**F.G. EUROPE S.A.**

**Statement of Financial Position (Consolidated and Company)**

**As of September 30, 2015**

(All amounts in Euro thousands unless otherwise stated)



**F.G. EUROPE S.A.**

**SOCIETE ANONYME WHOLESALER OF ELECTRICAL  
AND ELECTRONIC APPLIANCES**

**128, Vouliagmenis Ave.**

**166 74 Glyfada - Greece**

**P.C. Reg. No. 13413/06/B/86/111**

**NINE - MONTHS  
FINANCIAL REPORT**

**ended September 30, 2015**

**ACCORDING TO INTERNATIONAL FINANCIAL REPORTING  
STANDARDS (IFRS)**

***INTERNATIONAL ACCOUNTING STANDARD 34 (IAS 34)***

**F.G. EUROPE S.A.**  
**Statement of Financial Position (Consolidated and Company)**  
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**As of September 30, 2015**  
(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated			
		1/1- 30/9/2015	1/1- 30/9/2014	1/7- 30/9/2015	1/7- 30/9/2014
Sales.....	4	76.203	54.832	29.442	13.399
Less: Cost of sales.....		(54.592)	(43.750)	(21.688)	(11.623)
<b>Gross profit</b>		<b>21.611</b>	<b>11.082</b>	<b>7.754</b>	<b>1.776</b>
Other operating income.....		246	185	93	53
Distribution expenses.....	10	(10.934)	(9.250)	(3.122)	(3.199)
Administrative expenses.....		(3.620)	(2.633)	(1.287)	(795)
Other operating expenses .....		(274)	(307)	15	55
<b>Earnings before interests and taxes</b>		<b>7.029</b>	<b>(923)</b>	<b>3.453</b>	<b>(2.110)</b>
Finance income.....	5	3.100	2.451	1.008	1.277
Finance costs.....	5	(6.980)	(6.448)	(2.005)	(3.128)
<b>Earnings before taxes</b>		<b>3.149</b>	<b>(4.920)</b>	<b>2.456</b>	<b>(3.961)</b>
Income tax expense.....	6	(1.258)	891	(494)	1.061
<b>Net profit for the period</b>		<b>1.891</b>	<b>(4.029)</b>	<b>1.962</b>	<b>(2.900)</b>
<b>Attributable as follows:</b>					
Equity holders of the Parent.....		1.732	(3.169)	2.019	(2.659)
Minority interest.....		159	(860)	(57)	(241)
<b>Net profit (after tax) attributable to the Group</b>					
		<b>1.891</b>	<b>(4.029)</b>	<b>1.962</b>	<b>(2.900)</b>
<b>Amounts reclassified to the income statement:</b>					
Exchange differences		(178)	9	(182)	1
Available for sale investments.....		-	(104)	-	51
<b>Other Comprehensive Income after taxes</b>		<b>(178)</b>	<b>(95)</b>	<b>(182)</b>	<b>52</b>
<b>Total Comprehensive Income after taxes</b>		<b>1.713</b>	<b>(4.124)</b>	<b>1.780</b>	<b>(2.848)</b>
<b>Attributable as follows:</b>					
Equity holders of the Parent.....		1.634	(3.268)	1.919	(2.607)
Minority interest.....		79	(856)	(139)	(241)
<b>Net profit (after tax) attributable to the Group</b>		<b>1.713</b>	<b>(4.124)</b>	<b>1.780</b>	<b>(2.848)</b>
<b>Earnings per share (expressed in €s):</b>					
Basic.....	7	0,0328	(0,0600)	(0,0382)	(0,0504)

**F.G. EUROPE S.A.**  
**Statement of Financial Position (Consolidated and Company)**  
**As of September 30, 2015**  
(All amounts in Euro thousands unless otherwise stated)

		<u>Company</u>			
	Note	<u>1/1- 30/9/2015</u>	<u>1/1- 30/9/2014</u>	<u>1/7- 30/9/2015</u>	<u>1/7- 30/9/2014</u>
Sales.....	4	69.123	52.166	25.947	10.170
Less: Cost of sales.....		<u>(52.130)</u>	<u>(40.818)</u>	<u>(19.647)</u>	<u>(8.752)</u>
<b>Gross profit</b>		<b><u>16.993</u></b>	<b><u>11.348</u></b>	<b><u>6.300</u></b>	<b><u>1.418</u></b>
Other operating income.....		155	100	57	37
Distribution expenses.....	10	(10.077)	(9.250)	(2.805)	(3.199)
Administrative expenses.....		(1.805)	(1.809)	(641)	(447)
Other operating expenses .....		<u>(43)</u>	<u>(17)</u>	<u>(35)</u>	<u>(2)</u>
<b>Earnings before interests and taxes</b>		<b><u>5.223</u></b>	<b><u>372</u></b>	<b><u>2.876</u></b>	<b><u>(2.193)</u></b>
Finance income.....	5	2.674	2.360	825	1.210
Finance costs.....	5	<u>(5.104)</u>	<u>(5.418)</u>	<u>(1.236)</u>	<u>(2.663)</u>
<b>Earnings before taxes</b>		<b><u>2.793</u></b>	<b><u>(2.686)</u></b>	<b><u>2.465</u></b>	<b><u>(3.646)</u></b>
Income tax expense.....	6	<u>(580)</u>	646	<u>(278)</u>	930
<b>Net profit for the period</b>		<b><u>2.213</u></b>	<b><u>(2.040)</u></b>	<b><u>2.187</u></b>	<b><u>(2.716)</u></b>
<b>Amounts reclassified to the income statement:</b>					
Available for sale investments – Reclassification at results.....		-	(104)	-	51
<b>Other Comprehensive Income after taxes</b>		<u>-</u>	<u>(104)</u>	<u>-</u>	<u>51</u>
<b>Total Comprehensive Income after taxes</b>		<b><u>2.213</u></b>	<b><u>(2.144)</u></b>	<b><u>2.187</u></b>	<b><u>(2.665)</u></b>
<b>Earnings per share (expressed in €s):</b>					
Basic.....	7	0,0419	(0.0386)	0,0414	(0,0514)

# **F.G. EUROPE S.A.**

## **Statement of Financial Position (Consolidated and Company)**

**As of September 30, 2015**

(All amounts in Euro thousands unless otherwise stated)

	Note	Consolidated		Company	
		30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b><u>ASSETS</u></b>					
<b>Non-current assets</b>					
Property, plant and equipment.....	8	58.636	61.746	1.025	591
Investments in real estate property.....	8	249	256	249	256
Intangible assets.....	8	7.078	7.290	4	5
Investments in subsidiaries.....	1.2	-	-	31.018	29.952
Long term receivables.....		585	691	558	658
Deferred tax assets.....		4.833	4.935	3.762	4.341
Available for sale investments.....	13	469	1.019	469	1.019
<b>Total non-current assets</b>		<b>71.850</b>	<b>75.937</b>	<b>37.085</b>	<b>36.822</b>
<b>Current assets</b>					
Inventories.....	9	31.849	45.217	29.102	43.432
Trade receivables.....	10	51.620	35.089	36.556	25.132
Cash and cash equivalents.....	11	4.265	5.475	1.944	3.242
<b>Total current assets</b>		<b>87.734</b>	<b>85.781</b>	<b>67.602</b>	<b>71.806</b>
<b>Total assets</b>		<b>159.584</b>	<b>161.718</b>	<b>104.687</b>	<b>108.628</b>
<b><u>SHAREHOLDERS' EQUITY &amp; LIABILITIES</u></b>					
<b><u>SHAREHOLDERS' EQUITY</u></b>					
<b>Shareholders equity attributable to the equity holders of the parent company</b>					
Share capital.....		15.840	15.840	15.840	15.840
Share premium.....		6.731	6.731	6.731	6.731
Reserves.....		3.997	4.082	3.860	3.860
Retained earnings.....		(7.825)	(9.544)	6.069	3.856
		<b>18.743</b>	<b>17.109</b>	<b>32.500</b>	<b>30.287</b>
Minority interest.....		19.431	18.480	-	-
<b>Total shareholders' equity</b>		<b>38.174</b>	<b>35.589</b>	<b>32.500</b>	<b>30.287</b>
<b><u>LIABILITIES</u></b>					
<b>Non-current liabilities</b>					
Long term Borrowings.....	12	15.299	16.939	-	-
Retirement benefit obligations.....		628	618	553	567
Deferred government grants.....		19.071	20.403	-	-
Long-term provisions.....		1.781	1.703	-	-
Deferred taxes		2.382	1.291	-	-
<b>Total non-current liabilities</b>		<b>39.161</b>	<b>40.954</b>	<b>533</b>	<b>567</b>
<b>Current liabilities</b>					
Short term Borrowings.....	12	8.870	4.379	8.172	2.967
Short term portion of long term borrowings.....	12	50.044	57.424	48.502	55.028
Current tax liabilities.....		123	165	-	-
Trade and other payables.....	14	23.212	23.207	14.960	19.779
<b>Total current liabilities</b>		<b>82.249</b>	<b>85.175</b>	<b>71.634</b>	<b>77.774</b>
<b>Total liabilities</b>		<b>121.410</b>	<b>126.129</b>	<b>72.187</b>	<b>78.341</b>
<b>Total equity and liabilities</b>		<b>159.584</b>	<b>161.718</b>	<b>104.687</b>	<b>108.628</b>

**F.G. EUROPE S.A.**  
**Statements of Changes in Equity (Consolidated)**  
**For the Nine-Months Period ended September 30, 2015**  
(All amounts in Euro thousands unless otherwise stated)

<b><u>Consolidated</u></b>	<b><u>Share capital</u></b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Available for sales - Fair value reserves</b>	<b>Special tax reserves / other</b>	<b>Retained earnings /(Losses)</b>	<b>Total</b>	<b>Minority interest</b>	<b>Total equity</b>
<b>Balance on January 1, 2014</b>	<b>15.840</b>	<b>6.731</b>	<b>3.961</b>	<b>(1.273)</b>	<b>1.661</b>	<b>3.925</b>	<b>30.845</b>	<b>18.525</b>	<b>49.370</b>
<b>Year's changes:</b>									
Net profit for the period	-	-	-	-	-	(3.169)	(3.169)	(860)	(4.029)
Other Comprehensive Income..	-	-	-	(104)	5	-	(99)	4	(95)
<b>Total Comprehensive Income..</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104)</b>	<b>5</b>	<b>(3.169)</b>	<b>(3.268)</b>	<b>(856)</b>	<b>(4.124)</b>
Legal reserve	-	-	200	-	-	(200)	-	-	-
Dividend Distribution 2013	-	-	-	-	-	(10.560)	(10.560)	-	(10.560)
Setting up of subsidiaries	-	-	-	-	-	-	-	338	338
<b>Balance on September 30, 2014</b>	<b>15.840</b>	<b>6.731</b>	<b>4.161</b>	<b>(1.377)</b>	<b>1.666</b>	<b>(10.004)</b>	<b>17.017</b>	<b>18.007</b>	<b>35.024</b>
<b>Balance on January 1, 2015</b>	<b>15.840</b>	<b>6.731</b>	<b>4.162</b>	<b>-</b>	<b>(80)</b>	<b>(9.544)</b>	<b>17.109</b>	<b>18.480</b>	<b>35.589</b>
<b>Year's changes:</b>									
Net profit for the period	-	-	-	-	-	1.732	1.732	159	1.891
Other Comprehensive Income..	-	-	-	-	(98)	-	(98)	(80)	(178)
<b>Total Comprehensive Income..</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(98)</b>	<b>1.732</b>	<b>1.634</b>	<b>79</b>	<b>1.713</b>
Legal reserve	-	-	13	-	-	(13)	-	-	-
(Increase)/ Decrease shareholding of Subsidiaries	-	-	-	-	-	-	-	872	872
<b>Balance on September 30, 2015</b>	<b>15.840</b>	<b>6.731</b>	<b>4.175</b>	<b>-</b>	<b>(178)</b>	<b>(7.825)</b>	<b>18.743</b>	<b>19.431</b>	<b>38.174</b>

**F.G. EUROPE S.A.**  
**Statements of Cash Flows (Consolidated and Company)**  
**For the Nine-Months Period ended September 30, 2015**  
(All amounts in € thousands unless otherwise stated)

<u>Company</u>	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Actuarial gains / (Losses)	Special tax reserves	Retained earnings	Total
<b>Balance on January 1, 2014</b>	<b>15.840</b>	<b>6.731</b>	<b>3.792</b>	<b>(1.273)</b>	<b>(24)</b>	<b>1.851</b>	<b>14.854</b>	<b>41.771</b>
<b>Year's changes:</b>								
Net profit for the period	-	-	-	-	-	-	(2.040)	<b>(2.040)</b>
Other Comprehensive Income..	-	-	-	(104)	-	-	-	<b>(104)</b>
<b>Total Comprehensive Income..</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104)</b>	<b>-</b>	<b>-</b>	<b>(2.040)</b>	<b>(2.144)</b>
Legal reserve	-	-	146	-	-	-	(146)	-
Dividend Distribution 2013	-	-	-	-	-	-	(10.560)	<b>(10.560)</b>
<b>Balance on September 30, 2014</b>	<b>15.840</b>	<b>6.731</b>	<b>3.938</b>	<b>(1.377)</b>	<b>(24)</b>	<b>1.851</b>	<b>2.108</b>	<b>29.067</b>
<b>Balance on January 1, 2015</b>	<b>15.840</b>	<b>6.731</b>	<b>3.939</b>	<b>-</b>	<b>(72)</b>	<b>(7)</b>	<b>3.856</b>	<b>30.287</b>
<b>Year's changes:</b>								
Net profit for the period	-	-	-	-	-	-	2.213	<b>2.213</b>
<b>Total Comprehensive Income..</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.213</b>	<b>2.213</b>
<b>Balance on September 30, 2015</b>	<b>15.840</b>	<b>6.731</b>	<b>3.939</b>	<b>-</b>	<b>(72)</b>	<b>(7)</b>	<b>6.069</b>	<b>32.500</b>

**F.G. EUROPE S.A.**  
**Statements of Cash Flows (Consolidated and Company)**  
**For the Nine-Months Period ended September 30, 2015**  
(All amounts in € thousands unless otherwise stated)

	<u>Consolidated</u>		<u>Company</u>	
	<u>1/1- 30/9/2015</u>	<u>1/1- 30/9/2014</u>	<u>1/1- 30/9/2015</u>	<u>1/1- 30/9/2014</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>				
Profit before tax (and minority interest).....	3.148	(4.920)	2.792	(2.686)
<b>Add / (less) adjustments for:</b>				
Depreciation and amortization.....	4.038	4.003	97	83
Provisions.....	2.062	290	2.062	290
Exchange rate differences.....	<b>(458)</b>	<b>(766)</b>	<b>(458)</b>	<b>(198)</b>
Result of investment activity.....	523	(343)	539	(308)
Interest and similar expenses.....	4.128	4.107	3.206	3.293
Government grants recognized in income.....	(1.332)	(1.333)	-	-
Employee benefits.....	52	37	28	33
Impairment charges.....	182	145	-	-
<b>Operating result before changes in working capital</b>	<b><u>12.343</u></b>	<b><u>2.752</u></b>	<b><u>8.266</u></b>	<b><u>1.471</u></b>
<b>Add / (less) adjustments for changes in working capital items:</b>				
(Increase) / decrease in inventories.....	13.246	(14.371)	14.208	(12.602)
(Increase) / decrease in receivables and prepayments.....	(18.842)	(595)	(13.386)	(5.977)
Increase / (decrease) in trade and other payables.....	1.209	19.248	(3.438)	20.174
(Increase) in long term receivables.....	106	1	100	-
<b>Total cash inflow / (outflow) from operating activities</b>	<b><u>8.062</u></b>	<b><u>7.035</u></b>	<b><u>5.750</u></b>	<b><u>3.066</u></b>
Interest and similar expenses paid.....	(4.861)	(3.818)	(4.078)	(3.091)
Income taxes paid.....	-	(1.097)	-	(901)
<b>Total net inflow / (outflow) from operating activities</b>	<b><u>3.201</u></b>	<b><u>2.120</u></b>	<b><u>1.672</u></b>	<b><u>(926)</u></b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
(Purchase) of subsidiaries and other investments.....	-	(1.675)	(1.066)	(2.220)
Proceeds from the sale of subsidiaries and other investments.....	-	1.920	-	1.920
(Purchase) of PPE and intangible assets.....	(709)	(343)	(523)	(213)
Interest income.....	60	263	45	229
<b>Total net cash inflow / (outflow) from investing activities</b>	<b><u>(649)</u></b>	<b><u>165</u></b>	<b><u>(1.544)</u></b>	<b><u>(284)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from share capital increase.....	872	-	-	-
Proceeds from borrowings.....	-	65.000	-	65.000
Payments of borrowings.....	(4.678)	(63.487)	(1.470)	(60.675)
Dividends paid.....	-	(10.534)	-	-
<b>Total net cash inflow from financing activities</b>	<b><u>(3.806)</u></b>	<b><u>(9.021)</u></b>	<b><u>(1.470)</u></b>	<b><u>(6.209)</u></b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b><u>(1.254)</u></b>	<b><u>(6.736)</u></b>	<b><u>(1.342)</u></b>	<b><u>(7.419)</u></b>
<b>Exchange rate differences</b>	<b>44</b>	<b>93</b>	<b>44</b>	<b>93</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5.475</b>	<b>12.144</b>	<b>3.242</b>	<b>10.711</b>
<b>Cash and cash equivalents at end of period</b>	<b>4.265</b>	<b>5.501</b>	<b>1.944</b>	<b>3.385</b>



# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

#### **1. Incorporation and Business of the Group**

The parent company F.G. EUROPE S.A. (hereinafter referred to as “the Company”) and its subsidiaries (hereinafter referred to as “the Group) activate:

- The company in the import and wholesale of all types of air conditioners, all types of white and consumer electronics electrical appliances, televisions and in the wholesale of rendered services of mobile telephony.
- The subsidiaries **F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S. and F.G. EUROPE ITALIA S.P.A.**, in the import and wholesale of all types of air conditioners, while R.F. ENERGY S.A. and its subsidiaries below activate in the field of electric energy production from renewable energy sources.
  - HYDROELECTRICAL ACHAIAS S.A.
  - CITY ELECTRIC S.A.
  - AIOLIKI KYLINDRIAS S.A.
  - KALLISTI ENERGIAKI S.A.
  - R.F. ENERGY S.A. OMALIES S.A.
  - AIOLIKI ADERES S.A.

According to the Decision of the General Assembly of its shareholders on 06/04/2015, the subsidiary RF ENERGY OMALIES S.A. which is operating in the region of South Evia, proceeded to share capital increase through the issuance of 500 new share with nominal value €30 and disposal price € 300 each (total amount of € 150 thousands) to cover costs and expenses during the process of obtaining the necessary decisions and opinions on the implementation of the large wind project of the Company in the region of South Evia. The share capital increase of the subsidiary company held in cash by the Company.

According to the Decision of the General Assembly of its shareholders on 02/05/2015, the subsidiary FG EUROPE KLIMA TEKNOLOJILERY SANAYI VE TICARET A.S. which is operating in Turkey proceeded to share capital increase of € 1,938, in order to expand its activities. The share capital increase held in cash by both FG EUROPE S.A. with € 1.066 (55% stake) and the other shareholders with € 872 (45% stake).

During the first nine months of 2015, F.G. EUROPE S.A. paid partially in cash the amount of € 975, in order to cover temporary cash needs and its participation in a future capital increase of its subsidiary FG EUROPE ITALIA S.P.A, which is operating in Italy.

On 29/01/2015, the new Power Purchase Agreements between the 100% subsidiary company AIOLIKI ADERES S.A. and LAGIE S.A. were signed, due to lifting portion of the power limitation of the existing wind turbines imposed because of the saturated electricity grid in Peloponnese. On 12/03/2015, amended Operation Licenses for the wind farms “ Astrapi” and “ Sampales” were issued, with augmented power of 10% or additional 0.8 MW for wind farm “ Astrapi” and 1,6 MW for the wind farm “ Sampales”.

Within the 1st Semester of 2015, the company AIOLIKI ADERES S.A. received the relevant licenses for the augmented power of 10% or additional 0.8 MW for wind farm “ Astrapi” and 1,6 MW for the Wind farms “ Astrapi” and “ Sampales”. Thus, the total power of the wind farms of the company amounts to 35.4MW.

The Extraordinary General Assembly of the Shareholders on 06/04/2015, decided the capitalization of the amount of € 852 thousands from the special reserve from disposal of shares above par, through

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

the issuance of 85,212 new shares with nominal value €10 each. After the increase, the Share Capital of AIOLIKI ADERES S.A. amounted to € 11,012 thousands.

The Company and the Group are domiciled in Greece, in the municipality of Glyfada, with registered offices: 128, Vouliagmenis Ave., GR-16674 Glyfada, Greece. The total number of personnel occupied as of September 30, 2015 is 86 for the Company and 123 for the Group.

The Company's shares are listed on the primary market segment of the Athens Exchange.

The subsidiaries contained with the method of full consolidation in the attached consolidated financial statements of the group are the following:

<b>Name</b>	<b>Country</b>	<b>Share as of September 30, 2015</b>	<b>Method of consolidation</b>
• F.G. EUROPE S.A.	Greece	Parent company	Full consolidation
• F.G. EUROPE ITALIA S.P.A.	Greece	100,00% (a)	Full consolidation
• F.G. EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICARET A.S.	Greece	55,00% (a)	Full consolidation
• R.F. ENERGY S.A.	Greece	50,00% (a)	Full consolidation
• HYDROELECTRICAL ACHAIAS S.A.	Greece	50,00% (b)	Full consolidation
• CITY ELECTRIC S.A.	Greece	50,00% (b)	Full consolidation
• AIOLIKI KYLINDRIAS S.A.	Greece	50,00% (b)	Full consolidation
• KALLISTI ENERGIAKI S.A.	Greece	50,00% (b)	Full consolidation
• AIOLIKI ADERES S.A.	Greece	50,00% (b)	Full consolidation
• R.F. ENERGY S.A. OMALIES S.A.	Greece	50,00% (b)	Full consolidation

Note: a) Direct investments, b) Indirect investments

F.G. EUROPE's holding share in the company R.F. ENERGY S.A. is to 50,00%. Due to the fact that the existing shareholders' agreement concerning the appointment of the majority of Board Members through F.G. EUROPE S.A., R.F. ENERGY is fully consolidated in the Company's financial statements, with the method of full consolidation.

F.G. EUROPE S.A. participates with 10,00% in the share capital of ANAKYKLOSI SYSKEVON SYMMETOCHIKI S.A. which is not included in the consolidated financial statements of the Group and the Company as 'Available for sale investment'.

The investments in subsidiaries of the Company are as follows:

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

<b>Investments in Subsidiaries as at 30/9/2015</b>				
<b>Subsidiary name</b>	<b>Balance as at 31/12/2014</b>	<b>Additions 1/1-30/9/15</b>	<b>Reductions 01/01 - 30/9/2015</b>	<b>Balance as at 30/9/2015</b>
1 R.F. ENERGY S.A..... F.G. EUROPE KLIMA	29.287	-	-	<b>29.287</b>
2 TEKNOLOJILERI SANAYI VE TICARET A.S	413	1.066	-	<b>1.479</b>
3 F.G. EUROPE ITALIA S.P.A.	252	-	-	<b>252</b>
<b>Total</b>	<b>29.952</b>	<b>1.066</b>	<b>-</b>	<b>31.018</b>

<b>Investments in Subsidiaries as at 31/12/2014</b>				
<b>Subsidiary name</b>	<b>Balance as at 31/12/2013</b>	<b>Additions 1/1 - 31/12/2014</b>	<b>Reductions 1/1 - 31/12/2014</b>	<b>Balance as at 31/12/2014</b>
1 R.F. ENERGY S.A..... F.G. EUROPE KLIMA	<b>29.287</b>	-	-	<b>29.287</b>
2 TEKNOLOJILERI SANAYI VE TICARET A.S	-	413	-	<b>413</b>
3 F.G. EUROPE ITALIA S.P.A	-	252	-	<b>252</b>
<b>Total</b>	<b>29.287</b>	<b>665</b>	<b>-</b>	<b>29.952</b>

"Other comprehensive income after tax" represents losses for the Group of € 178 which concerns difference in exchange at the consolidation of Group Companies in foreign currency.

## **2. Significant Accounting Policies used by the Group**

### **2.1 Basis of Preparation of Financial Statements**

These consolidated and company financial statements (hereinafter referred to as "Financial Statements") have been prepared according to International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Interpretations that have been issued by the Standing Interpretations Committee.

These financial statements have been prepared according to IAS 34 (Interim Financial Reporting) and therefore should be considered in combination with the audited financial statements as of December 31, 2014 that are accessible on the internet site of the Company.

The Accounting policies, estimations and calculation methods adopted for the preparation of these interim Financial Statements are those used for the preparation of the Annual Financial Statements for the year ended December 31, 2014, apart from the adoption of new standards and interpretations that were adopted for first time as of January 1, 2014, the impact of which on the Financial Statements is mentioned below in note 2.2.

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Using the available information and the implementation of subjective evaluation are necessary in order to conduct forecasts. Actual results may differ from estimates and deviations can have serious impacts on the Financial Statements.

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

The operating results of the six-months period ended June 30, 2015, are not indicative for the results expected by management for the year ending December 31, 2014 because of the seasonality of the core business. This seasonality results from fact that air conditioners sales that are the company's core business in terms of profitability multiply during the second and third quarter of the year dependent on the weather conditions.

## ***2.2. Changes in Accounting Policies***

### **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 IASB, have been adopted by the European Union and their application is mandatory from or after 01/01/2014.

The most significant Standards and Interpretations are as follows:

#### **a. IFRIC 21 “Levies” (effective for annual periods starting on or after 17/06/2014)**

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 interpretation does not affect the consolidated and separate Financial Statements.

#### **b. 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 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 amendments do not affect the consolidated and separate Financial Statements.

#### **c. 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 amendment does not affect the consolidated and separate Financial Statements.

## ***3. Operating Segments***

The operating segments of Group are strategic units that sell different goods. They are monitored and managed separately by the Board of Directors, because these goods are of completely different nature, demand in the market and mixed profit margin.

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

The Groups' segments are the following:

#### **Long Living Consumer Goods**

The sector of Long Living Consumer Goods constitutes the import and wholesale of all types of air conditioners for domestic and professional use and the import and wholesale of white and brown house appliances.

#### **Energy**

The sector of Energy constitutes the development and operation of energy projects, focused on Renewable Energy Sources (RES).

The accounting policies for the operating segments are those used for the preparation of the Financial Statements.

The efficiency of the sectors is determined by the net profit after taxes.

The sales of the Group are completely wholesale and all assets are located in Greece.

The segments results of the Group are analyzed as follows:

<b>Nine-month period ended September 30, 2015</b>	<b>Long Living Consumer Goods</b>	<b>Energy</b>	<b>Other</b>	<b>Total</b>
Sales to third parties.....	74.247	8.101	-	82.348
Sales within the Group.....	(6.145)	-	-	(6.145)
<b>Gross profit.....</b>	<b>68.102</b>	<b>8.101</b>	<b>-</b>	<b>76.203</b>
Depreciation of Fixed/ Intangible assets	(109)	(3.929)	-	(4.038)
Gain / Loss before taxes, investing activities, total depreciations	4.601	5.714	-	10.315
Finance income.....	3.084	16	-	3.100
Finance costs.....	(6.268)	(712)	-	(6.980)
<b>Profits before tax.....</b>	<b>812</b>	<b>2.337</b>	<b>-</b>	<b>3.149</b>
Income tax expense.....	(113)	(1.145)	-	(1.258)
<b>Profits after tax.....</b>	<b>699</b>	<b>1.192</b>	<b>-</b>	<b>1.891</b>
Expenses for Fixed/ Intangible assets	646	63	-	709
Assets per sector	73.381	81.203	-	159.584
Liabilities per sector	40.525	41.724	-	82.249

<b>Nine-month period ended September 30, 2014</b>	<b>Long Living Consumer Goods</b>	<b>Energy</b>	<b>Other</b>	<b>Total</b>
Sales to third parties.....	49.227	4.714	891	54.832
Sales within the Group.....	-	-	-	-
<b>Gross profit.....</b>	<b>49.227</b>	<b>4.714</b>	<b>891</b>	<b>54.832</b>
Depreciation of Fixed/ Intangible assets	(78)	(3.925)	-	(4.003)
Gain / Loss before taxes, investing activities, total depreciations	(537)	1.916	45	1.424
Finance income.....	2.417	34	-	2.451
Finance costs.....	(5.635)	(813)	-	(6.448)
<b>Profits before tax.....</b>	<b>(3.428)</b>	<b>(1.537)</b>	<b>45</b>	<b>(4.920)</b>
Income tax expense.....	822	81	(12)	89
<b>Net profit.....</b>	<b>(2.606)</b>	<b>(1.456)</b>	<b>33</b>	<b>(4.029)</b>
Expenses for Fixed/ Intangible assets	107	43	-	150
Assets per sector	88.838	84.407	-	173.245
Liabilities per sector	92.693	45.528	-	138.221

# F.G. EUROPE S.A.

## Notes to the interim Financial Statements (Consolidated and Company)

### For the Nine-Months Period ended September 30, 2015

(All amounts in € thousands unless otherwise stated)

Profit after taxes	30/09/2015	30/09/2014
Profit	1.349	(3.794)
Deletion of sales within group.....	134	(408)
Depreciations.....	83	83
Other .....	-	-
Income tax.....	325	90
<b>Total profit after group's taxes</b>	<b>1.891</b>	<b>(4.029)</b>

The geographic results of the Groups sales are analyzed as follows:

Nine-month period ended September 30, 2015	Long Living Consumer Goods	Energy	Other	Total
Parent company (sales on internal market)	21.660	-	-	21.660
Subsidiaries (sales on internal market)	-	8.101	-	8.101
Parent company (sales on external market)	47.463	-	-	47.463
Subsidiaries (sales on external market)	5.124	-	-	5.124
Sales within the Group	(6.145)	-	-	(6.145)
<b>Total</b>	<b>68.102</b>	<b>8.101</b>	<b>-</b>	<b>76.203</b>

Nine-month period ended September 30, 2014	Long Living Consumer Goods	Energy	Other	Total
Parent company (domestic sales)	18.257	-	891	19.148
Subsidiaries (domestic sales)	-	4.714	-	4.714
Parent company (foreign sales)	33.018	-	-	33.018
Subsidiaries (foreign sales)	174	-	-	174
Sales within the Group	(2.222)	-	-	(2.222)
<b>Total</b>	<b>49.227</b>	<b>4.714</b>	<b>891</b>	<b>54.832</b>

#### 4. Income

Analysis of the Groups' income:

	Consolidated			
	1/1 - 30/9/2015	1/1 - 30/9/2014	1/7- 30/9/2015	1/7 - 30/9/2014
Sales of goods	67.941	49.850	27.006	11.687
Sales of goods (electric Energy)	8.101	4.714	2.398	1.501
Sales of services	161	268	38	211
<b>Total Sales</b>	<b>76.203</b>	<b>54.832</b>	<b>29.442</b>	<b>13.399</b>
Other income	246	185	93	53
<b>Total</b>	<b>76.449</b>	<b>55.017</b>	<b>29.535</b>	<b>13.452</b>
	Company			
	1/1 - 30/9/2015	1/1 - 30/9/2014	1/7- 30/9/2015	1/7 -30/9/2014
Sales of goods	68.962	52.072	25.909	10.133
Sales of services	161	94	38	37
<b>Total Sales</b>	<b>69.123</b>	<b>52.166</b>	<b>25.947</b>	<b>10.170</b>
Other income	155	100	57	37
<b>Total</b>	<b>69.287</b>	<b>52.266</b>	<b>26.004</b>	<b>10.207</b>

Total sales of F.G EUROPE S.A. for the nine-month period ended September 30, 2015 amounted to €69,123 against sales of €52,166 in the respective period of 2014, posted an increase of 33%. The increase of total sales is due to the increase in local market for 23% and the increase of exports for 44%.

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

At Group level the revenues in the energy sector appear significantly increased by 72% compared to the same period of the previous year, firstly due to the better climatological conditions and secondly due to the existence of a credit note for € 1,138 in the first quarter of 2014, according to the provisions of the Law 4254/7.4.2014.

#### **5. Finance income and expenses**

Finance income and expenses are analyzed as follows:

	<b>Consolidated</b>			
	<b>1/1- 30/9/2015</b>	<b>1/1- 30/9/2014</b>	<b>1/7- 30/9/2015</b>	<b>1/7- 30/9/2014</b>
<b><u>Finance costs:</u></b>				
Interest and similar expenses.....	(3.701)	(3.593)	(1.237)	(1.225)
Related interest expenses.....	(260)	(374)	(97)	(105)
Bank charges and commissions.....	(68)	(92)	(27)	(48)
Financial cost of provision of equipment removal.....	(99)	(48)	-	-
Foreign exchange differences.....	(2.291)	(2.324)	(611)	(1.744)
Valuation of derivatives.....	-	-	52	-
Devaluation of investments and securities.....	(550)	(4)	(80)	(4)
Prepaid interest of the actuarial research.....	(11)	(13)	(5)	(2)
Others.....	-	-	-	-
<b>Total Finance costs</b>	<b>(6.980)</b>	<b>(6.448)</b>	<b>(2.005)</b>	<b>(3.128)</b>
<b><u>Finance income:</u></b>				
Interest and similar income.....	35	199	7	30
Gains from sale of securities.....	2	161	-	1
Foreign exchange differences .....	2.871	2.001	809	1.188
Valuation of Derivatives.....	192	90	192	58
<b>Total Finance income</b>	<b>3.100</b>	<b>2.451</b>	<b>1.008</b>	<b>1.277</b>
<b>Finance costs, net</b>	<b>(3.880)</b>	<b>(3.997)</b>	<b>(997)</b>	<b>(1.851)</b>

	<b>Company</b>			
	<b>1/1- 30/9/2015</b>	<b>1/1- 30/9/2014</b>	<b>1/7- 30/9/2015</b>	<b>1/7- 30/9/2014</b>
<b><u>Finance costs:</u></b>				
Interest and similar expenses.....	(2.881)	(2.830)	(969)	(977)
Related interest expenses	(257)	(371)	(94)	(104)
Bank charges and commissions.....	(68)	(92)	(27)	(48)
Foreign exchange differences.....	(1.338)	(2.107)	(116)	(1.527)
Valuation of derivatives.....	-	-	52	-
Devaluation of investments and securities.....	(550)	(4)	(80)	(4)
Prepaid interest of the actuarial research.....	(10)	(14)	(2)	(3)
Others	-	-	-	-
<b>Total Finance costs</b>	<b>(5.104)</b>	<b>(5.418)</b>	<b>(1.236)</b>	<b>(2.663)</b>
<b><u>Finance income:</u></b>				
Interest and similar income.....	22	165	3	19
Gains from sale of securities.....	-	160	-	-
Foreign exchange differences .....	2.461	1.944	632	1.131
Valuation of Derivatives.....	191	91	190	60
<b>Total Finance income</b>	<b>2.674</b>	<b>2.360</b>	<b>825</b>	<b>1.210</b>
<b>Finance costs, net</b>	<b>(2.430)</b>	<b>(3.058)</b>	<b>(411)</b>	<b>(1.453)</b>

#### **6. Income taxes**

The parent company and its subsidiaries have not been audited by the tax authorities for the following fiscal years:

<b>Company</b>	<b>Unaudited fiscal years</b>
• F.G. Europe S.A.	2008 to 2014

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company) For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

- |  |                                 |
|--|---------------------------------|
| • R.F. Energy S.A.   | 2010 to 2014                    |
| • Hydroelectrical Ahaïas S.A.                              | 2010 to 2014                    |
| • City Elektrik S.A  | 2010 to 2014                    |
| • Aioliki Kylindrias S.A.                                  | 2009 to 2014                    |
| • Kallisti Energiaki S.A.                                  | 2009 to 2014                    |
| • R.F. Energy Omalies S.A.                                 | 2010 to 2014                    |
| • Aioliki Aderes S.A..                                     | Unaudited from inception (2009) |
| • F.G. Europe Italia S.P.A.                                | Unaudited from inception (2014) |
| • F.G. Europe Klima Teknolojileri<br>Sanayive Ticaret A.S. | Unaudited from inception (2014) |

It is noted that the companies of the Group operating in Greece have been audited by tax authorities for the fiscal years 2011, 2012, 2013, 2014 in accordance with the compulsory audit of par. 5, article 82 of L.2238/1994, as amended by par. 3, article 17 of L3842/2010 and D. 1159/2011, for the purpose of Annual Tax Certificate, which they finally received without incurring substantial differences.

The above Annual Tax Certificate provided for societe anonymes and limited companies, which annual financial statements are scrutinized by legal auditors and issued after tax audit conducted by auditors who are registered in the public register of L.3693/2008.

Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a “tax Compliance Report” which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm. This “Tax Compliance Report” must be submitted to the Ministry of Finance, within ten days of the date of approval of the financial statements by the General Meeting of the Shareholders. The Ministry of Finance will subsequently select a sample of at least 9% of all companies for which a “Tax Compliance Report” has been submitted for the performance of a tax audit by the relevant auditors from the Ministry of Finance. The audit by the Ministry of Finance must be completed within the period of eighteen months from the date when the “Tax Compliance Report” was submitted to the Ministry of Finance.

It is noted also that according to the new tax law 4334/2015 passed on 16/07/2015, the income tax of legal persons based in Greece increased from 26% to 29% for the fiscal years beginning on or after January 1, 2015 onwards. This change is expected to result due to deferred taxation and offsetting losses of previous years, profit for the Group € 515 and for the Company € 501.

Income taxes as presented in the financial statements are analyzed as follows:

	Consolidated			
	1/1- 30/9/2015	1/1- 30/9/2014	1/7- 30/9/2015	1/7- 30/9/2014
Income tax (current period).....	(1.727)	588	(907)	690
Deferred tax.....	469	303	413	371
<b>Income taxes</b>	<b>(1.258)</b>	<b>891</b>	<b>(494)</b>	<b>1.061</b>
	Company			
	1/1- 30/9/2015	1/1- 30/9/2014	1/7- 30/9/2015	1/7- 30/9/2014
Income tax (current period).....	(1.595)	532	(895)	614
Deferred tax.....	1.015	114	617	316
<b>Income taxes</b>	<b>(580)</b>	<b>646</b>	<b>(278)</b>	<b>930</b>

The tax liabilities of the Company and its subsidiaries have not been audited by tax authorities for the above fiscal years, and therefore it is possible that additional taxes and penalties will arise, when they are discussed and finalized. The amount of the provision made by the Group and the Company till 30/09/2015 in relation to this issue is €345 and €292 respectively.



# F.G. EUROPE S.A.

## Notes to the interim Financial Statements (Consolidated and Company)

### For the Nine-Months Period ended September 30, 2015

(All amounts in € thousands unless otherwise stated)

#### 7. Earnings per share

The basic earnings per share are calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares outstanding during the year.

	Consolidated			
	1/1- 30/9/2015	1/1- 30/9/2014	1/7- 30/9/2015	1/7- 30/9/2014
Net profit attributable to shareholders	1.732	(3.169)	2.019	(2.659)
Weighted average number of shares outstanding.....	52.800.154	52.800.154	52.800.154	52.800.154
<b>Basic earnings per share (in €)</b>	<b>0,0328</b>	<b>(0,0600)</b>	<b>0,0382</b>	<b>(0,0504)</b>

  

	Company			
	1/1- 30/9/2015	1/1- 30/9/2014	1/7- 30/9/2015	1/7- 30/9/2014
Net profit attributable to shareholders	2.213	(2.040)	2.187	(2.716)
Weighted average number of shares outstanding.....	52.800.154	52.800.154	52.800.154	52.800.154
<b>Basic earnings per share (in €)</b>	<b>0,0419</b>	<b>(0,0386)</b>	<b>0,0414</b>	<b>(0,0514)</b>

#### 8. Property, plant and equipment and intangible assets

Property, plant and equipment are analyzed as follows:

Consolidated	Fixed Assets						Total
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	
<b>January 1, 2014</b>							
Value at cost.....	1.077	10.367	70.397	393	1.607	3.014	<b>86.855</b>
Accumulated depreciations.	-	(2.327)	(16.148)	(326)	(1.333)	-	<b>(20.134)</b>
<b>Net book value.....</b>	<b>1.077</b>	<b>8.040</b>	<b>54.249</b>	<b>67</b>	<b>274</b>	<b>3.014</b>	<b>66.721</b>
<b>January 1 to December 31, 2014</b>							
Additions.....	10	38	8	84	113	162	<b>415</b>
Impairments.....	-	-	-	-	-	(324)	<b>(324)</b>
Transfers.....	-	-	-	(15)	(4)	-	<b>(19)</b>
Disposals .....	-	-	-	(2)	-	-	<b>(2)</b>
Depreciations.....	-	(586)	(4.383)	(27)	(77)	-	<b>(5.073)</b>
Transfers.....	-	-	-	15	12	-	<b>27</b>
Depreciations of disposals..	-	-	-	1	-	-	<b>1</b>
<b>December 31, 2014</b>							
Value at cost.....	1.087	10.405	70.405	460	1.716	2.852	<b>86.925</b>
Accumulated depreciations.	-	(2.913)	(20.531)	(337)	(1.398)	-	<b>(25.179)</b>
<b>Net book value.....</b>	<b>1.087</b>	<b>7.492</b>	<b>49.874</b>	<b>123</b>	<b>318</b>	<b>2.852</b>	<b>61.746</b>
<b>January 1 to September 30, 2015</b>							
Additions.....	-	-	269	110	129	201	<b>709</b>
Depreciations.....	-	(433)	(3.298)	(31)	(57)	-	<b>(3.819)</b>
<b>September 30, 2015</b>							
Value at cost.....	1.087	10.405	70.674	570	1.845	3.053	<b>87.634</b>
Accumulated depreciations.	-	(3.346)	(23.829)	(368)	(1.455)	-	<b>(28.998)</b>
<b>Net book value.....</b>	<b>1.087</b>	<b>7.059</b>	<b>46.845</b>	<b>202</b>	<b>390</b>	<b>3.053</b>	<b>58.636</b>

# F.G. EUROPE S.A.

## Notes to the interim Financial Statements (Consolidated and Company)

### For the Nine-Months Period ended September 30, 2015

(All amounts in € thousands unless otherwise stated)

Consolidated	Investments in real estate			Intangible assets		
	Land	Buildings	Total	License for wind energy	Licenses	Total
<b>January 1, 2014</b>						
Value at cost.....	42	247	289	7.113	1.324	8.437
Accumulated depreciations.	-	(29)	(29)	(575)	(291)	(866)
<b>Net book value.....</b>	<b>42</b>	<b>218</b>	<b>260</b>	<b>6.538</b>	<b>1.033</b>	<b>7.571</b>
<b>January 1 to December 31, 2014</b>						
Additions.....	-	-	-	-	2	2
Impairments.....	-	-	-	-	-	-
Transfers.....	-	-	-	-	-	-
Disposals .....	-	-	-	-	-	-
Depreciations.....	-	(4)	(4)	(199)	(84)	(283)
Depreciations of disposals..	-	-	-	-	-	-
<b>December 31, 2014</b>						
Value at cost.....	42	247	289	7.113	1.326	8.439
Accumulated depreciations.	-	(33)	(33)	(774)	(375)	(1.149)
<b>Net book value.....</b>	<b>42</b>	<b>214</b>	<b>256</b>	<b>6.339</b>	<b>951</b>	<b>7.290</b>
<b>January 1 to September 30, 2015</b>						
Additions.....	-	-	-	-	-	-
Depreciations.....	-	(7)	(7)	(150)	(62)	(212)
<b>September 30, 2015</b>						
Value at cost.....	42	247	289	7.113	1.326	8.439
Accumulated depreciations.	-	(40)	(40)	(924)	(437)	(1.361)
<b>Net book value.....</b>	<b>42</b>	<b>207</b>	<b>249</b>	<b>6.189</b>	<b>889</b>	<b>7.078</b>

  

Company	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	Total
<b>January 1, 2014</b>							
Value at cost.....	5	359	23	353	1.446	-	2.186
Accumulated depreciations.	-	(197)	(22)	(291)	(1.192)	-	(1.702)
<b>Net book value.....</b>	<b>5</b>	<b>162</b>	<b>1</b>	<b>62</b>	<b>254</b>	<b>-</b>	<b>484</b>
<b>January 1 to December 31, 2014</b>							
Additions.....	-	-	-	84	52	77	213
Impairments.....	-	-	-	10	(4)	-	6
Disposals / transfers.....	-	-	-	(2)	-	-	(2)
Depreciations.....	-	(12)	(1)	(27)	(65)	-	(105)
Transfers.....	-	-	-	(10)	4	-	(6)
Depreciations of disposals.	-	-	-	1	-	-	1
<b>December 31, 2014</b>							
Value at cost.....	5	359	23	445	1.494	77	2.403
Accumulated depreciations.	-	(209)	(23)	(327)	(1.253)	-	(1.812)
<b>Net book value.....</b>	<b>5</b>	<b>150</b>	<b>-</b>	<b>118</b>	<b>241</b>	<b>77</b>	<b>591</b>
<b>January 1 to September 30, 2015</b>							
Additions.....	-	-	253	110	6	154	523
Depreciations.....	-	(5)	(10)	(29)	(45)	-	(89)
<b>September 30, 2015</b>							
Value at cost.....	5	359	276	555	1.500	231	2.926
Accumulated depreciations.	-	(214)	(33)	(356)	(1.298)	-	(1.901)
<b>Net book value.....</b>	<b>5</b>	<b>145</b>	<b>243</b>	<b>199</b>	<b>202</b>	<b>231</b>	<b>1.025</b>

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

<b>Company</b>	<b>Investments in real estate</b>			<b>Intangible assets</b>	
	<b>Land</b>	<b>Buildings</b>	<b>Total</b>	<b>Licenses</b>	<b>Total</b>
<b>January 1, 2014</b>					
Value at cost.....	42	247	<b>289</b>	32	<b>32</b>
Accumulated depreciations..	-	(29)	<b>(29)</b>	(29)	<b>(29)</b>
<b>Net book value.....</b>	<b>42</b>	<b>218</b>	<b>260</b>	<b>3</b>	<b>3</b>
<b>January 1 to December 31, 2014</b>					
Additions.....	-	-	-	2	<b>2</b>
Impairments.....	-	-	-	-	-
Depreciations.....	-	(4)	<b>(4)</b>	-	-
Depreciations of disposals..	-	-	-	-	-
<b>December 31, 2014</b>					
Value at cost.....	42	247	<b>289</b>	34	<b>34</b>
Accumulated depreciations..	-	(33)	<b>(33)</b>	(29)	<b>(29)</b>
<b>Net book value.....</b>	<b>42</b>	<b>214</b>	<b>256</b>	<b>5</b>	<b>5</b>
<b>January 1 to September 30, 2015</b>					
Additions.....	-	-	-	-	-
Depreciations.....	-	(7)	<b>(7)</b>	(1)	<b>(1)</b>
<b>September 30, 2014</b>					
Value at cost.....	42	247	<b>289</b>	34	<b>34</b>
Accumulated depreciations..	-	(40)	<b>(40)</b>	(30)	<b>(30)</b>
<b>Net book value.....</b>	<b>42</b>	<b>207</b>	<b>249</b>	<b>4</b>	<b>4</b>

It is noted that fixed assets are not pledged.

It is also noted that Work in progress concerns the cost of wind park construction and hydroelectrical plant construction of the subsidiaries of the Group.

## **9. Inventories**

The Company's and group's inventory is analyzed as follow:

	<u>Consolidated</u>		<u>Company</u>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
Merchandise	32.329	45.575	29.582	43.790
Provision	(480)	(358)	(480)	(358)
<b>Total</b>	<b>31.489</b>	<b>45.217</b>	<b>29.102</b>	<b>43.432</b>

The noted decrease in inventories on 30/9/2015 compared to those on 31/12/2014 is mainly due to the aforementioned increase of sales

The provision of the depreciated stocks is as follows

	<u>Consolidated</u>	<u>Company</u>
<b>Remaining stocks depreciated preview 01.01.2014</b>	<b>(287)</b>	<b>(287)</b>
Using predictive 01.01.-31.12.14	(71)	(71)
<b>Remaining stocks depreciated preview 31.12.2014</b>	<b>(358)</b>	<b>(358)</b>
Expense chargeable period 01.01.-30/09/2015	(122)	(122)
<b>Remaining stocks depreciated preview 30.09.2015</b>	<b>(480)</b>	<b>(480)</b>

The value reduction of the company's stocks affects the "cost of sales" to the net realisable value.

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

The increase in the cost of sales, is mainly due to the aforementioned increase of sales.

#### **10. Receivables and prepayments**

The account of receivables and prepayments is as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
Customers	36.393	20.554	27.143	17.083
Postdated customers' cheques	7.331	9.204	5.846	6.096
Customers' bills	121	108	77	108
Predictions of doubtful Customers	(5.062)	(3.122)	(5.062)	(3.122)
	<b>38.783</b>	<b>26.744</b>	<b>28.004</b>	<b>20.165</b>
Other debtors	12.837	8.345	8.552	4.967
<b>Total</b>	<b>51.620</b>	<b>35.089</b>	<b>36.556</b>	<b>25.132</b>

The balance of the account "Trade and other receivables" of the Group on 30/9/2015 is increased by 77% compared to the balance on 31/12/2014 is mainly due to the aforementioned increase of sales. Further, the nature of the Company's activities, governed by seasonal sales, contributes to larger open balances during the interim reporting period. The liquidation of the major part of trade requirements is expected to be completed soon in coming months and the remaining customers balance would be significantly reduced, recurring to normal.

	<b>Consolidated</b>		<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
Greek state - requirement of taxes	2.823	4.195	1.202	2.519
Reserved bank deposits	1.765	1.142	-	-
Requirement for grants	1.271	12	-	-
Short-term requirements	-	-	975	-
Prepayments	663	504	75	72
Derivatives	36	-	36	-
Receivables from assigned securities	6.225	2.356	6.225	2.356
Other	54	136	39	20
<b>Σύνολο</b>	<b>12.837</b>	<b>8.345</b>	<b>8.552</b>	<b>4.967</b>

The provision of bad debts is as follows:

	<b>Consolidated</b>	<b>Company</b>
<b>Prediction's balance for insecure clients 01.01.2014</b>	<b>(2.726)</b>	<b>(2.726)</b>
Expense chargeable period 01.01.-31.12.2014	(396)	(396)
<b>Prediction's balance for insecure clients 31.12.2014</b>	<b>(3.122)</b>	<b>(3.122)</b>
Expense chargeable period 01.01.-30.09.2015	(1.940)	(1.940)
<b>Prediction's balance for insecure clients 30.09.2015</b>	<b>(5.062)</b>	<b>(5.062)</b>

The predictions for the insecure clients of the company and of the group influenced the "distribution expenses"

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

#### **11. Cash and cash equivalents**

	<b>Consolidated</b>		<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
Cash on hand.....	439	451	99	447
Sight and time deposits.....	3.826	5.024	1.845	2.795
<b>Total</b>	<b>4.265</b>	<b>5.475</b>	<b>1.944</b>	<b>3.242</b>

Cash and cash equivalents comprise petty cash of the group and the company and short term bank deposits callable at first sight.

#### **12. Borrowings**

The company's borrowings at 30/09/2015 analyzed as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
<b><u>Long term borrowings:</u></b>				
Bonded loan.....	65.343	74.363	48.502	55.028
Long term debt payable within the next 12 months.....	(50.044)	(57.424)	(48.502)	(55.028)
<b>Total long term borrowings</b>	<b>15.299</b>	<b>16.939</b>	<b>-</b>	<b>-</b>
<b>Short term of long term borrowings</b>	<b>50.044</b>	<b>57.424</b>	<b>48.502</b>	<b>55.028</b>
<b>Short term borrowings</b>	<b>8.870</b>	<b>4.379</b>	<b>8.172</b>	<b>2.967</b>
	<b>58.914</b>	<b>61.803</b>	<b>56.674</b>	<b>57.995</b>

Within the 1st Nine months period of 2015, the Group and the Company entered into credit agreement with overdrafts with an average interest rate of 6% and received short-term financing from banks, pledging postdated checks from customers of €7,114.

According to the Decision of the BoD on 18/12/2013, the Company issued a Common Bond Loan of €65,000. On 19/12/2013, the Bond Purchase Agreement and Program were signed with the initial bondholder EFG EUROBANK ERGASIAS S.A., PIRAEUS BANK, ALPHA BANK and NBG, with participation stake 33.31%, 29.80%, 23.82% and 13.08% respectively (PIRAEUS absorption the participation stake 3.08% of GENIKI BANK). The purpose of the loan is refinancing of the existing bank loan, long-term and short-term and meeting the needs of the Company in Working Capital. The duration of the loan is 5 years, renewable for two additional years. The repayment of the loan will be in 10 semi-annual installments, from which nine of €5,050.5 each and the tenth of € 19,545.5. The first 3 installments of the loan paid including the relative interests have been paid till 30/9/2015. The interest rate of the Loan was agreed at Euribor plus a margin of 5.5%. The margin based on existing indices is ranging from 4% to 7%. Based on the contract covering the Common Bond Loan, the Company and the Group are required to keep the indices calculated in the annual and semi-annual financial statements. The loan was disbursed in January 2014. The loan is covered by the personal guarantee of Mr George Feidakis, by pledging receivables by 10% of the current balance of the Loan and securities of the Company's portfolio. According to the Decision of the General Assembly, the purpose of the loan is financing of the investment program of the Company. Due to not compliance with some covenants on 31/12/2014 and according to the par. 74 and 75 of IAS1 and the respective circular no. 4774/21.10.2011 of Hellenic Capital Market Commission, this loan was reclassified from "Long-term Loans" to "Short-term Loans". After the Company's request the initial bondholder banks on 27/3/2015 accepted its claim to have no effect for the company the not compliance with some covenants of the loan contract.

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company) For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

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 disbursement 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 13 installments have already been paid till 30/9/2015) 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 refinanced its existing short-term borrowing by issuing Long Term Bonds for the amount of €2,935, with duration of 11 years, to be paid in 22 semi-annual installments. In November, 2013, the Company proceeded to voluntary repayment of Tranche B Bonds amounting to €1,000, using own funds. The amount of prepayment paid Bonds in inverse order of maturity. In May, 2014, 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 LAGIE S.A. (ex 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.

The 100% subsidiary company AIOLIKI KYLINDRIAS S.A., maintains a Common Bond Loan of initial amount of €5,934 with a duration of 14 years and floating rate Euribor plus fixed margin 2.30%. 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 30/9/2015 eleven (11) have already been paid.

The 100% subsidiary company Aioliki Aderes S.A., 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 and c) the medium-term financing to cover the VAT of investment cost of the three wind farms. 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 30/9/2015 six (6) have been paid. In the previous fiscal year, the Company received approved subsidies for the aforementioned wind farms and proceeded to immediate repayment of corresponding financing received against these subsidies, amounting to €15,866. Moreover, the Company requested and received a VAT refund of investment expenditure for the years 2010 and 2011, amounting to €1,545, totally and proceeded directly to the complete repayment of the loan taken against the VAT on capital expenditure, amounting to €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.

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

On 04/07/2013 and 05/15/2013, the 100% subsidiary company HYDROELECTRIKI ACHAIAS S.A. concluded two medium-term loans amounted to € 400 for each one, with National Bank of Greece with duration of 2.5 and 3 years respectively, starting from the date of disbursement. The purpose of the loan was the financing of its working capital, due to continued delays in paying the invoices for energy sales. Within the nine months period of 2015 the loan which have been received on 04/07/2013 have fully repaid.

To receive this loan, HYDROELECTRIKI ACHAIAS S.A. has assigned its claims arising from power purchase agreements with L.A.G.I.E S.A. (ex HTSO) for two small hydroelectrical stations with total power of 3,615MW, operating the region of Aigio, Achaias. Moreover, the parent company RF ENERGY S.A. provided corporate guarantee for that loan.

The fair value of these loans approximates their nominal value and the effective interest rate for the remaining short-term loans was around 6.00%.

### ***13. Available for sale Financial Instruments elated party transactions***

The available for sale securities contain shares of Athens Exchange and NASDAQ listed companies that were valued with closing prices of September 30, 2015 (1st level) as well as companies, not listed, that were valued at cost and examined for impairment through the statement of income due to the fact that fair value cannot be specified in a reliable manner. During the first nine month period of 2015, there has not been any change in the classification of available for sale financial assets.

#### **Fair value of financial assets**

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets through valuation techniques.

Level 1: Investments are valued at fair value based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Investments are valued at fair value by using valuation techniques in which all inputs that affect significantly the fair value are based (either directly or indirectly) on observable market data.

Level 3: Investments are valued at fair value by using valuation techniques in which all inputs that affect significantly the fair value are based on observable market data.

The following table reflects the financial assets valued at fair value on 30/9/2015 for the Group and the Company:

	<b>Group</b>		
<b>Financial assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Available for Sale Financial Instruments –			
ASE Listed Companies	434	-	<b>434</b>
Derivatives	-	36	<b>36</b>
<b>Total</b>	<b>434</b>	<b>36</b>	<b>470</b>

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

Company			
Financial assets	Level 1	Level 2	Total
Available for Sale Financial Instruments –			
ASE Listed Companies	434	-	434
Derivatives	-	36	36
<b>Total</b>	<b>434</b>	<b>36</b>	<b>470</b>

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
ASE Listed companies	9	35	9	35
Companies listed on foreign stock exchanges	425	949	425	949
ASE non-listed internal companies	32	32	32	32
ASE non-listed foreign companies	3	3	3	3
<b>Total</b>	<b>469</b>	<b>1.019</b>	<b>469</b>	<b>1.019</b>

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>Balance at 01/01/2015</b>	<b>1.019</b>	<b>1.467</b>	<b>1.019</b>	<b>1.467</b>
Additions	-	1.760	-	1.760
Sales	-	(1.760)	-	(1.760)
Change of fair value through the reserve	-	1.274	-	1.274
Change of fair value through the results	(550)	(448)	(550)	(448)
Reclassification to the results	-	(1.274)	-	(1.274)
<b>Balance at 30/6/2015</b>	<b>469</b>	<b>1.019</b>	<b>469</b>	<b>1.019</b>

#### **14. Trade and other payables**

Trade and other payables are analyzed as follows:

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Suppliers.....	17.598	10.317	9.305	10.149
Cheques payables postdated.....	710	391	546	227
Accrued expenses.....	1.190	786	1.022	721
Accrued Interest.....	967	1.909	800	1.821
Derivatives.....	-	-	-	-
Prepayments.....	223	3.642	-	863
Tax provision about unaudited periods.....	345	340	292	292
Amount for the acquisition of shareholdings...	-	-	-	100
Payable dividends	35	49	35	49
Obligations to related parties.....	1.800	5.238	2.800	5.238
Other short term obligations.....	343	535	160	319
<b>Total</b>	<b>23.212</b>	<b>23.207</b>	<b>14.960</b>	<b>19.779</b>

The Group sometimes uses derivative financial products (buy foreign exchange - level 2) to hedge exposure to changes in foreign exchange rates which arises from its commercial transactions. Changes in exchange rates for these derivative products, which are not designated as hedging instruments, have a direct impact at the recognition of “Other Liabilities” in the Statement of Financial Position.



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### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

The amount for the acquisition of shareholdings concerns cash facilitation from related companies.

#### ***15. Related party transactions***

According to IAS 24, related parties are subsidiaries companies, companies with common shareholding structure and/ or management. Moreover, the members of the Board of Directors and the Directors are also considered related parties. The Company purchases and provides products and services from and to related parties.

Sales of company's products to related parties concern primarily sales of merchandise. The sale prices are at cost plus a low profit margin.

The compensation of the members of the Board of Directors concern paid Board's of Directors compensation to Non-executive and independent members.

The compensation of Directors concern compensation regular payment according to employment contracts

The table below presents the receivables and obligations that arose from transactions with related parties as defined by IAS 24:

<b><u>Subsidiaries</u></b>	<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>
<b>Receivables from:</b>		
FG EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICATER	4.190	3.776
F.G. ITALIA SPA	975	-
R.F. ENERGY S.A.	-	1
	<b>5.165</b>	<b>3.777</b>

<b>Obligation to:</b>	<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>
FG EUROPE KLIMA TEKNOLOJILERI SANAYI VE TICATER	553	310
R.F. ENERGY S.A.	-	1
	<b>553</b>	<b>311</b>

<b><u>Income</u></b>	<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>
Inventories.....	5.390	2.222
Others.....	-	1
Total	<b>5.390</b>	<b>2.223</b>

<b><u>Expenses and purchases</u></b>	<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>
Inventories.....	747	-
Others.....	8	1
	<b>755</b>	<b>1</b>

<b>Companies with common shareholding structure</b>	<b>Consolidated</b>		<b>Company</b>	
	<b>30/9/2015</b>	<b>31/12/2014</b>	<b>30/9/2015</b>	<b>31/12/2014</b>
	<b>Receivables from:</b>			
Cyberonica S.A.....	621	576	600	555

## **F.G. EUROPE S.A.**

### **Notes to the interim Financial Statements (Consolidated and Company)**

#### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

	Consolidated		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>Obligation to:</b>				
Cyberonica S.A.....	-	2	-	2
Aioliki Aderes S.A.....	1.000	-	1.000	-
Firment trading LTD.....	1.800	-	1.800	-
	<b>2.800</b>	<b>2</b>	<b>2.800</b>	<b>2</b>
	Consolidated		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>Purchases of goods and services:</b>				
Cyberonica S.A.....	(2.455)	(2.455)	(2.372)	(2.372)

The compensation and the transactions of the members of the Board of Directors and the Directors analyzed as follows:

	Consolidated		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>Available for sale investments</b>				
GLOBUS MARITIME LTD	425	1.227	425	1.227
	Consolidated		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>Receivables from:</b>				
Members of the Board and Directors.....	17	12	17	12
<b>Obligations to:</b>				
Members of the Board and Directors.....	-	5.238	-	5.238
	Consolidated		Company	
	1/1-30/9/2015	1/1-30/9/2014	1/1-30/09/2015	1/1-30/9/2014
<b>Compensation:</b>				
Personnel expenses.....	(1.350)	(1.261)	(934)	(1.128)
Provision for staff leaving indemnity.....	(9)	(10)	(9)	(10)
<b>Total</b>	<b>(1.359)</b>	<b>(1.271)</b>	<b>(943)</b>	<b>(1.138)</b>

#### **16. Employee benefits: pension obligations**

According to the Greek labour legislation employees are entitled to termination benefits in case of dismissal or retirement dependent on their current remuneration, the length of service and the reason for leaving (dismissal or retirement). Employees who leave or are dismissed with cause are not entitled to termination benefits.

##### 1) Contract termination due to retirement

Employees covered by any pension sector of any insurance organizations, as long as they meet the requirements for full retirement, if they are craftsmen, they are able to retire and if they are employees, they can retire or be dismissed by the employer. In these cases, they are entitled to 50% of the statutory compensation if they do not have supplementary insurance or 40 if they do. Employees, with-fixed term contract, who are made redundant or leave before its end to retire, are also entitled to this reduced compensation. It is noted that the employer cannot fire technicians who meets the requirements of full retirement age, with a reduced payment of compensation. He has this option only in case of employees.

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

With 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 by the concerned Insurance Organization and if the limit of 65 years of their age does not exist, then they can leave their work with their employer's consent and as a result they are entitled to receive 50% of legal compensation.

The provision for employee termination benefits is based on an independent actuarial study calculated as of December 31, 2014, using the Projected Unit Credit method.

The obligation for employee termination benefits amounts to € 628 for the Group and € 553 for the Company as of June 30, 2015 (31/12/2014 : €618 and €567 for the Group and the Company respectively). The amount charged to the income statement for the nine-month period ended September 30, 2015 is €49 for the Group and €27 for the Company. The amount charged to the income statement for the nine-month period ended September 30, 2014 was €36 for the Group and €33 for the Company and influenced the "Administrative expenses".

#### **17. Contingencies**

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 294MW were granted to 14 wind farms of the group, while all of these 14 farms have been granted with Temporary Connection Terms by HTSO. Finally, in December 2011, Study of Environmental Impact of the wind farms with total capacity of 282 MW 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

# **F.G. EUROPE S.A.**

## **Notes to the interim Financial Statements (Consolidated and Company)**

### **For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

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.

#### ***18. Commitments***

##### ***18.1 Capital Commitments***

The group has no uncompleted purchasing commitments with its suppliers as of September 30, 2015. The future aggregate minimum lease payments arising from building lease agreements until year 2023 are estimated to amount to €17,883 for the Group and €17,762 for the Company. Furthermore, the future aggregate minimum lease payments arising from car lease agreements until the year 2017 are estimated to amount to €90 approximately for the Group and the Company.

##### ***18.2 Guarantees***

To cover the bond loan of € 65.000 received on 10/1/2014, the Company pledged receivables and securities of Company's portfolio by 10% of the current balance of the loan and its 50% participation stake in the subsidiary company RF ENERGY S.A..

Moreover, on September 30, 2015, the subsidiary company R.F. ENERGY S.A. has guaranteed loans of its subsidiaries of total balance of €14,697 (31/12/2014: €16,053), which have been paid off gradually by 2023.

Moreover, shares of the subsidiaries of the Group, KALLISTI ENERGIAKI S.A., AIOLIKI ADERES S.A. and AIOLIKI KYLINDRIAS S.A. have been pledged to secure loans.

Under the loan agreement from 6/4/2009, productive equipment of the subsidiary KALLISTI ENERGIAKI S.A. of €17,091 has been pledged.(balance €7,171 on 30/09/2015).

Moreover the group has contingent liabilities in relation to banks, other guarantees and other issues that arise from the ordinary course of the business. No material impact is expected to arise from contingent liabilities. The amount of issued letters of guarantees on 30/9/2015 is €12,266 (€10,850 on 31/12/2014).

#### ***19. Post Balance Sheet Events***

There are no other significant post balance sheet events having occurred after September 30, 2015 concerning the Company that should have been disclosed

## **F.G. EUROPE S.A.**

**Notes to the interim Financial Statements (Consolidated and Company)**

**For the Nine-Months Period ended September 30, 2015**

(All amounts in € thousands unless otherwise stated)

*These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on November 27, 2015 and are accessible to the public in electronic form on the company website <http://www.fgeurope.gr>.*

Chairman of the Board  
of Directors

Managing Director

Finance Manager

Accounting Supervisor

Georgios Fidakis  
ΑΔΤ ΑΚ 723945

Joannis Pantousis  
ΑΔΤ Ξ 168490

Michalis Poulis  
ΑΜ ΟΕΕ 016921

Athanasios Harbis  
ΑΜ ΟΕΕ 0002386



**F.G. EUROPE**  
**SOCIETE ANONYME FOR ELECTRIC AND ELECTRONIC DEVICES**  
**G.E.MI: 125776001000 (P.C.S.A. Register Number 13413/06/B/86/111)**  
**Municipality of Glyfada, 128, Vouliagmenis Ave., Post Code 166 74**

**FIGURES AND INFORMATION FOR THE PERIOD OF 1 JANUARY UNTIL 30 SEPTEMBER 2015**

**(In compliance with the stipulations of decision 4/507/28.04.2009 of the Capital Market Commission)**

The financial information provided below aims to provide general information about the financial position and results of FG EUROPE S.A. (the Company) and the Group. Before any investment decision is made or other transactions are entered into we recommend that the reader visit the website of the Company and refer to the Financial Statements which are prepared in accordance with International Financial Reporting Standards and the accompanying review opinion of our auditors, when required are presented.

Company's website address: <http://www.fgeurope.gr>

Date of approval of the interim financial statements by the Board of Directors: November 27, 2015

**CONDENSED STATEMENT OF FINANCIAL POSITION**  
*(consolidated and not consolidated) mounts in € thousands*

	GROUP		COMPANY	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
<b>ASSETS</b>				
Tangible assets	58.636	61.746	1.025	591
Investments in Property	249	256	249	256
Intangible assets	7.078	7.290	4	5
Other non current assets	5.887	6.645	35.807	35.970
Inventories	31.849	45.217	29.102	43.432
Trade receivables	51.620	35.089	36.556	25.132
Other current assets	4.265	5.475	1.944	3.242
<b>TOTAL ASSETS</b>	<b>159.584</b>	<b>161.718</b>	<b>104.687</b>	<b>108.628</b>
<b>NET EQUITY AND LIABILITIES</b>				
Share Capital	15.840	15.840	15.840	15.840
Other elements of net equity	2.903	1.269	16.660	14.447
<b>Total equity attributable to the owners of parent company (a)</b>	<b>18.743</b>	<b>17.109</b>	<b>32.500</b>	<b>30.287</b>
Minority interests (b)	19.431	18.480	---	---
<b>Total equity (c) = (a) + (b)</b>	<b>38.174</b>	<b>35.589</b>	<b>32.500</b>	<b>30.287</b>
Long term borrowings	15.299	16.939	---	---
Provisions / Other long-term liabilities	23.862	24.015	553	567
Short term borrowings	58.914	61.803	56.674	57.995
Other short term liabilities	23.335	23.372	14.960	19.779
<b>Total liabilities (d)</b>	<b>121.410</b>	<b>126.129</b>	<b>72.187</b>	<b>78.341</b>
<b>TOTAL NET EQUITY AND LIABILITIES (e) = (c) + (d)</b>	<b>159.584</b>	<b>161.718</b>	<b>104.687</b>	<b>108.628</b>

**CONDENSED STATEMENT OF CHANGES IN NET EQUITY**  
*(consolidated and not consolidated) mounts in € thousands*

	GROUP		COMPANY	
	30/9/2015	30/9/2014	30/9/2015	30/9/2014
<b>Equity balance at the beginning of the period (1/1/2015 and 1/1/2014 respectively)</b>	<b>35.589</b>	<b>49.370</b>	<b>30.287</b>	<b>41.771</b>
Total comprehensive income after taxes	1.713	(4.124)	2.213	(2.144)
Dividend distribution	---	(10.560)	---	(10.560)
Minority interest increase/(decrease)	872	338	---	---
<b>Equity at the end of the period (30/9/2015 and 30/9/2014 respectively)</b>	<b>38.174</b>	<b>35.024</b>	<b>32.500</b>	<b>29.067</b>

**CONDENSED CASH FLOW STATEMENT**  
*(consolidated and not consolidated) mounts in € thousands*

	GROUP		COMPANY	
	1/1-30/9/2015	1/1-30/9/2014	1/1-30/9/2015	1/1-30/9/2014
<b>Indirect method</b>				
<b>Operating Activities</b>				
Earnings / (losses) before taxes	3.148	(4.920)	2.792	(2.686)
Add / (less) adjustments for:				
Depreciation and amortization	2.706	2.670	97	83
Provisions	2.296	472	2.090	323
Exchange rate differences	(458)	766	(458)	766
Result of investment activity	523	(343)	539	(308)
Interest and similar expenses	4.128	4.107	3.206	3.293
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	13.246	(14.371)	14.208	(12.602)
Increase / (decrease) in receivables	(18.736)	(594)	(13.287)	(5.977)
(Decrease) / increase in liabilities (other than banks)	1.209	19.248	(3.437)	20.174
Less:				
Interest and similar expenses paid	(4.860)	(3.818)	(4.078)	(3.091)
Taxes paid	(1)	(1.097)	---	(901)
<b>Total inflow / (outflow) from operating activities (a)</b>	<b>3.201</b>	<b>2.120</b>	<b>1.672</b>	<b>(926)</b>
<b>Investing Activities</b>				
Acquisition of subsidiaries and other investments	---	(1.675)	(1.066)	(2.220)
Proceeds from the sale of securities	---	1.920	---	1.920
Purchase of tangible and intangible assets	(709)	(343)	(523)	(213)
Interest income	60	263	45	229
<b>Total inflow / (outflow) from investing activities (b)</b>	<b>(649)</b>	<b>165</b>	<b>(1.544)</b>	<b>(284)</b>
<b>Financing Activities</b>				
Proceeds from capital increase	872	---	---	---
Borrowings from banks	---	65.000	---	65.000
Payments of borrowings	(4.678)	(63.487)	(1.470)	(60.675)
Dividends paid	---	(10.534)	---	(10.534)
<b>Total inflow / (outflow) from financing activities (c)</b>	<b>(3.806)</b>	<b>(9.021)</b>	<b>(1.470)</b>	<b>(6.209)</b>
<b>Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)</b>	<b>(1.254)</b>	<b>(6.736)</b>	<b>(1.342)</b>	<b>(7.419)</b>
Exchange rate differences	44	93	44	93
<b>Cash and cash equivalents at beginning of the year</b>	<b>5.475</b>	<b>12.144</b>	<b>3.242</b>	<b>10.711</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4.265</b>	<b>5.501</b>	<b>1.944</b>	<b>3.385</b>

**CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME**  
*(consolidated and not consolidated) mounts in € thousands*

	GROUP				COMPANY			
	1/1-30/9/2015	1/1-30/9/2014	1/1-30/9/2015	1/1-30/9/2014	1/1-30/9/2015	1/1-30/9/2014	1/1-30/9/2015	1/1-30/9/2014
Turnover	76.203	54.832	29.442	13.399	69.123	52.166	25.947	10.170
Gross profit	21.611	11.082	7.754	1.776	16.993	11.348	6.300	1.418
Earnings before taxes, financing and investing activities	7.609	(1.246)	3.209	(2.666)	6.346	209	3.392	(2.589)
Earnings / (losses) before taxes	3.149	(4.920)	2.456	(3.961)	2.793	(2.686)	2.465	(3.646)
Earnings / (losses) after taxes (A)	1.891	(4.029)	1.962	(2.900)	2.213	(2.040)	2.187	(2.716)
<b>Attributable to:</b>								
Equity holders of the parent company	1.732	(3.169)	2.019	(2.659)	---	---	---	---
Minority interest	159	(860)	(57)	(241)	---	---	---	---
<b>Other comprehensive income after tax (B) (178)</b>	<b>(95)</b>	<b>(182)</b>	<b>52</b>	<b>---</b>				
<b>Total comprehensive income after tax (A) + (B)</b>	<b>1.713</b>	<b>(4.124)</b>	<b>1.780</b>	<b>(2.848)</b>	<b>2.213</b>	<b>(2.144)</b>	<b>2.187</b>	<b>(2.665)</b>
<b>Attributable to:</b>								
Equity holders of the parent company	1.634	(3.268)	1.919	(2.607)	---	---	---	---
Minority interest	79	(856)	(139)	(241)	---	---	---	---
<b>Earnings per share - basic (in Euro)</b>	<b>0,0328</b>	<b>(0,0600)</b>	<b>0,0382</b>	<b>(0,0504)</b>	<b>0,0419</b>	<b>(0,0386)</b>	<b>0,0414</b>	<b>(0,0514)</b>
Earnings before interest, depreciation, amortization and taxes	10.315	1.424	4.107	(1.777)	6.443	292	3.428	(2.567)

**ADDITIONAL DATA AND INFORMATION**

- The Group companies which are included in the consolidated financial statements are presented in note (1) of the interim financial statements including their location, percentage of Group participation and consolidation method.
- There are no companies which are included in the consolidated financial statements of the period 1/1-30/9/2015 and which are being consolidated for the first time. There are no companies which are not included in the consolidated financial statements of the period 1/1-30/9/2015 and which had been consolidated in the corresponding period of 2014. Also there are no companies which have not been included in the consolidated financial statements. The consolidation method is the same as that applied in the previous periods.
- "Other comprehensive income after tax" represents losses of € 178 thousands for the Group due to difference in exchange of foreign currency at the consolidation of Group Companies.
- There are no own shares which are held by the Company or by its subsidiaries for the period ending September 30, 2015.
- There are no litigations or arbitrations which have been finalized or which are in progress and would have a significant effect on the financial statements of the Group or the Company.
- The income tax returns of the companies of the Group have not been examined by the tax authorities and the possibility exists that additional taxes and penalties will be imposed upon examination. The Group and the Company have made provisions for additional taxes and penalties amounting to € 345 thousands and € 292 thousands respectively. The fiscal years which have not been audited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note (6) in the interim financials statements.
- The Group and the Company have not made "General provisions" on September 30, 2015.
- The number of employees as of September 30, 2015 was : Group 123 , Company 86 persons.  
September 30, 2014 was : Group 107 , Company 88 persons.
- The transactions and balances in € thousands for the period ending September 30, 2015 with related parties as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of goods and services	---	5.390
b) Purchases of goods and services	2.455	1.617
c) Receivables from related parties	621	5.765
d) Payables to related parties	2.800	3.353
e) Key management personnel compensations	1.359	943
f) Receivables from key management personnel	17	17
g) Payables to key management personnel	---	---

- There are no significant events subsequent to September 30, 2015 concerning the Group or the Company, that would require adjustment to or additional disclosure in the published financial statements in accordance with IAS 10 principles.

GLYFADA, ATTIKIS NOVEMBER 27, 2015

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCE DIRECTOR

ACCOUNTING CHIEF

GEORGIOS FIDAKIS  
ID No AK 723945

JOHN PANTOUSIS  
ID No Ε 168490

MIHALIS POULIS  
R.G. 016921

ATHANASIOS HARBIS  
R.G. 0002386

**KRONOS S.A.**