F.G. EUROPE S.A.

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

ANNUAL FINANCIAL REPORT

COMPANY AND CONSOLIDATED FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In accordance with
article 4 of L. 3556/2007

CONTENTS

DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS
(in accordance with article 4 par. 2g of L. 3556/2007)

Members of the Board of Directors, Mr. Georgios Fidakis, Chairman of the Board, Mr. Konstantinos Koutsoumbelis, Vice-President of the Board and Mr. Ioannis Pantousis, Managing Director, under their aforementioned capacity as Members of the Board, declare that to their best knowledge:

- The annual Financial Statements Company and Consolidated for the period ended on December 31, 2009, which were prepared in accordance with the International Financial Reporting Standards, present in a truthful manner the figures pertaining to assets, liabilities, shareholders equity and financial results of the Company and the F.G. EUROPE S.A. Group and companies consolidated.

- The Board's of Directors Report on the annual Financial Statements Consolidated and Company for the period ended on December 31, 2010 presents in a truthful manner the development, performance and financial position of F.G. EUROPE S.A., and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Glyfada, March 15, 2011

Georgios Fidakis	John Pantousis	Andreas- Fotios Demenagas
Chairman of the Board of Directors	Managing Director	Member of the board of directors

F.G. EUROPE S.A.

SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC APPLIANCES

BOARD OF DIRECTORS ANNUAL REPORT

ON THE FISCAL YEAR PERIOD ENDED 31/12/2010

F.G. EUROPE S.A.

To the Shareholders of F.G. EUROPE S.A.,

The Company's Board of Directors hereby submits its Annual Report on the Fiscal Year period ended December 31st, 2010 prepared in accordance with provisions set forth in article 136, Law 2190/1920 and paragraph 7, article 4, Law 3556/2007.

The Report at hand provides information on the financial results, current financial status and any changes thereto, recent developments, and overall product of the Company and the Group during the fiscal year period from January 1st, 2010 until December 31st, 2010.
Reference is also made to any significant events that took place during fiscal year period of 2010 and in any way affecting the Annual Financial Statements Company and Consolidated, to any significant risks that may arise for the Company and the Group, and to any transactions that took place between the Company and any related parties in accordance with IAS 24.

Companies of the **F.G. EUROPE Group**:

F.G. EUROPE S.A.: Parent Company of the Group. Listed on Athens Stock Exchange since 1968. Active in the Durable Consumer Goods market (importing and acting as wholesaler of Air-conditioning Units of all types, both for residential and professional use, White Electrical Home Appliances, and Consumer Electronics), and Mobile Telephony products market.
F.G. EUROPE is a longtime wholesaler and distributor of durable consumer goods as the exclusive trusted partner of two of the largest manufacturers, Fujitsu and Sharp. Meanwhile, F.G. EUROPE carries its own line of white electrical home appliances under its own brand name, ESKIMO.
F.G. EUROPE is active in 10 countries in total (Greece and Southeastern Europe) as the exclusive distributor of Fujitsu General Ltd products (mainly air-conditioners).

FIDAKIS LOGISTICS S.A.: Wholly owned subsidiary of F.G. EUROPE S.A. F.G. LOGISTICS is active in the field of logistics services, managing and controlling on behalf of F.G. EUROPE 25,000 m^2 of warehouses in Aspropyrgos, Attica and Glyfada, Athens.

FIDAKIS SERVICE S.A.: Wholly owned subsidiary of F.G. EUROPE S.A. FIDAKIS SERVICE S.A. renders pre & after sales services. FIDAKIS SERVICE is responsible for the service of the air-conditioning units that F.G. EUROPE trades in the Greek market, while also the company undertakes planning, installation and service of central air-conditioning units.

R.F. ENERGY S.A.: Subsidiary to F.G. EUROPE S.A. The Company currently owns a 37.5% stake. Restis Family owns a 50% share, and MAKMORAL TRADING LIMITED (a company owned by Mr. Georgios Fidakis) owns a 12.5% share. R.F. ENERGY is a holding company, and its business scope is development and management and ownership of energy production projects, focused on Renewable Energy Sources.

R.F. ENERGY S.A., through its 100% subsidiary KALLISTI ENERGIAKI S.A. owns and controls a Wind Farm of the company in Tsouka, Arkadia. The Wind Farm is of 15MW of installed power and consists of five Vestas 3MW wind turbines.

Construction of a 10MW Wind Farm owned by the wholly owned subsidiary AIOLIKI KYLINDRIAS S.A. in Kylindria, Kilkis was completed in April 2009. During fiscal 2010, the subsidiary company AIOLIKI KYLINDRIAS S.A. filed three applications for production license from biomass with total capacity of 7,06 MW and expects the approval by the competent authorities.

Construction of a 1.015 MW Small-scale Hydro Power Plant in Kerynitis river, Achaia, was completed, and operation commenced, thus increasing the total installed capacity of hydro power plants owned by the company to 3.615 MW.

R.F. ENERGY, through its subsidiaries, has applied for production licenses for projects of 70 MW of total planned capacity. In May 2008 the company established 10 subsidiary companies (in which R.F. Energy owns 84%) for the purposes of developing 11 new Wind Farms in South Evia, of a total of 387 MW. The companies have applied for production licenses to the competent authorities. Nevertheless in 2009 production licenses were granted by the competent authorities to third (unrelated) companies. Said licenses pertain to development of wind parks on sites that overlap, to a greater or lesser extent, with the locations where R.F. ENERGY's subsidiaries are planning to develop the abovementioned wind parks. Therefore in December 2009 R.F. ENERGY's subsidiaries filed an appeal to the Hellenic Supreme Administrative Court (Council of State) against the aforementioned recently granted licenses on the grounds of lawful interest, due to the overlapping of site locations, material breach of provisions of Greek Law and material violation of law. The companies' attorney on the case, estimates that there are many chances for positive outcome of the case. 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.

Shareholders of R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFYROS S.A., convened in an Extraordinary General Assembly on May 31, 2010, decided the solution of these companies and their selling off. These companies intended, by proposed acquisition, to take over the management and operation of two operating wind farms with installed capacity of 18 and 24 MW respectively in Arkadia Prefecture and for this purpose, they had proceeded on July 2009 to an increase in their equity, totally, by € 13.28 billions. The proposed acquisition failed because there was a breach of agreement on behalf of the sellers. The parent company R.F. ENERGY S.A. has lodged an application for the above case, claiming compensation for the costs incurred.

On December 12, 2010, the company – implementing an existing preliminary agreement- signed an agreement regarding the acquisition of nominal shares of the company AIOLIKI ADERES S.A., which holds three installation licenses of wind farms with total capacity of 33 MW in the Municipality of Ermioni, Argolida Prefecture.

A. Recent Developments – Changes to the Financial Figures of the Company and the Group

During the fiscal year 2010, the management of F.G. EUROPE S.A having in time diagnoses the deterioration of situation in the internal market because the crisis, gave particular gravity in the exports. This practice had as result the significant increase of exports. The exports in 2010 represents percentage of 66,43% of sales of air conditioning and the 60,19% of total sales of Company, against percentages 39,84% and 34,00% on the corresponding sales 2009.

The above-mentioned increase of exports covered to a large extend the reduction of sales in the internal market, with result the sales 2010 are presented decreased against the corresponding sales 2009 at percentage 21,98%.

The above-mentioned decrease had as result to reduce the net earnings after tax for the Company to the amount of €3.96 m, against €8.41 m in the previous corresponding period of 2009.
Important were also in 2010 the extraordinary tax levy which was calculated on the profits of 2009 and amounted to €1,36 m.

Furthermore, the net earnings after tax, despite their decrease, are considered to be particularly important, given the grim market conditions and general financial market adversity.

The decrease in sales of mobile telephony products had as result the sales of durable consumer goods to represent 99,7% of total sales of the parent company of the Group, against 96% in the previous corresponding period of 2009.

Total liabilities were reduced by 20.80% and on December 31, 2010 were €63.29 m against €79.90 m on December 31, 2009.
This decrease of total liabilities shaped the Debt/Equity ratio to 2.0 (as at December 31, 2010) against 2.2 (as at December 31, 2009).

More specifically, at parent company level:

Total revenue from sales rose in 2010 to € 91.45m against € 117.22m in 2009, posting a marginal decrease of 21.98%. Said decrease can be attributed, mainly to the important at 52,95% decrease of sales in the local market which was compensated partly by the at 38,12% increase of exports and secondly to the decrease in sales of mobile telephony products, (and which came in accordance with the Company's policy of gradual withdrawal from the market of mobile telephony) which for the fiscal year 2010 amounted to € 0.28m against to € 4.38m in 2009

Revenue from sales of durable consumer goods rose in 2010 to € 91.96m against € 112.84 in the previous corresponding period of 2009, decreased by 19.21%.

Sales of air-conditioners rose in 2010 to € 82.86m against € 100.03m in the previous corresponding period of 2009, posting a decrease of 17.16%. Sales of air-conditioners in the Greek market amounted to € 27.82m compared to those in the previous corresponding period of 2009 amounted to € 60.18m, posting a decrease of 53.77%. Exports of air-conditioners in 2010 amounted to € 55.04m against € 39.85m in the previous corresponding period of 2010, posting an important increase of 38.12%.

Sales of ESKIMO and SHARP white electrical home appliances in 2010 amounted to € 3.31m against € 6.05m in 2009, decreased by 45.29%. The important reduction in the sales of white appliances, apart from the financial crisis in the local market, is owed in the suppression of in 2010 important part of range of products ESKIMO, because the drawn upgrade and enrichment of range of ESKIMO with products of high specifications, via the new collaborations that examines the Company.

Sales of SHARP Consumer Electronics with the other products comparatively, were not affected a lot by the crisis, amounting in 2010 in € 4.98 m, decreased against the corresponding period of 2009 by 26.30%.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA), for the fiscal year 2010 amounted to € 8.58m against € 15.82m in 2009, decreased by 45.78%. As a result EBITDA margin was 9.38% compared to 13.50% for the relevant period of 2009.

Net profit before taxes posted a decrease of 46.92%, amounting to € 7.06m for the fiscal year 2010 compared to € 13.31m in 2009.

Cash inflows from operating activities decreased, amounting to € 30.61m as at 31/12/2010 against inflows amounting to € 34.98m during the previous corresponding period of 2009 due to the reduction of receivables by € 29.43, the said reduction of the total sales and the decrease of the credit period of the Company's customers.

Consolidated Group figures:

Total Group revenue in fiscal 2010 amounted to € 96.37m in 2010, as opposed to € 121.84m in the previous corresponding period of 2010, decreased by 20.90% mainly attributed to the said decrease in sales of the parent company in the local market.
The revenue in the energy sector amounted to € 4.79m in 2010, against € 4.30m in the previous corresponding period of 2009, increased by 11.52% mainly attributed to the fact that in 2010 there was not change in the productive potential of affiliated companies of Group. During the year 2011 the productive potential is expected to be increased, due to the place in operation of 33 MW from the affiliated company of Group AEOLIC ADERES S.A.

Gross Profit reduced in 2010 to € 26.98m against € 36.84m of the corresponding period in 2009, presenting a decrease equal to 26.76% mainly attributed to the sales' reduction of durable consumer goods by the parent company in the local market. Consequently gross profit margin reached in fiscal year 2010 to 28.00%, against 30.24% in 2009.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) dropped in to 2010 to € 10.62m against € 17.35m received for the relevant period of 2009, posting a decrease of 38.77% mainly attributed to the sales' reduction by parental company. Operating profit margin ratio, accounted to 11.02% against 14.24% for the corresponding period of 2009, decreased by -3.22 base points.

Administrative, distribution and other expenses amounted to € 18.85m against € 22.93m in the corresponding period of 2009, posting a decrease of 17.80%, mainly attributed to the sales' reduction of durable consumer goods by parental company. The General Expenses/ Sales ratio in 2010, accounted to 19.56% against 18.82% for the corresponding period of 2009, decreased.

Net financial expenses increased by 15.52% amounted to € 2.23m in 2010 against € 1.93m in 2009. Said increase noted in net financial expenses, attributed firstly to the decrease of the financial income (amounted to € 0.97m in 2010 against € 1.67m in 2009) as result of the Group's cash decrease and secondly to the increased of differences in exchange which charged to the Parent company's for the amount of € 0.36m instead of the credit differences in exchange in 2009 which amounted to € 0.99m. The financial expenses decreased in 2010 to € 2.85m against € 4.60m in the corresponding period of 2009 as result of the Group's sort and long terms loan decrease, which in 2010 amounted to € 81.94m against € 64.46m in the corresponding period of 2009.

Total debt dropped to € 100.56m as at 31/12/2010 from € 130.56m at 31/12/2009, posting a decrease of 22.98%. Said decrease of the total debt is actually due to the said by 20.80% decrease of Parental's company debt.

Net profit before taxes amounted in 2010 to € 6.80m reduced from the level of € 12.76m of the corresponding period in 2009, posting a decrease equal to 46.73% and having a negative effect on EBT/SALES ratio as it is decreased to 7.05% from 10.47% respectively.

Net Profit after taxes and Minority Interests dropped to € 3.53m as at 31/12/2010 against € 8.37m as at 31/12/2009, presenting a decrease of 57.83%.

Other Financial Ratios:

• Current Ratio for the Company in FY 2010:	3.11	(In FY 2009 was 3.14)
• Current Ratio for the Group in FY 2010:	3.63	(In FY 2009 was 2.49)
• Quick Ratio for the Company in FY 2010:	1.74	(In FY 2009 was 1.95)
• Quick Ratio for the Group in FY 2010:	2.45	(In FY 2009 was 1.86)
• Inventory Turnover Ratio for the Company in FY 2010 (in days):	185	(In FY 2009 was 163)
• Inventory Turnover Ratio for the Group in FY 2010 (in days):	176	(In FY 2009 was 158)
• Return on Equity Ratio for the Company in FY 2010:	12.53%	(In FY 2009 was 23.60%)
• Return on Equity Ratio for the Group in FY 2010:	6.91%	(In FY 2009 was 14.42%)
• EBITDA Ratio in for the Company in FY 2010:	27.15%	(In FY 2009 was 44.42%)
• EBITDA Ratio in for the Group in FY 2010:	20.71%	(In FY 2009 was 31.13%)

B. Other Significant Events

Based on the decision of January 4, 2011 of the General Assembly of Shareholders of the Company AEOLIC ADERES S.A.. the equity of the company was increased by € 9.930m (share capital increase € 993m and share premium € 8.937m.

In early 2011, the company acquired the remaining percentage (16%) of ten subsidiaries operating in the energy sector in Evoia Prefecture and, now, owns 100% of the shares.

- R.F. ENERGY S.A. MISOHORIA S.A.
- R.F. ENERGY S.A. OMALIES S.A.
- R.F. ENERGY S.A. KORAKOVRAHOS S.A.
- R.F. ENERGY S.A. DEXAMENES S.A.
- R.F. ENERGY S.A. LAKOMA S.A.
- R.F. ENERGY S.A. TSOUKKA S.A.
- R.F. ENERGY S.A. PRARO S.A.
- R.F. ENERGY S.A XESPORTES S.A.
- R.F. ENERGY S.A. SHIZALI S.A.
- R.F. ENERGY S.A. KALAMAKI S.A.

No significant events occurred after December 31st, 2010 concerning the Company or the Group that could affect the Company in any material respect and should have been disclosed.

C. Risk Factors

Financial Risk Management

Financial risk factors: The Group's operations entail exposure to various financial risks (including foreign exchange risk, interest rates risk, cash flow risk and price risk credit risk and liquidity risk). The Group's risk management policy is focused in the unpredictability of the financial markets targeting the minimization of the factors that can negatively affect the financial performance of the Group. The Group uses in certain cases financial derivative products in order to hedge its exposure to certain risks.

The risk management is conducted by the Company's financial management department in accordance with the policy authorized by the Company's Board of Directors. The financial management department detects, evaluates and hedges financial risks in close cooperation with the Group's other departments. The Board of Directors provides guidelines for the risk management in general and specifically covering such areas of risk as foreign exchange risk, interest rate risk, credit risk, the use of derivatives and non financial instruments as well as the investment of additional liquidity.

Market risks

Foreign exchange risk: The Group operates internationally and as a result, it is exposed to foreign exchange risks arising from commercial operations in foreign currencies (USD and JPY) with customers and suppliers using currencies other than the Euro. In order to minimize risks the Group on occasion hedges its exposure to foreign currency risk through derivative contracts but does not use hedging accounting.

Price volatility risk: The Group is exposed to price volatility risks resulting from investment in shares of listed companies, which for the purposes of preparing the Financial Statements are recognized as available for sales assets. In order to hedge this risk the Group diversifies its stock portfolio. Such diversification in the Group's portfolio is authorized by the Company's Board of Directors.

Cash flow and interest rate risks: The Group is exposed to cash flow risk that may arise: a) through the volatility noted in variable interest rates which may cause positive or negative variations in cash inflows and/or outflows of assets and/or liabilities connected with these variable interest rates, b) through the increase in receivables which may be caused due to extension in the time when receivables are due, as suggested current market conditions, or c) through the increase of reserves, due to failure to realize expected sales growth.
Interest rate risk results mainly from short and long term borrowing in Euro and in variable interest rates. The Group assesses its exposure to interest rate variation on a constant basis taking under examination any chance of refinancing of its existing obligations under different conditions and terms. On this basis the Group assesses any potential influence to its financial result arising out of contingent variations in interest rates pertaining to mid term and long term financing facilities.
According to the Bond Loan Term Sheet under which the Company entered the bond loan agreement, in case of a set back in financial figures of the Company and failure to comply with the terms, the current spread of interest rates of 1.30%, may respectively rise up to 1.6%, thus accordingly having an effect on the cost of the debt financing. In the opposite case of further improvement of the Company's financial rates spread rates would further decrease to 0.9%.

Credit risk: Credit risk is hedged at Group level. Such credit risk mainly arises out of from the existence of potentially doubtful receivables. For credit risk management purposes the Group has policies in place in order to continuously assess clients' credibility taking into consideration the client's financial standing, previous transactions with the client, the client's credit history. Such factors and other are monitored on a steady basis and cannot be exceeding predefined levels for any individual client. Sales to individuals are conducted in cash. During the FY 2008 no excess in credit levels was noted and the Group does not expect any substantial potential losses which come as a result of inability to liquidate receivables. Moreover, part of the receivables arising from the international operations is secured through credit insurance and part of receivables in the mobile telephony business is covered through bank guarantees.

Liquidity risk: Liquidity risk management ensures sufficient cash and cash equivalents and secured credit ability through existing financing. The Group monitors and controls cash on a daily basis, taking into consideration expected cash flows.

Seasonality in sales of air-conditioners: Over the last years sales of air-conditioners showed signs of a seasonal trend mainly increasing during the summer period, and cooling off during winter. This resulted to concerns with regard to a) satisfying increased demand within a short period, which could potentially put sales in risk, b) sustaining added expenses due to maintaining of large stock to satisfy demand, as well as c) potential risks from doubtful debts due to the high number of credit openings in a relatively short period of time.
However over the last couple of years this seasonal trend seems to steadily decrease, and demand seems to spread more evenly throughout the year, nonetheless a relatively high demand sustained during summer months, and especially at times of extreme climate conditions, such as heat waves. This fact contributes towards higher quality client services and mitigation of the abovementioned risks.

D. Future Outlook

Despite the crisis in the local market, the excellent opportunities of extension the Company's export activities, will maintain its profitability in satisfactory levels. In combination with the progress noted at the recent years in the financial results of the Company and the Group, constitute the basis for the Board of Directors' moderately optimistic with regard to fiscal year 2011

The exports representing henceforth the largest proportion of total sales of parent Company are expected to lead and the current year, according to the sales up the present time. The company having sufficient stock of goods can afford to cover any increased demand due to extreme weather conditions in the countries of its focus or anywhere else.

Also, the careful and organized extension of the Company in the local market is always the target of the Management, in order to avoid the existing dangers that are consequence of the financial crisis which have affected the local market and particularly the branch of electric domestic appliances. The Company's strategic goals are also to preserve its leading position in the Greek air-conditioners market. At the same time, it hopes to boost the sales of the ESKIMO white appliances through the upgrade and enrichment of the range of products. The sales of the SHARP products and especially those of LCD tvs, due to new technologies (four colouring, 3D televisions, etc.) do not appear to be notably affected by the financial crisis up to now.

Particular focus is paid to planning a proper structure of capital, which, in conjuncture with adequate liquidity, will allow companies of the Group to overcome with minimum loss these turbulent financial times.

Taking into thorough consideration the effects of the financial crisis to the market and the consequent corporate financing difficulties, the Management has fully re-evaluated and planned its corporate policy, in a constant effort to secure the company against any potential financial threats.

Significant developments are expected in the current year concerning the licensing in the sector of energy. This fact is expected to affect significantly the Group's revenues from the energy sector through the RF ENERGY and its subsidiaries, due to the rapid rate of implementation of the investments.

E. Related Party Transactions

According to IAS 24, related parties are subsidiary companies, affiliate companies and 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.

Company sales to related parties primarily concern sales of products and merchandise. Services rendered to the Company primarily concern storage services (logistics etc.) as well as after sales services.
Intercompany transactions take place in accordance with Law 3728/18-12-2008, and under such conditions and terms which do not materially differ from relevant conditions and terms in agreements between the Company and third parties.
Compensation of the members of the Board of Directors concern paid Board's of Directors compensation to Non-executive Independent members. The compensation of Directors concerns compensation of regular payment according to employment contracts.

Significant transactions which occurred within fiscal year period of 2009 between the company and related parties are presented below, in accordance with provisions of IAS 24, pertaining to amounts over €10 thousand:

FG EUROPE S.A. sold mechanical parts to FIDAKIS SERVICE S.A. amounting to €108 thousands (€110 thousands in 2009). This amount has been fully disbursed from FIDAKIS SERVICE S.A. to F.G EUROPE.
FG EUROPE S.A. was charged by FIDAKIS SERVICES S.A. with the amount of €465 thousands in 2010 (€981 thousands in 2009), concerning the guarantee and service of air conditioners which FG EUROPE S.A sells in Greek Market. From the above sales F.G EUROPE S.A owes to FIDAKIS SERVICE S.A the amount of €13 thousands.
FIDAKIS LOGISTICS S.A. invoiced F.G EUROPE the amount of €3.379 thousands, according to their agreement for providing logistics services in 2010. In FY 2009 this amount was €3.103 thousands.
The amount of €353 thousands, included under "receivables" in the balance sheet, from FIDAKIS LOGISTICS, concerns the payment in advance from FG EUROPE as guarantee, in accordance with an intercompany agreement.
FG EUROPE S.A. charged its subsidiary company R.F. ENERGY S.A. for provided services with the amount of €22 thousands.
CYBERONICA S.A.'s income from leasing offices and storing facilities rose to €2.986 thousands in 2010 (€2.865 in 2009). From that amount the contribution of FG EUROPE S.A. was €667 thousands and the rest was paid from the other firms of the Group (€ 588 thousands in 2009). The biggest share was paid by FIDAKIS LOGISTICS S.A. as it leases storage facilities of 25,000 m^2 in Aspropyrgos.
Group companies have paid as leasing guarantees to CYBERONICA S.A. the amount of € 501 thousands in 2010 (€486 thousands in 2009). The amount paid as guarantee from FG EUROPE S.A. is € 114 thousands (€ 99 thousands in 2009).

F. Own Shares

As at December 31st 2010, FG EUROPE S.A. does not own any of its shares.

G. Information in accordance with article 4, par. 7 Law 3556/2007

a. Share Capital

Share capital amounts to Euro 15,840,046.20 and is divided into 52,800,154 common registered shares, with par value of Euro 0.30 each. Company's shares are listed in ASE (in Big Capitalization category). Each share provides the right for a single vote. Each shareholder's liability is limited to the total nominal value of owned shares.

b. Limitations pertaining to transfer of Company's shares.

Transfer of Company's shares may only take place in accordance with the relevant provisions of Greek Law and no further limitations are imposed in the Company's Articles of Association.

c. Direct or indirect interest in the Company's share capital, having the same meaning as articles 9, 10 and 11, Law 3556/2007
As at December 31st, 2010 shareholders named below owned a percentage larger than 5% of the total Company's votes:

- Georgios Fidakis direct interest of 44.92% and indirect interest of 12.20%. Total participation in the Company's share capital is 57.12%.
- SILANER INVESTMENTS LIMITED, direct interest 12.20%
- FIRST EUROPEAN RETAIL CORP. indirect interest of 10.99%.
- Vassiliki Valianatou, direct interest of 5.09%.

d. Premium Equity Shares.
No provisions are included in the Company's Articles of Association with regard to premium equity shares.

e. Limitations pertaining to voting rights
No special limitations pertaining to voting rights of shareholders exist in the Company's Articles of Association.

f. Shareholders agreements
Company is not under any such agreement and its Articles of Association include no provisions with regard to any agreement among shareholders which provide additional limitations concerning transfer of shares or voting rights.

g. Rules for selection or replacement of members in the Board of Directors and amendments to the Articles of Association, which are materially different from provisions under Codified Law 2190/20
Company's Articles of Association with regard to the election or replacement of members in the Board of Directors and amendments thereof do not materially differ from provisions set forth under C.L. 2190/20.

h. Power of the Board of Directors or certain members thereof for the issuance of new shares or the purchase of own company's shares, according to the article 6, C.L 2190/20
The Board of Directors is authorized, for a period of five years, to increase Company's Share Capital, at any time which the BoD deems appropriate, determining certain terms concerning the level of the equity increase, the number and the offer price of new shares. No other authorization to purchase company's own shares has been granted to the Board of Directors.

i. Significant agreements in force, amended or subject to termination in the event of any change in Management of the Company following a public offer.
No such agreements exist.

j. Significant agreements with members of Board of Directors or the Company's employees.
No such agreements exist between the Company and any member of the Board of Directors or its employees, which provide for any form of compensation especially in case of resignation or lay-outs without reasonable cause or ending of service or employment due to public offer.

H. Explanatory Report in accordance with article 4 par. 7 Law 3556/2007

Clarifications on information in chapter G above follow:

1. Shareholders General Assembly on 26/3/2008, authorized the Company's Board of Directors in accordance with provisions set forth under paragraph 1 (b), and 4 (a), article 13, Codified Law 2190/1920 to proceed within a five-year period to an increase of the Company's Share Capital at any time the BoD shall deem appropriate, and accordingly determining the terms referring to the level of the increase, the number and the offer price of new shares.

2. Said Shareholders General Assembly also resolved to cancel (annul) 1,780,220 own shares, representing 3.26% of the Company's total Share Capital which were acquired Shareholders General Assembly resolution dated 8/2/2005. Cancellation (annulment) of shares consequently reduced the Company's Share Capital by Euro 534,066. After the decrease, Company's Share Capital amounts to Euro 15,840,046.20, divided to 52,800,154 shares, with par value of Euro 0.30 each.
3. Shareholders General Assembly of April 14th, 2010 elected the Company's Board of Directors with a two-year term
4. The Company's Board of Directors convened on March 28, 2008 as follows:

Fidakis Georgios of Athanasios	Chairman of the Board
Koutsoumbelis Konstantinos of Stylianos	Vice-Chairman of the Board
Pantousis Ioannis of Dimitrios	Managing Director
Vlamis Georgios of Antonios	Executive Member
Demenagas Andreas – Fotios of Konstantinos	Executive Member
Lioukas Spyros of Konstantinos	Independent Non-executive Member
Katsoulakos Ioannis of Socrates	Independent Non-executive Member
Stroggylopoulos Georgios of Athanasios	Independent Non-executive Member
Pimblis Nicolaos of Evarestos	Independent Non-executive Member

5. Changes in participations of shareholders to the company in fiscal year 2009:
- Georgios Fidakis, direct participation changed from 49.27% to 44.92% and indirect participation changed from 5.81% to 12.20%. Total participation increased from 55.08% to 57.12% (change +2.04%).
- SILANER INVESTMENTS LIMITED, participation increased from 5.81% to 12.20% (change +6.39%)

I. Corporate Governance

F.G. EUROPE S.A. pays great significance and undertakes all necessary actions to secure the necessary levels of transparency for all its actions and internal procedures, aiming to further strengthening its credibility for the sake of its shareholders and the investment community in general.
The Company fully abides by and implements all provisions set forth by the statutory laws and legal framework. Corporate Governance practices implemented by the Board of Directors' relevant sub-committees, are a major factor towards achieving the Company's corporate mission, which is maximizing the value of the shareholders' equity.

J. Internal Code of Conduct

The Company operates under an internal code of conduct, which is updated and kept abreast of current events, in order to incorporate any issues arising pertaining to matters of corporate governance, as well as any changes in the organizational structure of the Company.

K. ISO 9001:2000 Certified

F.G. EUROPE S.A. implements the Quality Management System ISO 9001:2000 and is certified by the internationally recognizes Certification Organization, TÜV Austria.

The implementation of the Quality Management System, plays a pivotal role towards improving efficiency for the Company and its daily operations, and thus lays the ground for the optimal use of the Company's resources, as well as for the provision of excellent services for the Company's customers, partners and shareholders.

L. Corporate Social Responsibility

F.G. EUROPE S.A. is especially sensitive to matters of environmental awareness and protection, responsibility towards its employees and contribution to society as a whole. Respect for the environment, promoting renewable energy sources, taking part in recycling initiatives and implementing recycling policies, all are guidelines incorporated in FG Europe's strategy.

M. Dividend Policy

In accordance with relevant provisions of Greek Law, it is required that the Company must distribute a minimum of 35% of its net profit after tax and deductions for accounting reserve as dividend to its shareholders. Nevertheless, the Law provides that this obligation can be waived by a General Assembly of Shareholders resolution, in which a majority of at least 70% of shareholders are represented and vote.

Board of Directors, having taking into consideration the adversity of current market conditions, and with a view to strengthening the Company's financial position, intents to put forward to the General Assembly of Shareholders a motion for non distribution of dividends to the shareholders against fiscal year 2010 profits.

All information mentioned hereto with regard to the financial standing of the Company and the Group is truthful and accurate and can be evidenced in the Annual Financial Statements for the period ended December 31st, 2010.

N. Statement of Corporate Governance according to Law 3873/2010

F.G. Europe S.A. is committed to maintain high standards of corporate governance. Under the principles of Corporate Governance, the Company has applied the principles laid down by the Corporate Governance Code (CGC) established by the Hellenic Federation of Enterprises (SEV). This corporate governance statement sets out the way the Company applies the Code and provides explanations for any failure to comply with the provisions of this during the year 2010.
The Code can be found at the following internet address:
http://www.sev.org.gr/Uploads/pdf/KED_TELIKO_JAN2011.pdf

INTRODUCTION

The term "corporate governance" describes how companies are run and monitored. Corporate governance is structured as a system of relations between the Management of the Company, the Board of the Company, shareholders and other interested parties. It is the structure through which the company's objectives are approached and made, the means of achieving these objectives are identified and monitoring of the performance of the Management in the implementation process of the aforementioned is enabled.

Effective corporate governance plays an essential role in promoting business competitiveness, while promoting increased transparency has led to improved transparency in the whole economic activity of private enterprises and government organizations and institutions.

In Greece, the corporate governance framework has been developed mainly through the adoption of binding rules, such as the Law 3016/2002, as amended by the Article 26 of Law 3091/2002, which requires the participation of non-executive and independent members of the Board of Greek listed companies, the establishment and operation of internal control unit and the adoption of internal operating rule. In addition, many other acts incorporated in the Greek legal framework European company law directives, creating new rules, such as Law 3693/2008, which requires the establishment of audit committees and important caveats with regard to ownership and corporate governance, and Law 3884/2010, relating to rights of shareholders and additional corporate disclosure obligations to shareholders in preparation of the General Assembly. The recent Law 3873/2010 incorporated into the Greek Law the no. 2006/46/EC4 Directive of the European Union and serves as a reminder of the need for the Code and a "cornerstone". Finally, in Greece, like most other countries, the Law on societes anonymes, (Law 2190/1920, which has been amended by several provisions of the above EU-inspired laws), includes the basic rules of their governance.

1.Corporate Governance Code
Notification of voluntary compliance of the Company with the Corporate Governance Code
Our Company fully complies with the requirements and regulations relating to these laws and in particular c.l. 2190/1920, Law 3016/2002 and Law 3693/2008, which constitute the minimum content of any Corporate Governance Code. At the same time, complying fully with the requirements of the Law 3873/2010, it states that has adopted the only widely accepted until now Corporate Governance Code, developed by the Federation of Enterprises (SEV), as a Corporate Governance Code.

1.1.Deviations from the Corporate Governance Code and justification. Specific provisions of the Code that the Company does not apply and an explanation of non – implementation.
The Company confirms with this statement that it has faithfully and strictly implemented the provisions of Greek Law (c.l. 2190/1920, Law 3016/2002 and Law 3693/2008), which establish the minimum requirements to be met by any Corporate Governance Code applied by a company which shares are traded on a regulated market.

These minimum requirements are incorporated in this Corporate Governance Code which the Company is subject to, but this Code also contains a number of additional (relating to minimum requirements) specific practices and principles.

In connection with such additional practices and principles, there could be some deviations (including the case of non-application).

The general, by section, principles under the Code and the deviations with a brief analysis and explanation of the reasons justifying them, are presented below.

<u>SECTION A - The Board and its members</u>

<u>I.Role and responsibilities of the board</u>

- The Board should provide effective leadership and direct the company’s affairs in the interest of the company and all shareholders, ensuring that the management properly implements the company’s strategy. The Board should also ensure the fair and equitable treatment of all shareholders, including minority and foreign shareholders.

- In discharging its role, the Board should take into account the interests of key stakeholders such as employees, clients, creditors and the communities in which the company operates. The main, non-delegable, responsibilities of the Board should include:

- Approving the overall long-term strategy and operational goals of the company

- Approving annual budgets and business plans and deciding on major capital expenditures, acquisitions and divestitures

- Selecting and replacing, if necessary, the executive leadership of the company and overseeing planning

- Monitoring the performance of senior management and aligning executive remuneration with the longer term interests of the company and its shareholders

- Ensuring the integrity of the company's accounts, financial reporting systems and public disclosures, as well as the effectiveness of the systems of internal control and risk management
- Being alert to and adequately addressing actual and potential conflicts of interests between the company, on the one hand and its management, board members or major shareholders, on the other (including shareholders with a direct or indirect power to control the board's composition and behavior); to this end, the board should put a set of procedures in place for supervising transactions by all related persons (including transactions that must be submitted to the shareholders for approval) in order to ensure transparency and protect the company's interests

- Ensuring that there is a satisfactory process for monitoring the company's compliance with relevant laws and regulations

- Deciding on and monitoring the effectiveness of the company's governance processes including its system of decision- making and delegation of authorities and duties to other key executives, and

- Formulating, disseminating and implementing key values and principles of conduct governing the company's relations with its stakeholders

II. Size and composition of the Board

The size and composition of the Board should enable the effective fulfillment of its responsibilities and reflect the size, activity and ownership of a company. Board composition should be driven by the fair and equitable treatment of all shareholders and demonstrate a high level of integrity. Moreover, it should include a diversity of knowledge, qualifications and experience relevant to the business objectives of the company.

Under Article 23 of the Articles of Association, the Company is managed by the Board of Directors, which consists of a minimum of seven (7) and a maximum of nine (9) members.

The mandate of the Board in accordance with Article 24 of the Articles of Association of the Company is 2 years.

The composition of the Board of Directors that elected by the Annual General Assembly on 14/4/2010 is as follows:

1. Fidakis Georgios of Athanasios, Chairman of the Board
2. Koutsoumpelis Konstantinos of Stylianos, Vice-Chairman of the Board
3. Pantousis Ioannis of Dimitrios, Managing Director
4. Vlamis Georgios of Antonios, Executive Member
5. Demenagas Andreas- Fotios of Konstantinos, Executive Member
6. Stroggylopoulos Georgios of Athanasios, Independent Non-executive Member
7. Katsoulakos Ioannis of Socrates, Independent Non-executive Member
8. Lioukas Spyros of Konstantinos, Independent Non-executive Member
9. Pimblis Nicolaos of Evarestos, Independent Non-executive Member

The CVs of the members of the Board of Directors are posted on the Company's website at the address http://www.fgeurope.gr.

The Board shall meet whenever required by law, the Articles of Association or the needs of the Company, after invitation of the Chairman or that of his deputy either at the head office of the Company or any other Municipality within the prefecture where the head office are. The topics on the agenda must be indicated in the invitation, otherwise decision making may only be permitted if all members of the Board are present or represented and no one objects to this.

The Board may validly meet outside the office at another location, either in Greece or abroad, if all members of the Board are present or represented in this meeting and no one objects to holding the meeting and decision making. The Board may meet by teleconference. In this case, the invitation to members of the Board includes the necessary information for their participation in the teleconference. Meetings of the Board are chaired by the Chairmant or his legal substitute.

The Board of Directors of the Company, since the adoption of Law 3016/2002, consists of 9 members, but these are non-executive members in the majority. In particular, it consists of five (5) executive and four (4) independent non-executive members. Its composition has ensured its successful, efficient and productive operation, during last years.

The Board has established the following committees that are primarily staffed by Independent non-Executive directors:

1. Internal Control Committee: Stroggylopoulos Georgios (Responsible) and Lioukas Spyros

2. Audit Committee: Katsoulakos Ioannis (Responsible) and Stroggylopoulos Georgios, Lioukas Spyros

3. Remuneration, Benefits and Pension Plan Committee: Pantousis Ioannis (Responsible), Lioukas Spyros

4. Environmental Issues Committee: Lioukas Spyros (Responsible), Stroggylopoulos Georgios

5. Nomination Committee: Pantousis Ioannis (Responsible), Koutsoumbelis Konstantinos

6. Resolving Administrative Issues Committee: Pimblis Nicolaos (Responsible)

7. Competition, Transparency and Corporate Governance Committee: Lioukas Spyros (Responsible), Koutsoumbelis Konstantinos

Is should be noted that except the essential role played with their operation by the members of Audit Committee and Control Committee, other committees of the Board have worked few so far. Management's immediate priority is the full mobilization of the other committees of the Board.

III. Role and profile of the chairman of the Board

The Chairman should be responsible for leading the board, setting its agenda and ensuring that the work of the board is well organized and meetings conducted efficiently. The Chairman is also responsible for ensuring that board members receive accurate and timely information. The Chairman should ensure effective communication with all shareholders as well as the fair and equitable treatment of their interests.

The Board has not explicitly established the responsibilities of the Chairman in relation to those of the Managing Director, so that these be reflected in writing and notified to shareholders.

The Board does not appoint independent Vice- Chairman coming from its independent non-executive members, but executive Vice-Chairman, as the assistance of the Vice-Chairman on administrative matters of the Company and the exercise of Chairman's executive duties is evaluated as very substantial.

IV. Duties and conduct of board members

Each board member has a duty of loyalty to the company an all shareholders, including minority and foreign shareholders. Board members should act with integrity and in the best interest of the company, as well as protect the confidentiality of information that has not been disclosed to the public. They should not compete with the company and should avoid any position or activity which creates or appears to create a conflict between their personal interests and the interests of the company, including holding board or executive positions in competing companies without the approval of the general meeting of shareholders. Board members should contribute their expertise and devote to their duties the necessary time and attention. Board members should also limit the number of other professional commitments (in particular any directorships held in other companies) to the extent that allows for their satisfactory performance as board members. Finally, board members should endeavour to attend all meetings of the Board and the relevant committees.

The Board has not adopted as part of the Company's internal regulations, policies relating to management of conflicts of interest between its members and the Company, as well as the procedures, according to which, the members of the Board should promptly notify the Board any interests in corporate transactions or their conflicts of interests with the Company or its subsidiaries.

There is no obligation to provide detailed disclosure of any business commitments of members of the Board (including significant non-executive commitments to companies and non-profit institutions) prior to their appointment to the Board.

V. Nomination of board members

Nominations to the board should be made on merit using objective criteria. The board should ensure the orderly succession of board members and senior executives so as to ensure the long–term success of the company

The committee relating to proposal of candidates for the Board of Directors does not make a periodic assessment of the size and composition of the Board and not submit proposals for consideration on its profile.

VI. Functioning of the Board

The Board should meet sufficiently regularly to discharge its duties effectively. The Board should supplied by the management in a timely manner with information in a form and of a quality to enable it to discharge its responsibilities effectively.

There is no specific regulation for the operation of the Board, as the provisions of the Internal Operating Rules and the Articles of Association of the Company are assessed as adequate for the organization and operation of the Board.

There is no calendar of meetings and 12-month action plan adopted by the Board, which may be revised depending on the needs of the Company, since all members are residents of the Capital and therefore convergence of a meeting of the Board is quite easy whenever imposed by the needs of the company or the law, but not necessarily with a predetermined agenda.

There is no provision for support of the Board in the performance of work by skilled and experienced internal secretary, since the compliance of its members collectively and individually with the internal regulations, relevant laws and regulations, is guaranteed through the professional and scientific knowledge and experience of its members.

There is no provision for introductory information programs for new members of the Board and continuing professional development and training for the other members, since the proposed for election as members of the Board persons have experience, scientific training and organizational – administrative capacity.

There is no provision for providing resources to the committees of the Board to fulfill their duties and to hire external consultants to the extent necessary, since necessary in these cases resources are approved by the Company's management, based on the needs of the Company.

VII. Board evaluation

The Board should undertake a regular evaluation of its own performance and that of its committees.

No grievance procedure for evaluating the effectiveness of the Board and its committees has been established.

No procedure for evaluating the performance of the Chairman of the Board which is headed by the independent Vice-Chairman or other independent non-executive member of the Board has been established, due to the absence of an independent Vice-Chairman. This procedure is not considered necessary on the basis of the current organizational structure of the Company.

SECTION B – Internal Control

Internal Control – Audit Committee

The Board should present a balanced and clear assessment of the company's position and prospects and ensure the integrity of financial statements and disclosures to shareholders and to the public.

The Board should maintain a sound system of internal control to safeguard shareholders' investment and the company's assets, and ensure that significant risks are identified and adequately managed. The Board should regularly review the corporate strategy, the main risks to the business, and the effectiveness of the systems of internal control in managing these risks. The review should cover all material controls, including financial, operational and compliance controls, as well as the risk management systems. The Board, through its audit committee (where applicable) should also develop a direct and ongoing relationship with and receive regular reports from the company's auditors in respect of the effective functioning of the control system.

Internal Control System and Risk Management

Main features of the internal control system:

The Company's internal audit is conducted by the Head of the Internal Audit and in accordance with the audit plan set by the Audit Committee.

It is noted that the audit, according to which the respective Report is issued, is conducted within the current framework. During his exercise of control, the Head of Internal Audit takes note of all necessary books, documents, records, bank accounts and portfolios of the Company, with the continuing cooperation of the Management in order to be provided with all information and data necessary for the smooth implementation of planned and emergency audits and preparation of reports provided with the utmost accuracy in the information and conclusions contained therein. The audit does not include any assessment of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management as well, since these are subject to review by the statutory auditor of the Company.

The purpose of the audit is to assess the overall level and operating procedures of internal control system. In each test period, some areas – control fields are selected, while the operation of the Shareholder Services Department and the Office of Corporate Communications is permanently monitored and reviewed.

The Company fully complying with the provisions and requirements of Law 3693/2008, elected at the Annual General Assembly held on 14/4/2010 the Audit Committee, consisting of three independent non-executive members of the Board.

The responsibilities and duties of the Audit Committee shall consist of:

a) Monitoring the process of financial reporting

b) Monitoring the effective operation of internal audit and risk management system, and monitoring the proper functioning of the internal audit department of the Company

c) Monitoring the statutory audit of individual and consolidated financial statements of the Company

d) Review and monitoring issues relating to the existence and maintenance of objectivity and independence of statutory auditors or audit firms, particularly regarding the provision of other services to the Company by the statutory auditor or audit firm.

Mission of the Audit Committee is to ensure the effectiveness and efficiency of corporate operations, testing the reliability of financial reporting to investors and the shareholders of the Company. Other missions are the compliance of the Company with the current legal and regulatory framework, the safeguard of the investments and assets of the Company and the identification and dealing with major risks.

It is clarified that the Regular Auditor of the Company, who conducts the audit of the annual and interim financial statements, does not provide other non-audit services to the Company or is associated with any other relationship with the Company, in order to ensure the objectivity, impartiality and independence.

The Audit Committee meets today once or twice a year. There is no specific operation rule of the audit committee, since the duties and responsibilities of that committee are adequately specified in the current provisions.

There are not specific resources for the Audit Committee for use to hire external consultants, since its composition, the specialized knowledge and experience of its members ensure its effective operation.

SECTION C – Remuneration

Level and structure of remuneration

The level and structure of remuneration should aim to attract, retain and motivate board members, executives and employees who will add value to the company with their skills, knowledge and experience. A company should avoid paying more than is necessary for this purpose. The Board should have a clear view as to how the company is paying its top talents.

No options are granted to executive directors, members of the Board and staff of the Company.

There is no provision in the contracts of the executive directors that the Board may recover all or part of the bonus awarded due to revised financial statements for previous years or inaccurate financial data used to calculate this bonus, as any rights for bonus mature only after the final approval and audit of financial statements.

No procedure for approval of the remuneration of the executive directors is followed, after proposal of the Remuneration Committee, without the presence of executive directors.

The Board has established a Remuneration Committee regarding the benefits of managers and pension plan, which is not consist exclusively of independent non-executive members of the Board and despite the fact that its objective is the fixing of remuneration of executive and non executive member of the Board, little has worked.

Therefore, there is no precise provision for the duties of this committee, the frequency of its meetings and other matters relating to its operation. With the full activation of the committee, the operating rules of the company, which will explain clearly the roles and responsibilities, will be posted on its website.

SECTION D – Relations with shareholders

I. Communication with shareholders
The Board should maintain a continuous and constructive dialogue with the company's shareholders, especially those who hold significant stakes and have a long-term perspective.

At the website of the company, there is no comprehensive publication of matters relating to information for investors about corporate governance.

II. The general meeting of shareholders
The Board should ensure that the preparation and conduct of the general meeting of shareholders allows for active and well-informed exercise of shareholders' ownership rights. The Board should ensure, within the framework set out by the company's statutes, that as many shareholders as possible, including minority, foreign and remotely residing, have the opportunity to participate in the general meeting of shareholders. The Board should use the general meeting of shareholders to facilitate genuine and open discussion with the company.

For issues relating to the convening of the General Assembly, the voting process and updating shareholders on the resolutions of the General Assembly, all the provisions of the Code of Corporate Governance are implemented on behalf of the Company.

1.3 Practices of corporate governance implemented by the company in addition to the provisions of the Law

The Company has not so far applied any other additional provisions except for those of the Law.

This Statement of Corporate Governance is an internal and special part of the annual Management Report of the Board of the Directors.

Those above mentioned about the financial condition of the Company and the Group can be noted from the financial statements of December 31, 2010.

Glyfada, March 15, 2011

Chairman of the
Board of Directors
Georgios Fidakis

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of FG Europe S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of FG Europe S.A., which comprise the statement of financial position as at December 31, 2010, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of FG Europe S.A. as at December 31, 2010, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

(a) The Directors' Report includes a statement of corporate governance which contains the information required by paragraph 3d article 43a of Codified Law 2190/1920.

(b) We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements and complete in the context of the requirements of articles 43a and 37 of Codified Law 2190/1290.

Athens, March 16, 2011

The Certified Auditor Accountant

Christodoulos Seferis
SOEL No. 23431

Ernst & Young (Hellas) S.A.
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ANNUAL FINANCIAL STATEMENTS
COMPANY AND CONSOLIDATED FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

CONTENTS

Statement of Comprehensive Income (Company and Consolidated)
For the Years ended December 31, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

		Consolidated		Company	
		For the Years Ended December 31,			
	Note	2010	2009	2010	2009
Sales………………………………......................	6	96.371	121.843	91.445	117.220
Less: Cost of sales………………………………	7	(69.387)	(84.999)	(66.146)	(81.948)
Gross profit		**26.984**	**36.844**	**25.299**	**35.272**
Other operating income…………………………	6	897	775	685	768
Distribution expenses…………………………....	7	(14.499)	(18.827)	(14.307)	(18.590)
Administrative expenses………………………..	7	(4.048)	(4.052)	(2.834)	(2.707)
Other operating expenses…………...................	7	(305)	(49)	(15)	(13)
Earnings before interests and taxes		**9.029**	**14.691**	**8.828**	**14.730**
Finance income………………………………….	7	985	2.665	573	1.964
Finance costs……………………………………	7	(3.218)	(4.598)	(2.338)	(3.387)
Earnings before taxes		**6.796**	**12.758**	**7.063**	**13.307**
Income tax expense………………....................	8	(3.254)	(4.719)	(3.105)	(4.898)
Net profit for the period		**3.542**	**8.039**	**3.958**	**8.409**
Attributable as follows:					
Equity holders of the Parent…………………….		3.531	8.366	-	-
Minority interest………………………………....		11	(327)	-	-
Net profit (after tax) attributable to the Group		**3.542**	**8.039**	**-**	**-**
Other Comprehensive Income					
Available for sale investments…………………..	1	(68)	(8)	(68)	(8)
Minority interests from sale of subsidiary within Group……………………………………………		-	-	-	-
Other Comprehensive Income after taxes		**(68)**	**(8)**	**(68)**	**(8)**
Total Comprehensive Income after taxes		**3.474**	**8.031**	**3.890**	**8.401**
Attributable as follows:					
Equity holders of the Parent…………………….		3.463	8.358	-	-
Minority interest………………………………....		11	(327)	-	-
Net profit (after tax) attributable to the Group		**3.474**	**8.031**	**-**	**-**
Earnings per share (expressed in Euros):					
Basic……………………………………………	9	0,0669	0,1585	0.0750	0,1593

Statement of Financial Position (Company and Consolidated)
As of December 31, 2010 and 2009

(All amounts in Euro thousands unless otherwise stated)

		Consolidated		Company	
ASSETS	Note	**December 31, 2010**	**December 31, 2009**	**December 31, 2010**	**December 31, 2009**
Non-current assets					
Property, plant and equipment……...........	10	35.046	37.026	345	409
Investments in real estate property………	10	325	326	325	326
Intangible assets………………………….	10	9.252	1.880	2	4
Investments in subsidiaries………………	1	-	-	16.781	16.481
Long term receivables…………………...		605	620	568	528
Deferred tax assets……………………….	21	1.606	1.533	618	624
Available for sale investments…………...	11	2.135	214	135	214
Total non-current assets		**48.969**	**41.599**	**18.774**	**18.586**
Current assets					
Inventories……………………………….	12	33.489	36.741	33.469	36.702
Trade receivables………………………...	13	33.743	62.279	15.051	45.163
Cash and cash equivalents………………	14	35.643	45.673	27.586	15.076
Total current assets		**102.875**	**144.693**	**76.106**	**96.941**
Total assets		**151.844**	**186.292**	**94.880**	**115.527**
SHAREHOLDERS' EQUITY & LIABILITIES					
SHAREHOLDERS' EQUITY					
Shareholders equity attributable to the equity holders of the parent company					
Share capital……………………………..	15	15.840	15.840	15.840	15.840
Share premium……………...……………	16	6.623	6.614	6.726	6.726
Reserves…………………...……………..	17	6.054	5.824	5.066	4.865
Retained earnings………………………..		35	4.734	3.963	8.194
		28.552	**33.012**	**31.595**	**35.625**
Minority interest…………………………		22.729	22.718	-	-
Total shareholders' equity		**51.281**	**55.730**	**31.595**	**35.625**
LIABILITIES					
Non-current liabilities					
Long term Borrowings…………………..	19	51.191	59.948	38.496	48.713
Retirement benefit obligations…………..	21	502	470	333	306
Deferred government grants……………..	20	18.276	11.357	-	10
Long-term provisions…………...............		687	647	-	-
Deferred tax liabilities…………………...	21	1.532	117	-	-
Total non-current liabilities		**72.188**	**72.539**	**38.829**	**49.029**
Current liabilities					
Short term Borrowings…………………..	19	1.997	10.822	5	11
Short term portion of long term borrowings……….………………………	19	11.268	11.165	10.274	10.301
Current tax liabilities…………………….		219	1.185	141	926
Trade and other payables………………...	18	14.891	34.851	14.036	19.635
Total current liabilities		**28.375**	**58.023**	**24.456**	**30.873**
Total liabilities		**100.563**	**130.562**	**63.285**	**79.902**
Total equity and liabilities		**151.844**	**186.292**	**94.880**	**115.527**

The accompanying Notes on pages 23 to 60 are an integral part of the Financial Statements.

Statements of Changes in Equity (Company and Consolidated)
For the Years ended December 31, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

Consolidated

	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Retained earnings	Total	Minority interest	Total equity
Balance on January 1, 2009	**15.840**	**6.644**	**2.777**	**(68)**	**2.782**	**4.677**	**32.652**	**21.952**	**54.604**
Year's changes:									
Net profit for the period	-	-	341	-	-	8.025	**8.366**	(327)	**8.039**
Other Comprehensive Income..	-	-	-	(8)	-	-	**(8)**		**(8)**
Total Comprehensive Income..	**-**	**-**	**341**	**(8)**	**-**	**8.025**	**8.358**	**(327)**	**8.031**
Dividend distribution for fiscal year 2008	-	-	-	-	-	(7.663)	**(7.663)**	-	**(7.663)**
Share capital increase	-	-	-	-	-	-	**-**	14.000	**14.000**
Purchase of minority interest	-	-	-	-	-	-	**-**	(4.410)	**(4.410)**
Share capital decrease	-	-	-	-	-	-	**-**	(8.750)	**(8.750)**
Expenses of issuance of shares	-	(30)	-	-	-	-	**(30)**	(52)	**(82)**
Adjustments of minority interest	-	-	-	-	-	(305)	**(305)**	305	**-**
Balance on December 31, 2009	**15.840**	**6.614**	**3.118**	**(76)**	**2.782**	**4.734**	**33.012**	**22.718**	**55.730**
Balance on January 1, 2010	**15.840**	**6.614**	**3.118**	**(76)**	**2.782**	**4.734**	**33.012**	**22.718**	**55.730**
Year's changes:									
Net profit for the period	-	-	298	-	-	3.233	**3.531**	11	**3.542**
Other Comprehensive Income..	-	-	-	(68)	-	-	**(68)**	-	**(68)**
Total Comprehensive Income..	**-**	**-**	**298**	**(68)**	**-**	**3.233**	**3.463**	**11**	**3.474**
Dividend distribution for fiscal year 2009	-	-	-	-	-	(7.920)	**(7.920)**	-	**(7.920)**
Operation interruption of subsidiary	-	12	-	-	-	(12)	**-**	-	**-**
Expenses of issuance of shares	-	(3)	-	-	-	-	**(3)**	-	**(3)**
Balance on December 31, 2010	**15.840**	**6.623**	**3.416**	**(144)**	**2.782**	**35**	**28.552**	**22.729**	**51.281**

The accompanying Notes on pages 23 to 60 are an integral part of the Financial Statements.

Statements of Changes in Equity (Company and Consolidated)
For the Years ended December 31, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

Company

	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Retained earnings	Total
Balance on January 1, 2009	**15.840**	**6.726**	**2.770**	**(68)**	**1.856**	**7.763**	**34.887**
Year's changes:							
Net profit for the period	-	-	315	-	-	8.094	**8.409**
Other Comprehensive Income..	-	-	-	(8)	-	-	**(8)**
Total Comprehensive Income..	**-**	**-**	**315**	**(8)**	**-**	**8.094**	**8.401**
Dividend distribution for fiscal year 2008	-	-	-	-	-	(7.663)	**(7.663)**
Balance on December 31, 2009	**15.840**	**6.726**	**3.085**	**(76)**	**1.856**	**8.194**	**35.625**
Balance on January 1, 2010	**15.840**	**6.726**	**3.085**	**(76)**	**1.856**	**8.194**	**33.625**
Year's changes:							
Net profit for the period	-	-	269	-	-	3.689	**3.958**
Other Comprehensive Income..	-	-	-	(68)	-	-	**(68)**
Total Comprehensive Income..	**-**	**-**	**269**	**(68)**	**-**	**3.689**	**3.890**
Dividend distribution for fiscal year 2009	-	-	-	-	-	(7.920)	**(7.920)**
Balance on December 31, 2010	**15.840**	**6.726**	**3.354**	**(144)**	**1.856**	**3.963**	**31.595**

The accompanying Notes on pages 23 to 60 are an integral part of the Financial Statements.

Statements of Cash Flows (Company and Consolidated)
For the Years ended December 31, 2010 and 2009
(All amounts in Euro thousands unless otherwise stated)

	Consolidated		Company	
	For the Years Ended December 31,			
	2010	2009	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax (and minority interest)…………………………………	6.796	12.759	7.063	13.307
Add / (less) adjustments for:				
Depreciation and amortization……………………………………………	2.738	2.283	119	111
Provisions…………………………………………………………………	405	2.402	402	1.755
Exchange rate differences…………………………………………………	357	(994)	357	(994)
Result of investment activity…………………………….……………..	(970)	(1.671)	(559)	(970)
Interest and similar expenses……………………………..……………..	2.846	4.597	1.967	3.387
Government grants recognized in income……………………………..	(788)	(619)	(10)	(11)
Employee benefits…………………………………………….……………..	32	49	27	21
Operating result before changes in working capital	**11.416**	**18.806**	**9.366**	**16.606**
Add / (less) adjustments for changes in working capital items:				
(Increase) / decrease in inventories…………...…………………………..	3.517	27.076	3.499	27.075
(Increase) / decrease in receivables and prepayments...………...………...	27.736	12.104	29.432	15.377
Increase / (decrease) in trade and other payables…………………………	(19.228)	(51)	(6.440)	(14.114)
(Increase)/ decrease in long term receivables…………………………..….	15	45	(40)	57
Total cash inflow / (outflow) from operating activities	**23.456**	**57.980**	**35.817**	**45.001**
Interest and similar expenses paid………………………..……………..	(2.149)	(4.002)	(1.322)	(2.982)
Income taxes paid…………………………………………………………	(4.468)	(7.080)	(3.889)	(7.035)
Total net inflow / (outflow) from operating activities	**16.839**	**46.898**	**30.606**	**34.984**
CASH FLOWS FROM INVESTING ACTIVITIES				
(Purchase) of subsidiaries and other investments…………………………	(2.000)	-	(300)	-
Proceeds from the sale of subsidiaries and other investments……………	8	89	8	929
(Purchase) of PPE and intangible assets…………………………………..	(6.013)	(2.636)	(52)	(253)
Proceeds from the sale of PPE and intangible assets……………………..	-	-		-
Interest income.……………………………………….……………..	985	1.616	574	915
Government grants………………………………………………………..	5.706	-	-	-
Dividend income………………………………………………………….	-	3	-	3
Total net cash inflow / (outflow) from investing activities	**(1.314)**	**(928)**	**230**	**1.594**
CASH FLOWS FROM FINANCING ACTIVITIES				
Share capital increase……………………………………………………..	-	758	-	-
Proceeds from borrowings………………………………………………...	-	-	-	-
Repayments of borrowings……………………………………………….	(17.635)	(61.133)	(10.406)	(58.784)
Dividends paid…………………………………………………………….	(7.920)	(7.649)	(7.920)	(7.649)
Total net cash inflow from financing activities	**(25.555)**	**(68.024)**	**(18.326)**	**(66.433)**
Net increase / (decrease) in cash and cash equivalents	**(10.030)**	**(22.054)**	**12.510**	**(29.855)**
Cash and cash equivalents at beginning of period	**45.673**	**67.727**	**15.076**	**44.931**
Cash and cash equivalents at end of period	**35.643**	**45.673**	**27.586**	**15.076**

The accompanying Notes on pages 23 to 60 are an integral part of the Financial Statements.

(All amounts in Euro 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, LCD – Plasma televisions and in the wholesale of products and services of mobile telephony.

- The subsidiaries FIDAKIS SERVICE S.A. and FIDAKIS LOGISTICS S.A. cover supplementary fields like after sales services, inventory management (logistics), etc. 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.
    - AEOLIC KYLINDRIAS S.A.
    - KALLISTI ENERGIAKI S.A.
    - R.F. ENERGY S.A. MISOHORIA S.A.
    - R.F. ENERGY S.A. OMALIES S.A.
    - R.F. ENERGY S.A. KORAKOVRAHOS S.A.
    - AEOLIC ADERES S.A.
    - R.F. ENERGY S.A. DEXAMENES S.A.
    - R.F. ENERGY S.A. LAKOMA S.A.
    - R.F. ENERGY S.A. TSOUKKA S.A.
    - R.F. ENERGY S.A. PRARO S.A.
    - R.F. ENERGY S.A. XESPORTES S.A.
    - R.F. ENERGY S.A. SHIZALI S.A.
    - R.F. ENERGY S.A. KALAMAKI S.A.

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 December 31, 2010 is 115 for the Group and 63 for the Company.

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:

Name	Country	Share as of December 31, 2010	Method of consolidation
• F.G. EUROPE S.A.	Greece	Parent company	Full consolidation
• FIDAKIS LOGISTICS S.A.	Greece	100,00% (a)	Full consolidation
• FIDAKIS SERVICE S.A.	Greece	100,00% (a)	Full consolidation
• R.F. ENERGY S.A.	Greece	37,50% (a)	Full consolidation
• HYDROELECTRICAL ACHAIAS S.A.	Greece	37,50% (b)	Full consolidation
• CITY ELECTRIC S.A.	Greece	37,50% (b)	Full consolidation
• AEOLIC KYLINDRIAS S.A.	Greece	37,50% (b)	Full consolidation
• KALLISTI ENERGIAKI S.A.	Greece	37,50% (b)	Full consolidation
• AEOLIC ADERES S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. MISOHORIA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. OMALIES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. KORAKOVRAHOS S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. DEXAMENES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. LAKOMA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. TSOUKKA S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. PRARO S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A XESPORTES S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. SHIZALI S.A.	Greece	31,50% (b)	Full consolidation
• R.F. ENERGY S.A. KALAMAKI S.A.	Greece	31,50% (b)	Full consolidation

Note: a) Direct investments, b) Indirect investments

(All amounts in Euro thousands unless otherwise stated)

F.G. EUROPE's holding share in the company R.F. ENERGY S.A. is to 37,5%. Due to the fact that the main shareholder and Chairman of the Board of Directors of F.G. EUROPE S.A., Mr. George Fidakis also participates with 12,50% in R.F. ENERGY S.A. and 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 11,11% in the share capital of ANAKYKLOSI SYSKEVON SYMMETOCHIKI S.A. which is not included in the consolidated financial statements (Available for sale securities).

The investments in subsidiaries of the Company are as follows:

Investments in Subsidiaries as at 31.12.2010

	Subsidiary name	Additions till 01.01.2010	Reductions till 01.01.10	Balance as at 01.01.10	Additions 01.01-31.12.10	Reductions 01.01 - 31.12.10	Balance as at 31.12.10
1	R.F. ENERGY S.A…………	21.210	(5.250)	**15.960**	-	-	**15.960**
2	FIDAKIS SERVICE S.A…..	1.696	(1.696)	**-**	300	-	**300**
3	FIDAKIS LOGISTICS S.A...	918	(397)	**521**	-	-	**521**
	Total	**23.824**	**(7.343)**	**16.481**	**300**	**-**	**16.781**

Investments in Subsidiaries as at 31.12.2009

	Subsidiary name	Additions till 01.01.2010	Reductions till 01.01.10	Balance as at 01.01.10	Additions 01.01-31.12.10	Reductions 01.01 - 31.12.10	Balance as at 31.12.10
1	R.F. ENERGY S.A………....	16.800	-	**16.800**	4.410	(5.250)	**15.960**
2	FIDAKIS SERVICE S.A…..	1.696	(1.696)	**-**	-	-	**-**
3	FIDAKIS LOGISTICS S.A...	918	(397)	**521**	-	-	**521**
	Total	**19.414**	**(2.093)**	**17.321**	**4.410**	**(5.250)**	**16.481**

The subsidiaries on the Company financial statements are valued at cost less any impairment losses.

Based on the decision of December 17, 2010 of the General Assembly of Shareholders of the Company FIDAKIS SERVICE S.A.. the equity of the company was increased by € 300 (share capital increase € 88 and share premium € 212.

The General Assemblies of Shareholders of the 100% subsidiaries companies of R.F. ENERGY S.A., R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A., of May 31, 2010 decided the clearing up and liquidation of the aforementioned companies. The above-mentioned companies intended, through the planed acquisition, to undertake the management and operation of two wind parks with 18 and 24 MW capacity in Arkadia and for that reason increased their share capital in July 2009 in total by € 13.275. The planed acquisition was not materialized because of breach of agreement from the side of seller. The parent Company R.F. ENERGY S.A. has initiated legal actions claiming compensation for the expenses incurred.

Shareholders convened in an Extraordinary General Assembly on June 28, 2010, and resolved to the amendment of the Company's Object in order to participate in financial institutions. Then, the company decided to take part in the share capital increase of First Business Bank. On July 20, 2010, the company acquired 680.300 common nominal voting shares against € 2.000.

On December 12, 2010, the company – implementing an existing preliminary agreement- signed an agreement regarding the acquisition of nominal shares of the company AEOLIC ADERES S.A., which holds three installation licenses of wind farms with total capacity of 33 MW in the Municipality of Ermioni, Argolida Prefecture.

On December 30, 2010, the shareholders during the Extraordinary General Assembly of AEOLIC ADERES S.A. decided to increase the equity of the company by € 450, with a share capital increase by € 45 and a disposal of shares above par of € 405.

Within fiscal 2010, the subsidiaries companies KALLISTI ENERGIAKI S.A., HYDROELECTRICAL ACHAIAS S.A. and AEOLIC KYLINDRIAS S.A. received 50% of approved amounts of public subsidy for their investment projects of total cost of € 5.702. The recovery of these amounts is made by the aforementioned companies to repay existing short-term bank and intercompany obligations.

During fiscal 2010, the subsidiary company AEOLIC KYLINDRIAS S.A. filed three applications for production license from biomass with total capacity of 7,06 MW and expects the approval by the competent authorities.

The Group and the Company's total effect in the "Other comprehensive income after tax" concerns the loss of € 68 that arose on December 31, 2010, after offset of fair value reserves € 16 from the sale of securities which was classified as "available for sale investments" and the loss of € 84 that arose from the valuation of securities of the same category and was recognized directly in Group and Company's Equity.

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 by the Management 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.

2.2 New Standards, Interpretations and Amendments of Existing Standards and Interpretations

2.2.1 Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Group/Company has adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2010:

- **IFRIC 17 Distributions of Non-cash Assets to Owners**
- **IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items**
- **IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)**
- **IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)**
- **Improvements to IFRSs (May 2008)** All amendments issued are effective as at 31 December 2009, apart from the following: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: clarifies when a subsidiary is classified as held for sale, all its assets and liabilities are classified as held for sale, even when the entity remains a non-controlling interest after the sale transaction. The amendment is applied prospectively.
- **Improvements to IFRSs (April 2009)**

When the adoption of the standard or interpretation is deemed to have an impact on the financial statements or performance of the Group/Company, its impact is described below:

- **IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)**
  The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

- **Amendments resulting from improvements to IFRSs (April 2009) to the following standards which had or did not have an effect on the accounting policies, financial position or performance of the Group/Company**

  - **IFRS 5 Non-current Assets Held for Sale and Discontinued Operations**
    Clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in IFRS 5. The disclosure requirements of other IFRSs only apply if specifically required for such non-current assets or discontinued operations.

2.2.2 Standards issued but not yet effective and not early adopted of the Group /Company

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**
  The interpretation is effective for annual periods beginning on or after 1 July 2010. This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are "consideration paid" in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognised and the equity instruments issued are treated as consideration paid to extinguish that financial liability. The Group/Company does not expect that the amendment will have impact on the financial position or performance of the Company, *as the Company etc etc.*

- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2011. The purpose of this amendment was to permit entities to recognise as an asset some voluntary prepayments for minimum funding contributions. This Earlier application permitted and must be applied retrospectively. The Group/Company does not expect that the amendment will have impact on the financial position or performance of the Company, *as the Company etc etc*

- **IFRS 9 Financial Instruments – Phase 1 financial assets, classification and measurement**
  The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group/Company is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

- **IAS 32 Classification on Rights Issues (Amended)**
  The amendment is effective for annual periods beginning on or after 1 February 2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

- **IAS 24 Related Party Disclosures (Revised)**
  The revision is effective for annual periods beginning on or after 1 January 2011.This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

- **In May 2010 the IASB** issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2010. Early application is permitted in all cases.

  - **IFRS 1 First-time adoption,** effective for annual periods beginning on or after 1 January 2011.
    This improvement clarifies the treatment of accounting policy changes in the year of adoption after publishing an interim financial report in accordance with IAS 34 Interim Financial Reporting, allows first-time adopters to use an event-driven fair value as deemed cost and expands the scope of 'deemed cost' for property, plant and equipment or intangible assets to include items used subject to rate regulated activities. This amendment will not impact the Group's financial statements since it has already adopted IFRSs.

  - **IFRS 3 Business Combinations,** effective for annual periods beginning on or after 1 July 2010
    This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from

business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008).
Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets.
Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree's share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses. The Group will apply these changes from 01.01.2011.

- **IFRS 7 Financial Instruments: Disclosures,** effective for annual periods beginning on or after 1 January 2011
This improvement gives clarifications of disclosures required by IFRS 7 and emphasises the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments. The Group/Company does not expect that this amendment will have an impact on the financial position or performance of the Group/Company, since such products are not used by the Group/Company.

- **IAS 1 Presentation of Financial Statements,** effective for annual periods beginning on or after 1 January 2011
This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The Group will apply these changes from 01.01.2011.

- **IAS 27 Consolidated and Separate Financial Statements,** effective for annual periods beginning on or after 1 July 2010
This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 The Effect of Changes in Foreign Exchange Rates, IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures apply prospectively for annual periods beginning on or after 1 July 2009 or earlier when IAS 27 is applied earlier. The Group/Company applied these changes from 01.07.2010.

- **IAS 34 Interim Financial Reporting,** effective for annual periods beginning on or after 1 January 2011
This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements. The Group/Company will apply these changes from 01.01.2011.

- **IFRIC 13 Customer Loyalty Programmes,** effective for annual periods beginning on or after 1 January 2011
This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account. The Group/Company does not expect that this amendment will have an impact on the financial position or performance of the Group/Company,

- **IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)**

  The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group, however additional disclosures may be required.

- **IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)**

  The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

2.3 Basis of Consolidation

2.3.1. Subsidiary Companies

The consolidated financial statements include the financial statements of the parent company and all entities in which the parent company exercises control (its subsidiaries) as of December 31, 2010.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statement of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive Income to profit or loss or retained earnings, as appropriate.

Basis of consolidation prior to 1 January 2010

Certain of the above-mentioned requirement were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisitions of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further excess losses were attributed to the parent, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 January 2010 were not reallocated between NCI and the parent shareholders.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying value of such investments at 1 January 2010 have not been restated.

2.3.2 Investments in other companies

Investments in other companies are entities in which the group exercises substantive influence but not control or joint control. The substantive control is exercised through participation in financial or operational decisions of the economic entity.

The results of operation and the assets and liabilities of these economic entities are consolidated using the equity method excluding the case if classified as available for sale.
The investment is recognized at cost, and is adjusted to recognize the investor's share of the earnings or losses of the investee after the date of acquisition and is adjusted for any accumulated impairment loss.

The cost exceeding the fair value of the acquisition (assets – liabilities – contingent liabilities) is recorded as goodwill in the period of acquisition included in the account of investments in other companies.

If the total cost is below the fair value of the assets and liabilities the difference is charged directly to the statement of income of the respective period.

If the Group undertakes transactions with these companies the related gains or losses are eliminated in the extent of the Group's participation in the related company. Any losses in transactions indicate impairment of the transferred asset, in which case a related impairment provision is recorded.

2.4 Combinations and goodwill Business combinations from 1 January 2010

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business[2003] combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate IFRS 3.16 classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. IAS 36.80 If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Business combinations prior to 1 January 2010
In comparison to the above-mentioned requirements, the following differences applied:

Business combinations were accounted for using the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Any additional acquired share of interest did not affect previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

2.5 Operating Segments

IFRS 8 "Operating Segments" sets criteria for the determination of the segment reporting format of the entity. Segments are determined based on the Group's structure. The Group's financial decision makers review financial information separately as reported by the parent company and each of the Group's consolidated subsidiaries. The reportable segments are determined using the quantitative thresholds set by the Standard.

(All amounts in Euro thousands unless otherwise stated)

A business segment is defined as a group of assets or operations with different risks and returns from other business segments. A geographical segment is defined as a geographical area where goods are sold or services offered that is subject to different risk and returns than do other geographical areas.

2.6 *Foreign currency translation*

The Group's functional currency is the Euro. Transactions involving other currencies are translated into Euro using the exchange rates which are in effect at the time of the transactions. At the balance sheet dates, monetary assets and liabilities which are denominated in other currencies, are adjusted using the official exchange rates. Gains or losses resulting from period end foreign currency remeasurement are reflected in the statements of income.

2.7 *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Cost includes all directly related costs for the acquisition of the asset.

Expenses in subsequent periods are capitalized in the cost amount of the related assets if they increase the useful life of the asset and / or its production potential or reduce its operating cost. Repairs and maintenance are charged to the income statement as incurred.

The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the consolidated statements of income.

Depreciation: Depreciation of property, plant and equipment is computed based on the straight-line method at rates, which approximate average economic useful lives reviewed on an annual basis. The useful lives and depreciation rates assumed per asset category are set out below:

	Years of useful life	Depreciation rate
• Hydroelectrical plant	50	2%
• Leasehold improvements	7 – 25	4% - 14%
• Plant and equipment	7 – 9	11% - 14%
• Furniture and fixture	4 – 7	14% - 25%
• Vehicles	7 – 9	11% - 14%
• Intangible assets	4 – 5	20% - 25%
• Energy production licenses	indefinite	-

Leasehold improvements are amortized over the term of the lease.

2.8 *Investments in real estate property*

Investments in real estate property are stated at cost less accumulated depreciation and any impairment in value. Cost includes all directly related costs for the acquisition of the asset.

Depreciation: Depreciation of Investments in real estate property, is computed based on the straight-line method at rates, which approximate average economic useful lives reviewed on an annual basis. The useful lives and depreciation rates assumed per asset category are set out below:

	Years of useful life	Depreciation rate
• Buildings	50	2%

Fair value coincides with book value as on December 31, 2010.

2.9 External costs of borrowing

Underwriting, legal and other direct costs incurred in connection with the issuance of long-term debt adjust the carrying amount of the liability and are amortized using the effective interest rate method over the life of the debt. All borrowing costs are recognized as an expense when incurred. Cost of borrowing is added to the cost to the extent that relates to the construction period of the fixed assets.

2.10 Intangible assets

Trademarks and licenses

Trademarks and licenses are valued at cost less any accumulated depreciation. Depreciation is calculated using the straight line method during the useful life of the asset that is between 10-15 years. Energy production licenses are long term licenses with continuous renewal rights and therefore are not amortized.

2.11 Impairment of assets except Goodwill

The intangible assets that have an infinite useful life and are not amortized are reviewed at least annually to determine whether there is an indication if impairment and the carrying amount.
Assets that are depreciated are tested of impairment each time there is an indication that the carrying amount is not recoverable.

The recoverable amount is the maximum between the net selling price representing the possible proceeds from the sale of an asset in an arms' length transaction, after deduction of any additional direct cost for the sale of the asset, and the value in use representing the discounted future net cash flows from the continuing use and ultimate disposal of an asset using an appropriate discount rate.

If the recoverable amount is less that the carrying amount the carrying amount is written down to the level of the recoverable amount.
An impairment loss is recognized in the income statement of the related period occurred except if the asset was adjusted in value, when the loss reduces the special value adjustment reserve.

When in subsequent periods the loss must be reversed the carrying amount of the asset is increased to of the reviewed estimated recoverable amount in the extent that the new carrying amount is not greater than the carrying amount that would result as if the impairment was never recorded in prior periods.

The reversal of an impairment loss is recognized as income in the income statement except for the case that the asset was value adjusted, case in which the reversal of the impairment loss increases the related special value adjustment reserve.

In order to evaluate impairment losses, assets are integrated into the smallest units creating cash flows.

2.12 Financial instruments

The financial instruments of the Group are classified in one of the following categories:

a) Financial assets or liabilities at fair value through the statement of income
A financial asset or financial liability that meets either of the following conditions:

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

b) Available-for-sale financial assets
Available-for-sale financial assets include those non derivative financial assets that are designated in this category and cannot be classified in one of the above categories. Upon initial recognition the available-for-sale financial assets are valued at fair value and the related gains or losses are directly charged to reserves of equity until these assets are sold or characterized as impaired.

When sold or characterized as impaired the gains or losses are transferred to income. Impairment losses recognized in the statement of income are not reversed through the statement of income.

c) Recognition, Impairment, and definition of fair values
Acquisitions and disposals of investments are recognized at the date of the transaction that is the date when the Group commits the purchase or sale of the investment. The investments are initially recognized at fair value increased with incremental transaction costs directly attributable to the acquisition or disposal of the investment excluding those investments valued at fair value through the statement of income. The investments are derecognized when the right for cash flows matures or is transferred and the Group has transferred substantially all the risks and rewards associated with the investment.

Realized and unrealized gains or losses that arise from the variation in the fair value of the financial assets valued at fair value through the statement of income are recognized in the statement of income in the period of occurrence.

The fair values of the financial assets that are traded on organized markets are determined through the current ask prices. For non tradable assets the fair values are determined through the use of valuation techniques such as analysis of recent transactions, concrete traded assets and the discounting of cash flows. Equity instruments non traded on active markets have been classified as available-for-sale investments and have been valued at cost when a fair value was not determinable.

d) Impairment in value of Financial Instruments

On each balance sheet date the Group tests the financial asset for the existence of objective indications of impairment. Shares of companies that have been classified as financial assets available-for-sale, such an indication is the permanent and material decrease of their fair value compared to their purchase cost during a solid market environment. If impairment is objectively determinable the accumulated losses in fair value reserves in equity that is the difference between cost and fair value is transferred to the statement of income.

e) Receivables from customers

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

2.13 *Inventories*

Inventories are stated at the lower of cost or net realizable value. The cost is determined using the annual weighted average cost method. Cost of inventories includes all cost and expenses to bring them to their current location. Borrowing costs are not included in the carrying amount of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

2.14 *Cash and cash equivalents*

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

2.15 Share Capital

The common shares are classified in Equity.

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

2.16 *Borrowings*

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

2.17 Income tax

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

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

Deferred taxes are calculated using the liability method for all temporary tax differences as of the balance sheet date between taxable base and accounting base of the assets and liabilities.

Expected impacts from temporary tax differences are recognized and recorded either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against the above and can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

The Group writes off deferred tax assets against deferred tax liabilities only if:

- The Company has a legal right to write off current tax assets against current tax obligations and
- The deferred tax assets and the deferred tax liabilities relate to income tax and are imposed by the same tax authority either:
    - To the same taxable entity or
    - To different taxable entities, that intends to write off the current tax obligations and assets or to settle the assets with the liabilities simultaneously in every future period in which significant amounts of deferred tax obligations or assets are expected to be settled.

2.18 Employee Benefits

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

b) Provisions for defined benefit plans
The programs for employee benefits concerning their service termination are included in defined benefit plans according to IAS 19 – "Employee benefits". The obligations resulting from the defined benefit plans are calculated as the discounted fair value of the future benefits to employees accrued as of the balance sheet date. These obligations are calculated based on financial and actuarial assumptions. The net cost for the period / year is charged to the income statement and is comprised from the present value of accrued benefits during the period / year, the discounting of the future obligation, the cost of experience of service and actuarial gains or losses. Unrecorded cost of experience is recognized on a straight basis on the average remaining service time of the employees expected to receive benefits. For discounting purposes the interest rate of long term high quality corporate bonds is used.

According to the provisions of Law 2112/20 the Group pays compensation to employees dismissed or resigning depending on the length of service, their current remuneration and the reason for leaving (dismissal or retirement). The termination benefit in case of retirement amounts to 40% of the termination benefit in case of dismissal.

2.19 Provisions

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

2.20 *Revenue Recognition*

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

- **Sale of goods:** Sales of goods are recognized when a Group entity has delivered products to the customer, net of rebates and discounts, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

- **Services:** Revenues from services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction, assessed on the basis of the actual service provided as a proportion of the total cost.

- **Interest income:** Interest income is recognized on a time-proportion basis using the effective interest method.

- **Dividend income:** Dividend income is recognized at the period approved by each entity's General Assembly Meeting.

2.21 Leases

Leases which transfer to the Company substantially all benefits and risks incidental to ownership of the item property are considered financial leases and are accounted for by the lessee as the acquisition of an asset and the incurrence of a liability. Financial charges are recognized directly to income. Finance leases, that transfer to the Group substantially all risk and benefits following the ownership of the leased asset are recorded as assets with amount equal to the initial lease amount, the fair value of the leased asset or if lower the present value of the minimum future lease payments. Lease payments are included in finance costs and deducted from the remaining liability, in such way that a constant interest rate applies to the remaining liability amount.

Leased assets are depreciated in the shorter time between useful life of the asset and the lease period.

Criterion for the classification of a lease as finance or operating is the type or transaction itself and not the type of agreement.

If from a lease agreement arises that the lessor substantially holds all benefits and risks incidental to ownership of the asset, it is classified as an operating lease by the lessee and the rental payments are recognized as an expense as incurred.

2.22 Dividend Distribution

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

2.23 Government Grants

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

2.24 Earnings per share

Basic earnings per share are computed by dividing net income that correspond to the minority shareholders by the weighted average number of shares outstanding during each period.

2.25 Long term Receivables / Payables

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

2.26 Related parties

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

2.27 Capital Management

The Group's policy is the maintenance of a solid capital structure to have confidence of investors and creditors and to support its future growth. Management monitors Equity in its total excluding minority interests so that the ratio to liabilities subtracting the Company's deposits is approximately 3 to 1.

Based on the data of the balance sheets the ratio of liabilities to equity for the years 2010 and 2009 was 1,96 and 2,34 respectively for the Group and 2,00 and 2,24 for the parent Company.

The provisions of L. 2190/1920 impose the following restrictions concerning equity:
The purchase of treasury shares, except for the case of purchase for distribution to employees, cannot exceed 10% of the paid in share capital and cannot have as result the reduction of equity to a lower amount than the paid in share capital plus any reserves that are non distributable by law.

I case the share capital is below the ½ of the paid in share capital the Board of Directors has to invite the General Assembly of shareholders within 6 months from the end of the fiscal year to decide about the dissolvement of the company or any other measure.

If the total equity is below 1/10 of the paid in share capital and the general assembly does not apply appropriate measures the company can be dissolved by court decision after the request of any party that has legal interest.

Yearly at least the 1/20 of net earnings is distributed to legal reserves that is used to compensate before any dividend distribution the debit balance of retained earnings. The distribution to reserves is not mandatory if its level is 1/3 of the paid in share capital.

The distribution of the yearly cash dividend is mandatory for 35% of the net earnings after the deduction of the legal reserve and the distribution to special valuation reserves from the fair value valuation of assets and liabilities at fair value. This is not applied if the general assembly of shareholders decides at least with 65% majority. In this case the not distributed dividend is presented in a special reserves account for capitalization and new shares are distributed without any charge to the beneficiaries shareholders within four years. Finally, with 70% majority the general assembly can decide the non distribution of dividends.

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

3. Financial Risk Management

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks (including currency risk, fair value interest rate risk, cash flow risk and price risk), credit risk and liquidity risk. The Group's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses in certain instances derivative financial instruments to hedge certain risk exposures but does not apply hedge accounting.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The following sensitivity analysis of the results for the Group and the Company is based tax rate 24% for 2010 and 25% for 2009.

3.1.1 Market Risks

3.1.1.1 Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and JPY. Foreign exchange risk arises from commercial transactions, recognized assets and liabilities in currencies other than the functional currency of the Group the Euro.

On December 31, 2010, if the Euro had weakened / strengthened by 10% against the USD with all other variables held constant, net profit and equity for the year would have been € 484 (€ 342 in 2009) lower / higher mainly as a result of foreign exchange losses / gains on translation of USD denominated liabilities compensated by foreign exchange gains / losses on translation of cash and cash equivalents held in USD.

On December 31, 2010, if the Euro had weakened / strengthened by 11% against the JPY with all other variables held constant, net profit and equity for the year would have been € 11 (€ 15 in 2009) lower / higher mainly as a result of foreign exchange gains / losses on translation of JPY denominated trade receivables compensated by foreign exchange losses / gains on translation of JPY denominated liabilities.

(All amounts in Euro thousands unless otherwise stated)

3.1.1.2. Price Risk

The Group is exposed to equity securities price risk because of investments in Athens Stock Exchange listed equity securities classified for financial statements preparation purposes as available for sale. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the decisions of the Board of Directors for investments of liquidity in equity securities.

The portfolios equity securities are included in the General Index of the Athens Stock Exchange. The table below presents the impact on the Group's equity for the year of an increase / decrease of the General Index of the Athens Stock Exchange. The analysis is based on the assumption that the Athens Stock Exchange General index had increased / decreased by 25% with all other variables held constant and all equity investments held by the Group follow exactly this movement.

	Impact on Equity	
	2010	**2009**
ASE General Indes	16	32

Other reserves within equity would increase/ decrease by € 16 (€ 32 in 2009) as a result of valuation gains / losses on equity securities classified as available for sale.

3.1.1.3 Cash Flow and Fair Value Interest Rate Risk

The Group has no significant interest bearing assets and its income and operating cash flow are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long term and short term borrowing from banks in Euro with variable interest rates.

The Group analyses its interest rate exposure on a continuous basis taking into consideration the possibility of restructuring debt with alternative terms and types as well as the renewal of existing positions. Based on these alternatives the Group calculates the impact on significant medium and long term debt positions a shift in interest rates would have.

At December 31, 2010, if interest rates on Euro denominated borrowings had been 70 basis points higher / lower with all other variables held constant, net profit and equity for the year would have been € 332 (€ 495 in 2009) for the Group and € 259 (€ 359 in 2009) for the company lower / higher mainly as a result of higher / lower interest expense on floating rate borrowings in €.

3.2 Credit Risk

Credit risk is managed on Group basis. Credit risk arises mainly from credit exposures to customers including accounts receivables. The commercial departments assess the credit quality of the customer taking into consideration its financial position, past experience and other factors and sets predefined credit limits that are monitored regularly and each customer cannot exceed. Sales to retail customers are settled in cash. No credit limits were exceeded during the reporting period and management does not expect any material losses from non-performance of accounts receivables. Moreover, Company's receivables are distributed at a wide number of customers, and as a consequence, credit risk is significantly restricted.

The maximum exposure of both the Group and the Company to credit risk arising from commercial receivables on December 31, 2010, is analyzed at note 13.

(All amounts in Euro thousands unless otherwise stated)

3.3 Liquidity Risk

Liquidity risk management implies maintaining sufficient cash and the availability of funding through committed credit facilities for working capital and issuance of letters of guarantee to suppliers which on December 31, 2010 amounted to € 142.831.

The Group's management monitors and adjusts its cash flow program on a daily basis based on expected cash inflows and outflows.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows including interests and therefore may not reconcile to the amounts disclosed on the balance sheet.

Consolidated December 31, 2010	**< 1 year**	**Between 1 year and 2 years**	**Between 2 year and 5 years**	**> 5 years**
Borrowings…………………………...	13.867	11.886	33.487	8.172
Derivative financial instruments……..	-	-	-	-
Trade and other payables…………….	15.110	-	-	-
Total	**28.977**	**11.886**	**33.487**	**8.172**

Consolidated December 31, 2009	**< 1 year**	**Between 1 year and 2 years**	**Between 2 year and 5 years**	**> 5 years**
Borrowings…………………………...	22.849	12.648	44.469	6.836
Derivative financial instruments……..	-	-	-	-
Trade and other payables…………….	36.035	-	-	-
Total	**58.884**	**12.648**	**44.469**	**6.836**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows and therefore may not reconcile to the amounts disclosed on the balance sheet.

Company December 31, 2010	**< 1 year**	**Between 1 year and 2 years**	**Between 2 year and 5 years**	**> 5 years**
Borrowings…………………………...	10.747	10.780	29.487	-
Derivative financial instruments……..	-	-	-	-
Trade and other payables…………….	14.561	-	-	-
Total	**25.308**	**10.780**	**29.487**	**-**

Company December 31, 2008	**< 1 year**	**Between 1 year and 2 years**	**Between 2 year and 5 years**	**> 5 years**
Borrowings…………………………...	10.717	10.664	39.959	-
Derivative financial instruments……..	-	-	-	-
Trade and other payables…………….	14.510	-	-	-
Total	**25.227**	**10.664**	**39.959**	**-**

4. Use of estimates

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.

Recovery value of license for wind energy stations is calculated according the estimated use of value of these stations.

Fair value of the investments in real estate property is calculated according the current commercial value of this property.

The receivables from the customers are assumed that approximate their fair value due to the sort term nature of them. In cases of overdue receivables is recognized the financial gain or the impairment loss, which is included in these receivables. The impairment losses are calculated from the commercial departments of the Company according the customer solvency, taking in mind and his financial position.

4.1 Significant accounting estimates and assumptions

The Company / Group makes estimates and assumptions related to the outcome of future events. There are no estimates and assumptions that include significant risk able to require material adjustments to the carrying values of the assets and liabilities within the next 12 months. The estimates and assumptions of the management are under continuous review based on historical data and expectations of future events, that are believed to be appropriate based on the existing.

5. 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.

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.

Mobile Telephony

The sector of Mobile Telephony constitutes of the wholesale of prepaid scratch cards, other mobile telephony products and mobile telephony services through corporate contracts of WIND.

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.

No revenues from a single customer constituting above 10% of total revenues of Group.

(All amounts in Euro thousands unless otherwise stated)

The allocation of assets to the business segments as of December 31, 2010 and December 31, 2009 is as follows:

December 31, 2010	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination / not allocated	Group
Property, plant and equipment and intangible assets…………………………	658	14	48.599	370	49.641	(5.018)	44.623
Inventories……………………………….	33.437	31	-	21	33.489	-	33.489
Receivables and prepaid expenses………	15.050	-	18.479	263	33.792	(49)	33.743
Cash and cash equivalents……………….	27.587	-	7.985	71	35.643	-	35.643
Total	**76.732**	**45**	**75.063**	**725**	**152.565**	**(5.067)**	**147.498**
Other assets……………………………...	-	-	-	-	-	-	4.346
Total assets	-	-	-	-	-	-	**151.844**
Long term borrowings……………….………	38.496	-	12.695	-	51.191	-	51.191
Deferred government grants……………...	-	-	18.276	-	18.276	-	18.276
Short term borrowings……………………	5	-	1.992	-	1.997	-	1.997
Short term portion of long term debt….....	10.274	-	994	-	11.268	-	11.268
Trade and other payables…………………	14.177	-	608	374	15.159	(49)	15.110
Total	**62.952**	**-**	**34.565**	**374**	**97.891**	**(49)**	**97.842**
Other liabilities……………………………	-	-	-	-	-	-	2.721
Equity…………………………………….	-	-	-	-	-	-	51.281
Total liabilities	-	-	-	-	-	-	**151.844**

December 31, 2009	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination / not allocated	Group
Property, plant and equipment and intangible assets…………………………	722	17	43.139	372	44.250	(5.018)	39.232
Inventories……………………………….	36.664	38	-	39	36.741	-	36.741
Receivables and prepaid expenses………	45.164	-	16.821	388	62.373	(94)	62.279
Cash and cash equivalents……………….	15.076	-	30.541	56	45.673	-	45.673
Total	**97.626**	**55**	**90.501**	**855**	**189.037**	**(5.112)**	**183.925**
Other assets……………………………...	-	-	-	-	-	-	2.367
Total assets	-	-	-	-	-	-	**186.292**
Long term borrowings……………….………	48.713	-	11.235	-	59.948	-	59.948
Deferred government grants……………...	10	-	11.347	-	11.357	-	11.357
Short term borrowings……………………	11	-	10.811	-	10.822	-	10.822
Short term portion of long term debt….....	10.301	-	864	-	11.165	-	11.165
Trade and other payables…………………	19.580	55	14.910	400	34.945	(94)	34.851
Total	**78.615**	**-**	**49.167**	**400**	**128.237**	**(94)**	**128.143**
Other liabilities……………………………	-	-	-	-	-	-	2.419
Equity…………………………………….	-	-	-	-	-	-	55.730
Total liabilities	-	-	-	-	-	-	**186.292**

The segment results of the business segments for the Years ended December 31, 2009 and 2008 are presented below:

Year ended December 31, 2010	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties…………….	91.012	282	4.791	286	96.371	-	96.371
Sales within the Group.................	152	-	-	3.914	4.066	(4.066)	-
Less: Cost of sales……………….	(65.722)	(273)	(3.124)	(268)	(69.387)	-	(69.387)
Less: Cost of sales within the Group……………………………	(151)	-	-	(3.353)	(3.504)	3.504	-

(All amounts in Euro thousands unless otherwise stated)

Gross profit……………………..….	25.291	9	1.667	579	27.546	(562)	26.984
Other operating income………….	133	537	227	-	897	-	897
Distribution expenses……………	(13.131)	(614)	-	(754)	(14.499)	-	(14.499)
Distribution expenses within the Group……………………………	(562)	-	-	-	(562)	562	-
Administrative expenses………..	(2.825)	(9)	(1.027)	(187)	(4.048)	-	(4.048)
Administrative expenses within the Croup……………………...	-	-	-	-	-	-	-
Other operating expenses………..	(15)	-	(288)	(2)	(305)	-	(305)
Profit from operations…………	8.891	(77)	579	(364)	9.029	-	9.029
Finance income………………….	574	-	411	-	985	-	985
Finance costs…………………….	(2.339)	-	(879)	-	(3.218)	-	(3.218)
Profits before tax…….…………	7.126	(77)	111	(364)	6.796	-	6.796
Income tax expense……………..	(3.283)	18	(80)	91	(3.254)	-	(3.254)
Net profit……………………..….	3.843	(59)	31	(273)	3.542	-	3.542

Year ended December 31, 2009	**Long Living Consumer Goods**	**Mobile Telephony**	**Energy**	**Other**	**Total**	**Intercompany elimination**	**Group**
Sales to third parties…………….	112.730	4.380	4.296	437	121.843	-	121.843
Sales within the Group.................	110	-	-	4.084	4.194	(4.194)	-
Less: Cost of sales……………….	(77.486)	(4.352)	(3.051)	(110)	(84.999)	-	(84.999)
Less: Cost of sales within the Group……………………………	(110)	-	-	(3.711)	(3.821)	3.821	-
Gross profit……………………..….	35.244	28	1.245	700	37.217	(373)	36.844
Other operating income………….	54	714	7	-	775	-	775
Distribution expenses……………	(17.326)	(890)	-	(611)	(18.827)	-	(18.827)
Distribution expenses within the Group……………………………	(373)	-	-	-	(373)	373	-
Administrative expenses………..	(2.699)	(9)	(1.128)	(217)	(4.053)	-	(4.053)
Administrative expenses within the Croup……………………...	-	-	-	-	-	-	-
Other operating expenses………..	(13)	-	(36)	-	(49)	-	(49)
Profit from operations…………	14.887	(157)	88	(128)	14.690	-	14.690
Finance income………………….	1.965	10	700	-	2.674	-	2.675
Finance costs…………………….	(3.397)	-	(1.210)	-	(4.607)	-	(4.607)
Profits before tax…….…………	13.455	(147)	(422)	(128)	12.758	-	12.758
Income tax expense……………..	(4.697)	37	(91)	32	(4.719)	-	(4.719)
Net profit……………………..….	8.758	(110)	(513)	(96)	8.039	-	8.039

The geographic results of the Groups sales for the Years ended December 31, 2009 and 2008 are analyzed as follows:

Year ended December 31, 2010	**Long Living Consumer Goods**	**Mobile Telephony**	**Energy**	**Other**	**Total**
Greece………………………………..	35.967	282	4.791	286	41.326
Italy…………………………………..	16.941	-	-	-	16.941
Turkey………………………………..	14.684	-	-	-	14.684
Balkan………………………………..	16.116	-	-	-	16.116
Others	7.304	-	-	-	7.304
Total ……………………….……………..	91.012	282	4.791	286	96.371

(All amounts in Euro thousands unless otherwise stated)

Year ended December 31, 2009	**Long Living Consumer Goods**	**Mobile Telephony**	**Energy**	**Other**	**Total**
Greece………………………………..	72.877	4.380	4.296	437	81.990
Italy…………………………………..	13.250	-	-	-	12.350
Turkey………………………………..	12.313	-	-	-	12.313
Balkan………………………………..	12.803	-	-	-	12.803
Others	1.487	-	-	-	1.487
Total ……………….……………….	**112.730**	**4.380**	**4.296**	**437**	**121.843**

6. *Income*

Analysis of the Groups' income:

	Consolidated		**Company**	
	Year ended December 31,			
	2010	**2009**	**2010**	**2009**
Sales of goods and services	96.371	121.843	91.445	117.220
Other income	897	775	685	768
Total	**97.268**	**122.618**	**92.130**	**117.988**

7. *Break down of expenses*

The main categories of expenses are analyzed as follows:

	Consolidated					
	Table of allocation of expenses year ended December 31, 2010					
	Cost of Sales	**Administrative expenses**	**Distribution expenses**	**Financial expenses**	**Other expenses**	**Total**
Personnel expenses…	(178)	(2.210)	(3.746)	-	-	(6.134)
Third party expenses…	(377)	(472)	(2.429)	-	-	(3.278)
Supplies……………...	(1.278)	(797)	(4.690)	-	-	(6.765)
Taxes and duties……..	(146)	(93)	(239)	-	-	(478)
Various expenses…….	(6)	(416)	(2.545)	-	(305)	(3.272)
Financial expenses…...	-	-	-	(3.218)	-	(3.218)
Depreciation of fixed assets & amortization of intangible assets…..	(2.489)	(84)	(166)	-	-	(2.739)
Subsidies of fixed assets…………………	778	11	-	-		789
Provisions……………	266	13	(684)	-	-	(405)
Inventories…………...	(65.957)	-	-	-	-	(65.957)
Total	**(69.387)**	**(4.048)**	**(14.499)**	**(3.218)**	**(305)**	**(91.457)**

	Consolidated					
	Table of allocation of expenses year ended December 31, 2009					
	Cost of Sales	**Administrative expenses**	**Distribution expenses**	**Financial expenses**	**Other expenses**	**Total**
Personnel expenses…	(142)	(2.077)	(4.105)	-	-	(6.324)
Third party expenses…	(773)	(475)	(2.085)	-	-	(3.333)
Supplies……………...	(1.075)	(654)	(5.592)	-	-	(7.321)
Taxes and duties……..	(129)	(117)	(223)	-	-	(469)
Various expenses…….	(2)	(659)	(5.146)	-	(49)	(5.856)
Financial expenses…...	-	-	-	(4.598)	-	(4.598)
Depreciation of fixed assets & amortization of intangible assets…..	(2.097)	(81)	(154)	-	-	(2.332)
Subsidies of fixed assets…………………	644	11	-	-		655
Provisions……………	(241)	-	(1.522)	-	-	(1.763)

(All amounts in Euro thousands unless otherwise stated)

Inventories…………...	(81.184)	-	-	-	-	(81.184)
Total	**(84.999)**	**(4.052)**	**(18.827)**	**(4.598)**	**(49)**	**(112.525)**

	Company					
	Table of allocation of expenses year ended December 31, 2010					
	Cost of Sales	**Administrative expenses**	**Distribution expenses**	**Financial expenses**	**Other expenses**	**Total**
Personnel expenses…	-	(1.617)	(2.488)	-	-	(4.105)
Third party expenses…	(304)	(376)	(2.759)	-	-	(3.439)
Supplies……………...	(151)	(594)	(5.763)	-	-	(6.508)
Taxes and duties……..	-	(49)	(61)	-	-	(110)
Various expenses…….	-	(178)	(2.480)	-	(15)	(2.673)
Financial expenses…...	-	-	-	(2.338)	-	(2.338)
Depreciation of fixed assets & amortization of intangible assets…..	-	(44)	(75)	-	-	(119)
Subsidies of fixed assets…………………	-	11	-	-		11
Provisions……………	266	13	(681)	-	-	(402)
Inventories…………...	(65.957)	-	-	-	-	(65.957)
Total	**(66.146)**	**(2.834)**	**(14.307)**	**(2.338)**	**(15)**	**(85.640)**

	Company					
	Table of allocation of expenses year ended December 31, 2009					
	Cost of Sales	**Administrative expenses**	**Distribution expenses**	**Financial expenses**	**Other expenses**	**Total**
Personnel expenses…	-	(1.515)	(2.667)	-	-	(4.182)
Third party expenses…	(3)	(330)	(2.914)	-	-	(3.247)
Supplies……………...	(280)	(438)	(6.302)	-	-	(7.020)
Taxes and duties……..	-	(51)	(44)	-	-	(95)
Various expenses…….	-	(345)	(5.068)	-	(13)	(5.426)
Financial expenses…...	-	-	-	(3.387)	-	(3.387)
Depreciation of fixed assets & amortization of intangible assets…..	-	(39)	(73)	-	-	(112)
Subsidies of fixed assets…………………	-	11	-	-		11
Provisions……………	(241)	-	(1.522)	-	-	(1.763)
Inventories…………...	(81.424)	-	-	-	-	(81.424)
Total	**(81.948)**	**(2.707)**	**(18.590)**	**(3.387)**	**(13)**	**(106.645)**

7.1 Personnel expenses

The personnel expenses are analyzed as follows:

	Consolidated		Company	
	Year ended December 31,			
	2010	**2009**	**2010**	**2009**
Salaries and wages…………………	(5.029)	(5.286)	(3.298)	(3.508)
Employers' social security contributions………………………..	(902)	(982)	(609)	(653)
Other compensation………………..	(171)	(7)	(171)	-
Retirement benefits………………...	(32)	(49)	(27)	(21)
Total	**(6.134)**	**(6.324)**	**(4.105)**	**(4.182)**

7.2 Finance income and expenses

(All amounts in Euro thousands unless otherwise stated)

Finance income and expenses are analyzed as follows:

	Consolidated		Company	
	Year ended December 31,			
	2010	2009	2010	2009
Finance costs:				
Interest and similar expenses………	(2.346)	(4.164)	(1.542)	(3.101)
Bank charges and commissions……	(460)	(388)	(425)	(286)
Financial cost of provision of equipment removal…………………	(40)	(46)	-	-
Foreign exchange differences (expense)..	(357)	-	(357)	-
Valuation of Derivaties……………	(15)	-	(14)	-
Total Finance costs	**(3.218)**	**(4.598)**	**(2.338)**	**(3.387)**
Finance income:				
Interest and similar income………..	985	1.616	573	915
Gain from securities (sale – dividend income)…………………..	-	55	-	55
Foreign exchange differences (income)…………………………...	-	994	-	994
Total Finance income	**985**	**2.665**	**573**	**1.964**
Finance costs, net	**(2.233)**	**(1.933)**	**(1.765)**	**(1.423)**

Generally the above accounts have as follows:

	Consolidated		Company	
	Year ended December 31,			
	2010	2009	2010	2009
Foreign exchange differences ……..	(357)	994	(357)	994
Result of investment activity……….	970	1.671	559	970
Interest and similar expenses………	(2.846)	(4.598)	(1.967)	(3.387)
Finance costs (net)	**(2.233)**	**(1.933)**	**(1.765)**	**(1.423)**

7.3 Various expenses

The various expenses concerns mainly transportation and advertisement expenses

7.4 Provisions

The provision expenses are analyzed as follows:

Consolidated		
Provisions	**2010**	**2009**
Bad depts.	(684)	(1.522)
Stock valuation losses	266	(241)
Gains or losses that arises from the sale of securities	13	8
Provision for environmental rehabilitation	-	(647)
Total	(405)	(2.402)

Company		
Provisions	**2010**	**2009**

Bad depts.	(681)	(1.522)
Stock valuation losses	266	(241)
Gains or losses that arises from the sale of securities	13	8
Total	(402)	(1.755)

8. *Income taxes*

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

Company	Unaudited fiscal years
• F.G. Europe S.A.	2008 to 2010
• Fidakis Logistics S.A.	2010
• Fidakis Service S.A.	2010
• R.F. Energy S.A.	2010
• Hydroelectrical Ahaias S.A.	2010
• City Electrik S.A	2010
• Aeolic Kylindrias S.A.	2009-2010
• Kallisti Energiaki S.A.	2009-2010
• R.F. Energy Misohoria S.A.	2010
• R.F. Energy Omalies S.A.	2010
• R.F. Energy Korakovrahos S.A.	2010
• R.F. Energy Dexamenes S.A.	2010
• R.F. Energy Lakoma S.A.	2010
• R.F. Energy Tsoukka S.A.	2010
• R.F. Energy Praro S.A.	2010
• R.F. Energy Xesportes S.A.	2010
• R.F. Energy Shizali S.A.	2010
• R.F. Energy Kalamaki S.A.	2010
• Aeolic Aderes S.A..	Unaudited from inception (2009)

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

	Consolidated		Company	
	Year ended December 31,			
	2010	2009	2010	2009
Income tax (current period)………................	(1.885)	(3.950)	(1.691)	(3.713)
Extraordinary tax contribution (article 2, L. 3808/2009)…………………………………..	(1.359)	(1.381)	(1.359)	(1.381)
Deferred tax………………………………….	138	822	(6)	296
Adjustments of deferred taxes due to change in tax rate…………………………………….	-	-	-	-
Provisions for contingent tax liabilities from years uninspected by the tax authorities…….	(148)	(210)	(49)	(100)
Tax audit differences………………………...	-	-	-	-
Income taxes	**(3.254)**	**(4.719)**	**(3.105)**	**(4.898)**

The tax returns of the companies of the Group have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The provision in this respect that has been created in the current period, amounts to € 340 for the Group and € 266 for the Company as of December 31, 2010.

(All amounts in Euro thousands unless otherwise stated)

The company presents the amount of € 1.359 in the tax returns that concerns the extraordinary contribution which was imposed according to provisions of article 2, L. 3845/2010. The amount of € 1.359 was registered in the Statement of Comprehensive Income and concretely in the Income Tax of the fiscal year.

The income tax related to the Group's earnings is different from the amount that would result as if the tax rate would be applied as follows:

	Consolidated		Company	
	Year ended December 31,			
	2010	2009	2010	2009
Profit before taxes	**6.796**	**12.758**	**7.063**	**13.307**
Tax rate ………………………………………...	24%	25%	24%	25%
Tax at the corporate income tax rate	**(1.631)**	**(3.190)**	**(1.695)**	**(3.327)**
Tax effects from:				
Tax free income …………………………………..	1	165	1	14
Non tax deductible expenses……………………..	(53)	(104)	(53)	(104)
Non recognized fiscal losses……………………..	(122)	-	-	-
Others	66	-	50	-
Total	**(1.739)**	**(3.129)**	**(1.696)**	**(3.417)**
Adjustments of deferred taxes due to change in tax rate……………………………………………	-	-	-	-
Provisions for contingent tax liabilities from years uninspected by the tax authorities………………...	(106)	(209)	(49)	(100)
Extraordinary tax contribution……………………	(1.367)	(1.381)	(1.359)	(1.381)
Tax audit differences……………………………...	(42)	-	-	-
Effective income tax for the year	**(3.254)**	**(4.719)**	**(3.105)**	**(4.898)**

According to L. 3697/2008 the applicable tax rates for the next fiscal years will be as follows:

Fiscal year	**Tax rate**
2009	25%
2010	24%
2011	23%
2012	22%
2013	21%
2014 hereafter	20%

9. *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		Company	
	Year ended December 31,			
	2010	2009	2009	2009
Net profit attributable to shareholders…………………..	3.531	8.366	3.958	8.409
Weighted average number of shares outstanding……………..	52.800.154	52.800.154	52.800.154	52.800.154
Basic earnings per share (in Euro)	**0,0669**	**0,1585**	**0,0750**	**0,1593**

(All amounts in Euro thousands unless otherwise stated)

10. Property, plant and equipment and intangible assets

Property, plant and equipment is analyzed as follows:

Consolidated	**Fixed Assets**						
	Land	**Buildings**	**Plant & machinery**	**Vehicles**	**Furniture & fixture**	**Work in progress**	**Total**
January 1, 2009							
Value at cost……………....	5	3.755	18.537	312	1.184	15.222	**39.016**
Accumulated depreciation..	-	(297)	(1.071)	(145)	(851)	-	**(2.364)**
Net book value…………	**5**	**3.458**	**17.466**	**167**	**333**	**15.222**	**36.652**
January 1 to December 31, 2009							
Additions………………….	-	-	575	71	203	1.802	**2.651**
Work in progress………….	-	1.530	14.781	-	-	(16.311)	**-**
Disposals / transfers………	-	-	-	-	(17)	-	**(17)**
Depreciation………………	-	(256)	(1.831)	(34)	(156)	-	**(2.277)**
Depreciation of disposals…	-	-	-	-	17	-	**17**
December 31, 2009							
Value at cost……………....	5	5.285	33.893	383	1.370	713	**41.649**
Accumulated depreciation..	-	(553)	(2.902)	(179)	(990)	-	**(4.624)**
Net book value…………	**5**	**4.732**	**30.991**	**204**	**380**	**713**	**37.025**
January 1 to December 31, 2010							
Additions………………….	-	43	29	-	128	553	**753**
Work in progress………….	-	-	-	-	-	-	**-**
Disposals / transfers………	-	-	-	(7)	(60)	-	**(67)**
Depreciation………………	-	(292)	(2.239)	(48)	(151)	-	**(2.730)**
Depreciation of disposals…	-	-	-	5	60	-	**65**
December 31, 2010							
Value at cost……………....	5	5.328	33.922	376	1.438	1.266	**42.335**
Accumulated depreciation..	-	(845)	(5.141)	(222)	(1.081)	-	**(7.289)**
Net book value…………	**5**	**4.483**	**28.781**	**154**	**357**	**1.266**	**35.046**

Consolidated	**Investments in real estate**			**Intangible assets**		
	Land	**Buildings**	**Total**	**License for wind energy**	**Licenses**	**Total**
January 1, 2009						
Value at cost……………....	52	284	**336**	1.800	190	**1.990**
Accumulated depreciation..	-	(3)	**(3)**	-	(94)	**(94)**
Net book value…………	**52**	**281**	**333**	**1.800**	**96**	**1.896**
January 1 to December 31, 2009						
Additions………………….	-	-	**-**	-	-	**-**
Work in progress …………	-	-	**-**	-	-	**-**
Disposals / transfers………	-	-	**-**	-	-	**-**
Depreciation………………	-	(7)	**(7)**	-	(16)	**(16)**
Depreciation of disposals…	-	-	**-**	-	-	**-**
December 31, 2009						
Value at cost……………....	52	284	**336**	1.800	190	**1.990**
Accumulated depreciation..	-	(10)	**(10)**	-	(110)	**(110)**
Net book value…………	**52**	**274**	**326**	**1.800**	**80**	**1.880**

(All amounts in Euro thousands unless otherwise stated)

January 1 to December 31, 2010						
Additions…………………..	-	-	**-**	7.091	289	**7.380**
Work in progress …………	-	-	**-**	-	-	**-**
Disposals / transfers………	-	-	**-**	-	-	**-**
Depreciation………………	-	(1)	**(1)**	-	(8)	**(8)**
Depreciation of disposals…	-	-	**-**	-	-	**-**
December 31, 2010						
Value at cost……………...	52	284	**336**	8.891	479	**9.730**
Accumulated depreciation..	-	(11)	**(11)**	-	(118)	**(118)**
Net book value………..	**52**	**273**	**325**	**8.891**	**361**	**9.252**

Company	**Land**	**Buildings**	**Plant & machinery**	**Vehicles**	**Furniture & fixture**	**Total**
January 1, 2009						
Value at cost……………...	5	36	11	105	978	**1.135**
Accumulated depreciation..	-	(24)	(7)	(68)	(776)	**(875)**
Net book value…………	**5**	**12**	**4**	**37**	**202**	**260**
January 1 to December 31, 2009						
Additions…………………..	-	-	-	71	164	**235**
Work in progress…………..	-	-	-	-	-	**-**
Disposals / transfers………	-	-	-	-	(17)	**(17)**
Depreciation………………	-	(3)	(1)	(1)	(98)	**(103)**
Depreciation of disposals…	-	-	-	-	17	**17**
December 31, 2009						
Value at cost……………...	5	36	11	175	1.142	**1.369**
Accumulated depreciation..	-	(27)	(7)	(69)	(857)	**(960)**
Net book value………..	**5**	**9**	**4**	**106**	**285**	**409**
January 1 to December 31, 2010						
Additions…………………..	-	-	-	-	54	**54**
Work in progress…………..	-	-	-	-	-	**-**
Disposals / transfers………	-	-	-	(7)	(60)	**(67)**
Depreciation………………	-	(7)	(1)	(17)	(91)	**(116)**
Depreciation of disposals…	-	-	-	5	60	**65**
December 31, 2010						
Value at cost……………...	5	36	11	168	1.136	**1.356**
Accumulated depreciation..	-	(34)	(8)	(81)	(888)	**(1.011)**
Net book value………..	**5**	**2**	**3**	**87**	**248**	**345**

Company	**Investments in real estate**			**Intangible assets**	
	Land	**Buildings**	**Total**	**Licenses**	**Total**
January 1, 2009					
Value at cost……………...	52	285	**337**	29	**29**
Accumulated depreciation..	-	(4)	**(4)**	(24)	**(24)**
Net book value…………	**52**	**281**	**333**	**5**	**5**
January 1 to December 31, 2009					
Additions…………………..	-	-	**-**	-	**-**
Work in progress …………	-	-	**-**	-	**-**
Disposals / transfers………	-	-	**-**	-	**-**
Depreciation………………	-	(6)	**(6)**	(2)	**(2)**
Depreciation of disposals…	-	-	**-**	-	**-**

December 31, 2009					
Value at cost……………...	52	284	**336**	30	**30**
Accumulated depreciation..	-	(10)	**(10)**	(26)	**(26)**
Net book value…………	**52**	**274**	**326**	**4**	**4**
January 1 to December 31, 2010					
Additions………………….	-	-	-	-	-
Work in progress …………	-	-	-	-	-
Disposals / transfers………	-	-	-	-	-
Depreciation………………	-	(1)	**(1)**	(2)	**(2)**
Depreciation of disposals…	-	-	-	-	-
December 31, 2010					
Value at cost……………...	52	284	**336**	30	**30**
Accumulated depreciation..	-	(11)	**(11)**	(28)	**(28)**
Net book value………..	**52**	**273**	**325**	**2**	**2**

It is noted that fixed assets are not pledged.

'Investments in real estate' € 336 acquired by the Company during the period from January 1 to December 31, 2008, and will be included in the value at cost less depreciations and impairments.

Fair value coincides with book value as on December 31, 2010.

It is also noted that Work in progress amount € 1.266 concerns the cost of wind park construction and hydroelectrical plant construction of the subsidiaries of the Group. The impairment testing of licensees of electrical energy production hasn't resulted to impairment losses.

The Group has recognized in the previous years intangible assets with continuous renewal rights (license for wind energy) which have been arise through the purchase of subsidiary companies.

The addition to intangible assets concern for the amount of € 7.091 wind energy production license and for the amount of € 289 other right of use.

The fair value of the assets and liabilities of the subsidiary Aeolic Aderes S.A. that recognized at the date of purchase was € 5.726, and the purchase value almost coincide with the fair value.

The determination of the fair value of the net assets of the company was done by an independent valuer and is as follows:

Asstes of "Aeolic Aderes S.A..	**30.12.2010**	
	Carrying value	Fair value
Property, plant and equipment …………………. ……………………….	94	94
Intangible assets (wind energy production license)………………………	-	7.091
Trade and other receivables…………………………………………...	22	22
Cash and cash equivalents…………………………………………….	4	4
Trade and other receivables	(67)	(67)
Recognized deferred tax	-	(1.418)
Shareholders equity	**(53)**	**(5.726)**
Purchase value		**5.726**
Minus : Cash		**(4)**
Net cash outflow from purchase		**5.722**

(All amounts in Euro thousands unless otherwise stated)

The results of this company are included in the Financial Statements of the Group from the purchase date on December 30, 2010.

The recoverable amounts of the above intangible assets, that have an infinite useful life and are not amortized, are reviewed at least annually to determine whether there is an indication of impairment.

11. Available for Sale Financial Instruments

The available for sale securities contain shares of Athens Exchange listed companies that were valued with closing prices of December 31, 2010 (1st level) as well as companies 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.

	Group			**Valuation of Securities**				
ASE Listed Companies	**Cost**	**Gain / loss until December 31, 2009**	**Sales until 2009**	**Valuation December 31, 2009**	**Gain / loss until December 31, 2010**	**Purchases 2010**	**Sales 2010**	**Valuation December 31, 2010**
Alpha Bank S.A……...	81	(49)	-	32	(17)	-	-	15
National Bank of Greece S.A…………...	153	(79)	-	74	(48)	12	-	38
Vioter S.A……………	53	(50)	-	3	(3)	-	-	-
Mihaniki S.A………...	29	(26)	-	3	(2)	-	-	1
Mohlos S.A…………...	41	(41)	-	-	-	-	-	-
Proodeftiki S.A………	71	(70)	-	1	-	-	-	1
Benrubi S.A………….	76	(69)	-	7	-	-	(7)	-
A/B Vasilopoulos S.A.	79	(13)	(66)	-	-	-	-	-
EFG Eurobank S.A…..	144	(120)	-	24	(12)	-	-	12
Dionik S.A…………...	614	(596)	-	18	(2)	-	-	16
Total	**1.341**	**(1.113)**	**(66)**	**162**	**(84)**	**12**	**(7)**	**83**
Not listed companies								
Radio Korasidis S.A…	88	(75)	-	13	-	-	-	13
Elephant S.A…………	10	(8)	-	2	-	-	-	2
Anakyklosi Syskevon..	32	-	-	32	-	-	-	32
R.E. Media S.A………	3	-	-	3	-	-	-	3
Elinta S.A……………	2	-	-	2	-	-	-	2
F.B.B. First Business Bank S.A…………….	-	-	-	-	-	2.000	-	2.000
Total	**135**	**(83)**	**-**	**52**	**-**	**2.000**	**-**	**2.052**
Total investments (afs)	**1.476**	**(1.196)**	**(66)**	**214**	**(84)**	**2.012**	**(7)**	**2.135**

	Company			**Valuation of Securities**				
ASE Listed Companies	**Cost**	**Gain / loss until December 31, 2009**	**Sales until 2009**	**Valuation December 31, 2009**	**Gain / loss until December 31, 2010**	**Purchases 2010**	**Sales 2010**	**Valuation December 31, 2010**
Alpha Bank S.A……...	81	(49)	-	32	(17)	-	-	15
National Bank of Greece S.A…………...	153	(79)	-	74	(48)	12	-	38

(All amounts in Euro thousands unless otherwise stated)

Vioter S.A……………	53	(50)	-	3	(3)	-	-	-
Mihaniki S.A………...	29	(26)	-	3	(2)	-	-	1
Mohlos S.A…………..	41	(41)	-	-	-	-	-	-
Proodeftiki S.A………	71	(70)	-	1	-	-	-	1
Benrubi S.A………….	76	(69)	-	7	-	-	(7)	-
A/B Vasilopoulos S.A.	79	(13)	(66)	-	-	-	-	-
EFG Eurobank S.A…..	144	(120)	-	24	(12)	-	-	12
Dionik S.A…………...	614	(596)	-	18	(2)	-	-	16
Total	**1.341**	**(1.113)**	**(66)**	**162**	**(84)**	**12**	**(7)**	**83**
Not listed companies								
Radio Korasidis S.A…	88	(75)	-	13	-	-	-	13
Elephant S.A…………	10	(8)	-	2	-	-	-	2
Anakyklosi Syskevon..	32	-	-	32	-	-	-	32
R.E. Media S.A………	3	-	-	3	-	-	-	3
Elinta S.A……………	2	-	-	2	-	-	-	2
Total	**135**	**(83)**	**-**	**52**	**-**	**-**	**-**	**52**
Total investments (afs)	**1.476**	**(1.196)**	**(66)**	**214**	**(84)**	**12**	**(7)**	**135**

12. Inventories

Inventories are analyzed as follows:

	Consolidated		Company	
	December 31,			
	2010	**2009**	**2009**	**2009**
Merchandise………………………………..	33.706	37.224	33.686	37.185
Provisions for slow moving inventory……..	(217)	(483)	(217)	(483)
Total	**33.489**	**36.741**	**32.469**	**36.702**

The provision for slow moving inventory has as follows:

	Consolidated	Company
Balance as at 01.01.2009……………………………………	**(242)**	**(242)**
Provision gain/ (losses) 2009………………………………...	(241)	(241)
Balance as at 31.12.2009……………………………………	**(483)**	**(483)**
Provision gain/ (losses) 2010………………………………...	266	266
Balance as at 31.12.2010……………………………………	**(217)**	**(217)**

The Company and the Group in 2010, due to the recycling of slow moving inventory, have charged the results with valuation gains of € 266 resulting from the net realizable value (for the Group and the Company in 2009 have charged with losses of € 241).

13. Receivables and Prepayments

Receivables and Prepayments are analyzed as follows:

Consolidated		Company	
December 31,			
2010	**2009**	**2010**	**2009**

Customers…………………………………..	14.728	25.765	13.979	24.705
Postdated cheques………………………….	2.955	15.478	2.955	15.465
Notes receivables…………………………..	337	427	334	428
Provision for doubtful accounts……………	(3.198)	(2.514)	(3.194)	(2.514)
Total	**14.822**	**39.156**	**14.074**	**38.084**
Other receivables and prepayments………..	18.921	23.123	977	7.079
Total	**33.743**	**62.279**	**15.051**	**45.163**

The movement in the provision for doubtful accounts is as follows:

	Consolidated	Company
Balance on January 1, 2009………………………………………	**(3.490)**	**(3.490)**
Provision charged as expense in 2009……………………………..	(1.522)	(1.522)
Amounts written off in 2009………………………………………..	2.498	2.498
Balance on December 31, 2009…………………………………...	**(2.514)**	**(2.514)**
Provision charged as expense in 2010……………………………...	(684)	(681)
Amounts written off in 2010……………………………………….	-	-
Balance on December 31, 2010…………………………………...	**(3.198)**	**(3.195)**

The provisions concern in its total accounts receivable from customer – debtors that has been characterized as doubtful because the credit period is overdue and have been transferred to the legal department to take legal action for the reimbursement of the receivable.

Both receivables and customers are divided into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Consolidated		**Company**	
	December 31,			
Ageing of trade receivables	**2009**	**2009**	**2009**	**2009**
0 - 30 days …………………………………	5.046	11.055	5.027	11.043
31 - 60 days ……………………………….	1.995	5.528	1.993	5.522
61 - 90 days ……………………………….	1.411	4.920	1.410	4.906
91 - 120 days ………………………………	730	4.067	728	4.024
121 - 150 days ……………………………..	983	7.636	981	7.630
151 - 180 days …………………………….	867	3.695	862	3.686
181 - 360 days …………………………….	19.330	22.936	664	5.911
Non – overdues trade receivables	**30.362**	**59.837**	**11.665**	**42.722**
361 + days …………………………………	6.580	4.956	6.580	4.955
Impairment losses recognized on receivables………………………………….	(3.199)	(2.514)	(3.194)	(2.514)
Overdues trade receivables	**3.381**	**2.442**	**3.386**	**2.441**
Total receivables	**33.743**	**62.279**	**15.051**	**45.163**

The maximum exposure to credit risk without taking into consideration guarantees and other credit insurances amounts as of December 31, 2010 for the Group to € 33.743 for the Company to € 15.051 and to € 62.279 and € 45.164 respectively as of December 31, 2009.

To reduce the credit risk the Group/ Company have received from customers cheques receivables in form of guarantees for the amount of € 72 (€ 895 in 2009) and has stored real assets of customers amounting to € 2.000 (€ 2.000 in 2009).

(All amounts in Euro thousands unless otherwise stated)

Other Receivables and prepayments are analyzed as follows:

	Consolidated		Company	
	December 31,			
	2010	2009	2009	2009
Greek state – taxes receivables…………....	2.235	2.997	668	1.495
Greek state – prepayment of tax income…...	-	-	-	-
Insurance companies……………………….	992	52	-	-
Receivables of sales investments…………..	-	-	-	-
Subsidies…………………………………...	13.411	12.015	-	-
Prepayment expenses………………………	2.013	2.738	46	265
Transitory accounts………………………...	254	-	254	-
Other………………………………………..	16	5.321	9	5.319
Total	**18.921**	**23.123**	**977**	**7.079**

The carrying values of receivables and prepayments do not differ materially from their fair values.

14. Cash and cash equivalents

	Consolidated		Company	
	December 31,			
	2010	2009	2010	2009
Cash on hand...………………………………..	28	10	1	2
Sight and time deposits………......…………...	35.615	45.663	27.585	15.074
Total	**35.643**	**45.673**	**27.586**	**15.076**

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

15. Share capital

As of December 31, 2010 the company's share capital amounts to € 15.840 and is divided into 52.800.154 ordinary registered shares with par value of EURO 0,30 each.

It is noted that the average number of shares outstanding during the year 2010 is 52.800.154 shares.

16. Share premium

The share premium as of December 31, 2008 amounts to EURO 6.644.

Based on the decision of July 10, 2009 of the General Assembly of Shareholders of the Company R.F. ENERGY S.A., the equity of the company was increased by EURO 14.000. The Management of F.G. EUROPE decided not to participate in the aforementioned increase, which has been totally covered by the remaining shareholders of R.F. ENERGY S.A. After the related adjustments for consolidation purposes of the Group and subtracting the expenses of the aforementioned share capital increase of € 30, share premium account amounts to € 6.614 as of December 31, 2009.

Shareholders of R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFYROS S.A., convened in an Extraordinary General Assembly on May 31, 2010, decided the solution of these companies and their selling off. After the related adjustments for consolidation purposes of the Group, share premium account increased for € 12.

(All amounts in Euro thousands unless otherwise stated)

On December 30, 2010, the shareholders of Aeolic Aderes S.A., during the Extraordinary General Assembly decided to increase the equity of the company by € 450, with a share capital increase by € 45 and a disposal of shares above par of € 405. After the related adjustments for consolidation purposes of the Group and subtracting the expenses of the aforementioned share capital increase of € 3, share premium account amounts to € 6.623 as of December 31, 2010.

17. Reserves

The movements in the reserves of the Group and the Company are presented in the following table:

	Consolidated				
Reserve	**January 1, 2009**	**Additions / (reductions)**	**December 31, 2009**	**Additions / (reductions)**	**December 31, 2010**
Legal reserve………………….	2.777	341	3.118	298	3.416
Treasury shares……………….	-	-	-	-	-
Fair value reserves……………	(68)	(8)	(76)	(68)	(144)
Extraordinary reserves………..	1.566	-	1.566	-	1.566
Tax free reserves……………...	290	-	290	-	290
Special tax reserves Art.44 (L.1892/90)……………………	926	-	926	-	926
Total Reserves	**5.491**	**333**	**5.824**	**230**	**6.054**

	Company				
Reserve	**January 1, 2009**	**Additions / (reductions)**	**December 31, 2009**	**Additions / (reductions)**	**December 31, 2010**
Legal reserve………………….	2.770	315	3.085	269	3.354
Treasury shares……………….	-	-	-	-	-
Fair value reserves……………	(68)	(8)	(76)	(68)	(144)
Extraordinary reserves………..	1.566	-	1.566	-	1.566
Tax free reserves……………...	290	-	290	-	290
Total Reserves	**4.558**	**307**	**4.865**	**201**	**5.066**

17.1 Legal Reserve

According to the provisions of the Greek company legislation the transfer of 5% of the net annual profits to form the legal reserve is obligatory until this reserve amounts to ⅓ of the paid in share capital. The legal reserve is only distributable in case of dissolution of the company but can be offset with accumulated losses.

17.2 Special reserve of Article 44 (Law 1892/90)

The subsidiary F.G. Logistics S.A. (formerly General Data Applications S.A.) was submitted to the provisions of Article 44 par. 1 of Law 1892/1990 with decision number 7927/2002 of the appeal court of Athens. According to this decision the liabilities to suppliers, creditors, public except social security organization were reduced effectively December 31, 2001. The resulting surplus is presented in special tax reserves.

18. Trade and other payables

Trade and other payables are analyzed as follows:

Consolidated		**Company**	
December 31,			
2010	**2009**	**2010**	**2009**

Suppliers……………………………………	11.268	13.978	11.049	13.747
Cheques payables postdated…………………..	290	2.785	232	2.740
Accrued expenses……………………………..	1.647	1.144	1.434	996
Derivatives……………………………………	-	-	-	-
Redeemable share capital ……….……….....	-	14.000	-	-
Prepayments…………………………………..	885	1.311	885	1.311
Other short term obligations………………….	801	1.633	436	841
Total	**14.891**	**34.851**	**14.036**	**19.635**

19. Borrowings

The company's borrowings are analyzed as follows:

	Consolidated		Company	
	December 31,			
Long term borrowings:	**2010**	**2009**	**2010**	**2009**
Bonded loan……………………………….…….	62.459	71.113	48.770	59.014
Long term debt payable within the next 12 months...………....	(11.268)	(11.165)	(10.274)	(10.301)
Long term debt payable between 1 & 5 years…………………………………………..	(51.191)	(59.948)	(38.496)	(48.713)
Total long term borrowings	**(62.459)**	**(71.113)**	**(48.770)**	**(59.014)**
Short term borrowings	**1.997**	**10.822**	**5**	**11**

The net cash outflow (repayments) from borrowings during the period from January 1 to December 31, 2010 amounted to € 17.635 for the Group and € 10.406 for the Company. During the related previous period the net cash outflow (repayments) amounted to € 61.133 for the Group and € 58.784 for the Company.

On January 18, 2008 the Board of Directors of F.G. EUROPE S.A. decided the issuance of a syndicated bond loan according to L. 2190/1920 and L. 3156/2003 for the amount of EURO 75.000. Purpose of the loan according to the decision of the Board of Directors is the restructuring of the existing long and short term bank debt of the Company. The payment of the loan was agreed in two installments of which the first for the amount of EURO 56.250 was on January 28, 2008 and the second for the amount of EURO 18.750 was on March 28, 2008. The loan has duration of five years with the option of prolongation for further two years. The repayment of the loan based of the initial five years duration will be proceeded in ten semi-annual installments, of which the first three (5) installments are payable on July 28, 2010. The first nine installments amount to € 5.200 and the tenth installment to € 28.200. The interest rate for the bonded loan, in 2010, was approximately 2,29%.

Based on the decision of April 3, 2009 of the General Assembly of Shareholders, the Group's Company KALLISTI ENERGIAKI S.A., decided the issuance of a bond loan for the amount of EURO 12.800. Purpose of the loan according to the decision of the General Assembly of Shareholders was the financing of the investment program of the Company. The loan has duration of twelve years for the amount of € 6.065. The repayment of the loan will be proceeded in twenty four semi-annual installments, of which the first three (3) installments are paid on September 30, 2010. The remaining amount of € 6.735 concerns the financing against the receivable state's subsidy and will be payable directly to the repayment of the state subsidy. In June, 2010 the subsidiary company KALLISTI ENERGIAKI took the amount of € 1.310 as first installment of the approved government grant and repaid an equal amount of the existing debt. The interest rate for the bonded loan was approximately 5,80%. Then, in August 2010, KALLISTI ENERGIAKI S.A. received the amount of € 2.059 as the rest of the first installment of the approved subsidy and proceeded immediately to a corresponding payout. In September 2010 the company moved to refinance the short-term borrowing against the approved grant amount of € 3.365, by issuing long term bonds with duration with eleven years and repayment in 22 semi-annual installments. The effective interest rate was Euribor 6M+2%= 3,50%.

(All amounts in Euro thousands unless otherwise stated)

The Group's Company AEOLIC KYLINDRIAS S.A., received short-term financing of sum € 10.008 in order to refinance its existing short-term loans. Amount € 5.934 was converted to Common Bond Loan during December 2009, with a duration of 14 years and a floating interest Euribor plus fixed margin 2,30%. While the remaining amount of € 4.074 remained short-term financing over the approved grant with floating Euribor plus a fixed margin of 2.00%.
For the conclusion of the above loan, reassurances were given, including blocking its bank deposits, the pledging of the shares of the issuer and concession of a part of its future receivables coming from the Power Purchase Agreement with HTSO. The loan will be paid up in 28 equivalent installments, while the first one should be disbursed 6 months after the date of signature of the agreement (21/06/2010). In September 2010, AEOLIC KYLINDRIAS S.A. received the amount of € 2.037 as the first installment of approved subsidy and made an immediate repayment of the relevant short-term loan.

The Group's Company HYDROELECTRICAL ACHAIAS S.A. has contracted a credit agreement sum of EURO 525 for long term loan, which expires on 2/9/2014 and was used for the financing of the project. The interest rate of the loan is floating Euribor plus fixed margin 1,50% with a 3-month period under debt. The loan will be paid up in 11 equivalent semi-annual installments sum of € 48, with one year as grace period after the date of signature of the agreement. Two installments have been disbursed till March 31, 2010. For the conclusion of the loan, the company has conceded its future receivables coming from the Power Purchase Agreement with HTSO. In September 2010, the company made a voluntary repayment of all debt obligations.

The fair value of the above loans approaches their nominal value.

The interest rates for the rest short term borrowings were approximately 4,60%.

20. State subsidies

	Consolidated	Company
1/1/2009		
Subsidies value…………………………..	8.363	45
Accumulated depreciation……………….	(381)	(25)
Net book value 31/12/2009……………..	**7.982**	**20**
1/1-31/12/2009		
Additions…………………………………	3.993	-
Depreciation……………………………...	(618)	(10)
31/12/2009		
Subsidies value…………………………..	12.356	45
Accumulated depreciation……………….	(999)	(35)
Αναπόσβεστη αξία 31/12/2009…………	**11.357**	**10**
1/1-31/12/2010		

(All amounts in Euro thousands unless otherwise stated)

Additions………………………………..	7.707	-
Depreciation……………………………..	(788)	(10)
31/12/2010		
Subsidies value…………………………	20.063	45
Accumulated depreciation……………...	(1.787)	(45)
Αναπόσβεστη αξία 31/12/2010………..	**18.276**	**-**

The subsidiary company KALLISTI ENERGIAKI S.A., within the current fiscal year, received 50% of the approved state subsidy for its investment plan, in two installments during June and August, which amounted to € 3.368 and the collection of the residual amount of € 3.367 is expected within fiscal 2011. The depreciation of received state subsidies on behalf of the company for the development of the wind park in location "Tsouka" in Municipalities of Skiritida and Valtetsiou in Argolida Prefecture, have been amounted to € 449 during the current period.

The subsidiary company AEOLIC KYLINDRIAS S.A., within 2010, received 50% of the approved state subsidy in one installment of € 2.037. The depreciation of received state subsidies on behalf of this subsidiary for the development of the wind park in location "Lofoi Kylindrias" in Municipality of Doirani in Kilkis Prefecture, have been amounted to € 272 during the current period.

The depreciation of received state subsidies on behalf of the subsidiary HYDROELECTRICAL ACHAIAS S.A. for the development of a small hydroelectrical station in location "Boufaskia" in Municipality of Aigio, have been amounted to € 37 during the current period. After the beginning of the operation of the small hydroelectrical station in location "Agios Andreas", the subsidiary, within 2010, received € 300, 50% of the approved state subsidy for the abovementioned project, and proceeded to accumulative depreciation of the subsidy from the date of commencement of operation of the SHP in the location "Agios Andreas ", amounting to € 21.

The subsidiary company AEOLIC ADERES S.A. received a number 52586/YPE/5 / 01732/E/N.3299/04/19-11-2010 approval to join the investment in the investment law 3299/2004 as amended by the Ministry of Economy and Finance. The approved amount of total granted investment amounts to € 19.267 and as a result the state subsidy amounts to € 7.707.

21. *Deferred taxes*

Deferred tax assets are offset with deferred tax liabilities when a legal right for offsetting exists and are due to the same tax authority.

The amounts are offset as follows:

	Consolidated				
	Deferred tax assets/ (liabilities)				
	January 1, 2009	**Changes 2009**	**December 31, 2009**	**Changes 2010**	**December 31, 2010**
Intangible assets…………………………….	**(167)**	259	**92**	(67)	**25**
Expenses for the acquisition of fixed assets...	**(1)**	-	**(1)**	-	**(1)**
Depreciation of the expenses for the acquisition of fixed assets..............................	**-**	-	**-**	-	**-**
Investments…………………………………	**(7)**	(2)	**(9)**	(1)	**(10)**
Inventories………………………………….	**57**	60	**117**	(61)	**56**

(All amounts in Euro thousands unless otherwise stated)

Receivables and prepayments………………	**393**	169	**562**	(3)	**559**
Long term borrowings………………………	**(136)**	-	**(136)**	42	**(94)**
Employee benefits………………………….	**64**	5	**69**	17	**86**
Deferred state subsidies…………………….	**(1)**	(155)	**(156)**	241	**85**
Trade and other payables……………………	**63**	52	**115**	(18)	**97**
Tax credits on recognized losses……………	**263**	434	**635**	(9)	**688**
Provision of equipment removal…………….	**-**	17	**17**	17	**34**
Other……………………………………….	**24**	(17)	**7**	(20)	**(13)**
Total	**552**	**822**	**1.374**	**138**	**1.512**

	Deferred tax assets/ (liabilities) charged directly to Equity				
Share capital increase expenses…………….	32	10	**42**	-	**42**
Total	**32**	**10**	**42**	**-**	**42**

Deferred tax assets/ (liabilities) charged directly to Equity					
Tax credits on recognized losses……………..	**62**	**-**	**62**	**(62)**	**-**
Purchase of Intangible assets-licences………..	**-**	**-**	**-**	**(1.418)**	**(1.418)**
Total	**62**	**-**	**62**	**(1.480)**	**(1.418)**

	Company				
	Deferred tax assets/ (liabilities)				
	January 1, 2009	**Changes 2009**	**December 31, 2009**	**Changes 2010**	**December 31, 2010**
Intangible assets…………………………...	**1**	(1)	**-**	-	**-**
Expenses for the acquisition of fixed assets.	**(1)**	-	**(1)**	-	**(1)**
Depreciation of the expenses for the acquisition of fixed assets..........................	**(7)**	(2)	**(9)**	(1)	**(10)**
Investments………………………………..	**-**	-	**-**	-	**-**
Inventories………………………………...	**57**	60	**117**	(61)	**56**
Receivables and prepayments……………..	**392**	168	**560**	(5)	**555**
Long term borrowings……………………..	**(136)**	48	**(88)**	37	**(51)**
Employee benefits………………………...	**57**	5	**62**	5	**67**
Trade and other payables………………….	**(35)**	52	**17**	(18)	**(1)**
Other………………………………………	**-**	(34)	**(34)**	37	**3**
Total	**328**	**296**	**624**	**(6)**	**618**

The maturity of deferred tax assets and liabilities is analyzed as follows:

	Consolidated		**Company**	
	December 31,			
	2010	**2009**	**2010**	**2009**
Short term……………………………………..	190	35	8	94
Long term……………………………………..	(116)	1.380	610	530
Total long term borrowings	**74**	**1.415**	**618**	**624**

22. *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. The termination benefit in case of retirements amounts to 40% of the termination benefit in case of dismissal.

(All amounts in Euro thousands unless otherwise stated)

The provision for employee termination benefits is presented in the financial statements according to IAS 19 and is based on an independent actuarial study calculated as of December 31, 2006. The basic underlying assumptions of the study are as follows:

	Estimate / assumption
Average increase in personnel expenses……………………..	4%
Discount rate (bond coupon iBoxx AA-rated της IIC)………	5,2%
Retirement age: men / women………………………………	65 years / 60 years

Furthermore, the possibility of employees leaving deliberately was also taken into account.

The calculation of the forecast for the employee termination benefits for the fiscal year 2009 was based on the above assumptions, since the number of employees of the Group and the Company has not been remarkably changed.

The movement of the account from January 1, 2009 to December 31, 2010 was as follows:

	Consolidated		Company	
	2010	**2009**	**2010**	**2009**
Current value of non-financing liabilities………………………	641	609	387	360
Unrecognized actuarial gains / (losses)…………………………	(139)	(139)	(54)	(54)
Net liability recognized on balance sheet	**502**	**470**	**333**	**306**
Amounts charged to the Statement of Income for the year				
Current employment cost………………………………………	70	70	39	39
Interest of liability…………………………………………...	24	24	13	13
Recognized actuarial gains / (losses)…………………………...	4	4	2	2
Cost of termination of service………………………………..	-	-	-	-
Total cost to the statement of income	**98**	**98**	**54**	**54**
Changes in the net liability recognized on the balance sheet				
Net liability at beginning of year……………………………..	482	421	306	285
Benefits paid by the employer………………………………..	(91)	(37)	(58)	(33)
Total cost recognized on the statement of income……………...	98	98	54	54
Net liability at end of year	**489**	**482**	**302**	**306**
Changes in the current value of the liability				
Current value at beginning of year…………………………...	482	421	306	285
Current employment cost………………………………………	70	70	39	39
Interest cost…………………………………………………..	24	24	13	13
Benefits paid by the employer………………………………..	(91)	(37)	(58)	(33)
Additional payments or expenses………………………………	-	-	-	-
Actuarial gains / (losses)………………………………………..	156	131	87	56
Current value of liability at end of year	**641**	**609**	**387**	**360**

The amount of forecast, calculated by the Group on December 12, 2010, for employee termination benefits amounts to € 502, and by the Company to € 333. The amount of forecast that aggravated the financial results of the fiscal year ended on December 31, 2010 was € 32, as for the Group, and € 27, as for the Company. In the fiscal year 2009, the respective amounts were € 49 as for the Group and € 21 as for the Company.

(All amounts in Euro thousands unless otherwise stated)

23. Dividends

According to Greek Corporate law, the Company is obliged to distribute to its shareholders at least the maximum between 35% of its net profit after the distribution to legal reserve, unless the General Assembly decides differently provided that at least 70% of Share Capital is represented

The Board of Directors, taking into consideration the crisis in the market and in order to strengthen the company's financial position further, intends to bring for approval to the General Assembly of shareholders, which will decide respectively, the proposal of non distribution of dividends to the company's shareholders for the fiscal year 2010.

24. 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 receipt of services from company primarily covers (logistics etc.) as well as after sales service.

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:

Subsidiaries	**Company**	
Receivables from:	**December 31, 2010**	**December 31, 2009**
F.G. Logistics S.A…………………………………….………	353	380
Fidakis Service S.A………………………………………....	-	-
City Electric S.A…………………………………………...	-	-
Hydroelectrical Achaias S.A………………………………	-	-
R.F. Energy S.A…………………………………………...	12	-
Total	**365**	**380**

Subsidiaries	**Company**	
Obligations to:	**December 31, 2010**	**December 31, 2009**
F.G. Logistics S.A…………………………………….………	24	-
Fidakis Service S.A………………………………………....	13	93
Total	**37**	**93**

Companies with common shareholding structure	**Consolidated**		**Company**	
Receivables from:	**December 31, 2010**	**December 31, 2009**	**December 31, 2010**	**December 31, 2009**

(All amounts in Euro thousands unless otherwise stated)

CYBERONICA S.A………	501	486	114	99
Total	**501**	**486**	**114**	**99**

The transactions with the related parties for the Years ended December 31, 2010 and 2009 are analyzed as follows:

Subsidiaries	**Company**	
Sales of goods and services:	**Year ended December 31,**	
	2010	**2009**
Administrative support……………………………………	2	2
Inventories………………………………………………	151	110
Other………………………………………………………	22	3
Total	**175**	**115**

Subsidiaries	**Company**	
Purchases of goods and services:	**Year ended December 31,**	
	2010	**2008**
Warranties…………………………………………………	(534)	(981)
Inventories………………………………………………	-	-
Logistics…………………………………………………	(3.379)	(3.103)
Total	**(3.913)**	**(4.084)**

Companies with common shareholding structure Purchases of goods and services:	**Consolidated**		**Company**	
	Year ended December 31,		**Year ended December 31,**	
	2010	**2009**	**2010**	**2009**
Cyberonica S.A……………….	(2.986)	(2.865)	(667)	(588)
Total	**(2.986)**	**(2.865)**	**(667)**	**(588)**

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

	Consolidated		**Company**	
Receivables from:	**December 31, 2010**	**December 31, 2009**	**December 31, 2010**	**December 31, 2009**
Members of the Board and Directors……………………	-	-	-	-
Total	**-**	**-**	**-**	**-**

	Consolidated		**Company**	
Obligations to:	**December 31, 2010**	**December 31, 2009**	**December 31, 2010**	**December 31, 2009**
Members of the Board and Directors……………………	10	-	10	-
Total	**10**	**-**	**10**	**-**

Consolidated	**Company**
Year ended December 31,	**Year ended December 31,**

(All amounts in Euro thousands unless otherwise stated)

Compensation:	2010	2009	2010	2009
Personnel expenses………….	(2.255)	(2.071)	(1.980)	(1.813)
Provision for staff leaving indemnity....……………..…...…	(12)	(55)	(12)	(21)
Total	(2.267)	(2.126)	(1.992)	(1.834)

25. *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. Said Production Licenses have not as of the date of issuance of the document at hand been granted.

As at December 31, 2009 the Group had spent on development of the aforementioned project the amount of €1,962, of which €1,369 is included under trade and other receivables and €593 is included under capital commitments under way in the consolidated balance sheet.

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. As a result, 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 Supreme Administrative Court, requesting annulment of said Production Licenses which were issued in favor of unrelated companies, on the basis of impingement of the Company's subsidiaries' lawful rights (as Company's subsidiaries have also filed applications for Production Licenses for Wind Power Energy Production Plants located in the area, and no decision has been reached yet), and material breach of substantial legal and statutory provisions. As of the date of issuance of the document at hand the Supreme Administrative Court has not convened on the case matter.

Furthermore, as of December 31, 2010 the company R.F. ENERGY S.A. has issued guarantees for loans of its subsidiaries of total amount € 15.853 which will be repaid until 2023.

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.

26. *Commitments*

Capital Commitments

The group has no uncompleted purchasing commitments with its suppliers as of December 31, 2009. The future aggregate minimum lease payments arising from building lease agreements until year 2017 are estimated to amount to EURO 15.955 approximately. Furthermore, the future aggregate minimum lease payments arising from car lease agreements until the year 2011 are estimated to amount to EURO 117 approximately.

(All amounts in Euro thousands unless otherwise stated)

Consolidated						
	Year 2010	< 1 year	from 1 year to 2 years	From 2 years to 5 years	> 5 years	Total 2011 hereafter
Future lease agreements for						
- buildings………………..	2.986	3.100	3.206	6.784	453	13.543
- cars……………………..	184	145	109	112	-	366
Total	**3.170**	**3.245**	**3.315**	**6.896**	**453**	**13.909**

Company						
	Year 2010	< 1 year	from 1 year to 2 years	From 2 years to 5 years	> 5 years	Total 2011 hereafter
Future lease agreements for						
- buildings………………..	667	767	794	1.962	398	3.921
- cars……………………..	184	145	109	112	-	366
Total	**851**	**912**	**903**	**2.074**	**398**	**4.287**

27. Post Balance Sheet Events

Based on the decision of January 4, 2011 of the General Assembly of Shareholders of the Company AEOLIC ADERES S.A.. the equity of the company was increased by € 9.930 (share capital increase € 993 and share premium € 8.937.

In early 2011, the company acquired the remaining percentage (16%) of ten subsidiaries operating in the energy sector in Evoia Prefecture and, now, owns 100% of the shares.

- R.F. ENERGY S.A. MISOHORIA S.A.
- R.F. ENERGY S.A. OMALIES S.A.
- R.F. ENERGY S.A. KORAKOVRAHOS S.A.
- R.F. ENERGY S.A. DEXAMENES S.A.
- R.F. ENERGY S.A. LAKOMA S.A.
- R.F. ENERGY S.A. TSOUKKA S.A.
- R.F. ENERGY S.A. PRARO S.A.
- R.F. ENERGY S.A XESPORTES S.A.
- R.F. ENERGY S.A. SHIZALI S.A.
- R.F. ENERGY S.A. KALAMAKI S.A.

There are no other significant post balance sheet events having occurred after December 31, 2010 concerning the Company that should have been disclosed.

These Financial Statements have been approved for issue by the Board of Directors of F.G. EUROPE S.A. on March 9, 2010 and are accessible to the public in electronic form on the company website **http:\\www.fgeurope.gr**

Glyfada, March 15, 2011

Chairman of the Board of Directors	Managing Director	Finance Manager	Accounting Supervisor
Georgios Fidakis ΑΔΤ Ν 000657	John Pantousis ΑΔΤ Ξ 168490	Michael Poulis AM OEE 016921	Athanasios Harbis AM OEE 0002386

(All amounts in Euro thousands unless otherwise stated)

INFORMATION ACCORDING TO ARTICLE 10 OF LAW 3401/2005

The following Announcements/ Notifications have been sent to the Daily Official List Announcements and are posted to Athens Exchange website as well as to our Company's website www.fgeurope.gr

Date	Information
30/12/2010	Acquisition of an energy company by its subsidiary RF ENERGY S.A.
30/12/2010	Trade Aknowledgement
28/12/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
28/12/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
17/12/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
17/12/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
29/11/2010	Nine Month Period 2010 Financial Results
3/11/2010	Announcement of changes at the Company managers
30/7/2010	Six Month Period 2010 Financial Results
8/6/2010	Announcement
21/5/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
14/5/2010	Press Release - 1st Quarter 2010 Financial Results
14/5/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
11/5/2010	Trade Aknowledgement
10/5/2010	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
22/4/2010	Announcement of changes at the Board of Directors
14/4/2010	Announcement for the divident ex date
14/4/2010	General Assembly of Shareholders Resolution Dated 14/04/2010
19/3/2010	Invitation to the Annual General Assembly of Shareholders of Common Registered Shares of the Company
19/3/2010	Presentation of Annual Financial Results at the Association of Greek
17/3/2010	Presentation of the FG Europe S.A. Group of companies to the Association of Greek Institutional Investors
12/3/2010	Annual 2009 Results
10/3/2010	Financial Calendar 2010
25/1/2010	Announcement

Internet site of the Company

According to the decision 7/448/11.10.2007 of the Hellenic Capital Market Commission, the annual Financial Statements, the Auditor's Report and the Board's of Directors Report of F.G. EUROPE S.A. are accessible to the public in electronic form on the company website **http:\\www.fgeurope.gr**

The annual Financial Statements, the Auditor's Reports and the Board's of Directors Reports of the subsidiaries companies of the Group are accessible to the public in electronic form on the above-mentioned company's website.

F.G. EUROPE

SOCIETE ANONYME FOR ELECTRIC AND ELECTRONIC DEVICES

P.C.S.A. Register Number 13413/06/B/86/111

Municipality of Glyfada, 128, Vouliagmenis Ave., Zip Code 166 74

FIGURES AND INFORMATION FOR THE YEAR OF 1 JANUARY UNTIL 31 DECEMBER 2010

(Published according to L. 2190, article 135 for companies preparing annual financial statements, company and consolidated, according to IFRS)

The financial information listed bellow is aiming to provide a general awareness about the financial results of FG EUROPE S.A.and its Group. Consequently, it is recommended to the reader, before any investment decision or transaction performed with the Company, to visit the website of the Company where the financial statements prepared in accordance with International Financial Reporting Standards (IFRS) are available together with the auditors review report, when required, are presented.

COMPANY DATA

Responsible Supervisory Body:	**Ministry of Economy, Competitiveness and Shipping**
Company's website address:	**http://www.fgeurope.gr**
Composition of Board if Directors:	**Georgios Fidakis (*President*), Konstantinos koutsoumpelis (*Vice president*), Ioannis Pantousis (*Managing director*), Georgios Vlamis (*Executive member*), Adreas Demenagas (*Executive member*), Georgios Stroggylopoulos (*Non executive member*), Spyros Lioukas (*Non executive member*), Ioannis Katsoulakos (*Non executive member*), Nikolaos Piblis (*Non executive member*).**
Date of approval of the annual financial statements (from which the condensed data has been extracted):	**March 15, 2011**
Auditor:	**Christodoulos Seferis (SOEL Reg. No. 23431)**
Audit Company:	**Ernst & Young (Hellas) Certified Auditors Accountants S.A.**
Type of Audit Report:	**Unqualified audit report**

CONDENSED STATEMENT OF FINANCIAL POSITION

(consolidated and not consolidated) amounts in € thousands

	GROUP		COMPANY	
ASSETS	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Tangible assets	35.046	37.026	345	409
Investments in Property	325	326	325	326
Intangible assets	9.252	1.880	2	4
Other non current assets	4.346	2.367	18.102	17.847
Inventories	33.489	36.741	33.469	36.702
Trade receivables	33.743	62.279	15.051	45.163
Other current assets	35.643	45.673	27.586	15.076
TOTAL ASSETS	**151.844**	**186.292**	**94.880**	**115.527**
NET EQUITY AND LIABILITIES				
Share Capital	15.840	15.840	15.840	15.840
Other elements of net equity	12.712	17.172	15.755	19.785
Total equity attributable to the owners of parent company (a)	**28.552**	**33.012**	**31.595**	**35.625**
Minority interests (b)	22.729	22.718	----	----
Total equity (c)=(a)+(b)	**51.281**	**55.730**	**31.595**	**35.625**
Long term borrowings	51.191	59.948	38.496	48.713
Provisions / Other long-term liabilities	20.997	12.591	333	316
Short term borrowings	13.265	21.987	10.279	10.312
Other short term liabilities	15.110	36.036	14.177	20.561
Total liabilities (d)	**100.563**	**130.562**	**63.285**	**79.902**
TOTAL NET EQUITY AND LIABILITIES (e)=(c)+(d)	**151.844**	**186.292**	**94.880**	**115.527**

CONDENSED STATEMENT OF CHANGES IN NET EQUITY

(consolidated and not consolidated) amounts in € thousands

	GROUP		COMPANY	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Equity balance at the beginning of the year (1/1/2010 and 1/1/2009 respectively)	55.730	54.604	35.625	34.887
Total comprehensive income after taxes	3.474	8.031	3.890	8.401
Share capital increase/(decrease)	(3)	758	----	----
Dividend distribution	(7.920)	(7.663)	(7.920)	(7.663)
Equity at the end of the year (31/12/2010 and 31/12/2009 respectively)	**51.281**	**55.730**	**31.595**	**35.625**

CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME

(consolidated and not consolidated) amounts in € thousands

	GROUP		COMPANY	
	1/1-31/12/2010	1/1-31/12/2009	1/1-31/12/2010	1/1-31/12/2009
Turnover	96.371	121.843	91.445	117.220
Gross profit	26.984	36.844	25.299	35.272
Earnings before taxes, financing and investing activities	8.672	15.685	8.471	15.724
Earnings before taxes	6.796	12.758	7.063	13.307
Earnings after taxes (A)	**3.542**	**8.039**	**3.958**	**8.409**
Attributable to:				
Equity holders of the parent company	3.531	8.366	----	----
Minority interest	11	(327)	----	----
Other comprehensive income after tax (B)	**(68)**	**(8)**	**(68)**	**(8)**
Total comprehensive income after tax (A)+(B)	**3.474**	**8.031**	**3.890**	**8.401**
Attributable to:				
Equity holders of the parent company	3.463	8.358	----	----
Minority interest	11	(327)	----	----
Earnings per share – basic (in Euro)	**0,0669**	**0,1585**	**0,0750**	**0,1593**
Proposed dividend distribution - (in Euro)	-----	0,1500	-----	0,1500
Earnings before interest, depreciation, amortization and taxes	10.622	17.349	8.580	15.824

CONDENSED CASH FLOW STATEMENT

(consolidated and not consolidated) amounts in € thousands

Indirect method	GROUP		COMPANY	
	1/1-31/12/2010	1/1-31/12/2009	1/1-31/12/2010	1/1-31/12/2009
Operating Activities:				
Earnings before taxes	6.796	12.759	7.063	13.307
Add / (less) adjustments for:				
Depreciation and amortization	1.950	1.664	109	100
Provisions	437	2.451	429	1.776
Exchange rate differences	357	(994)	357	(994)
Result of investment activity	(970)	(1.671)	(559)	(970)
Interest and similar expenses	2.846	4.597	1.967	3.387
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	3.517	27.076	3.499	27.075
Decrease / (increase) in receivables	27.751	12.149	29.392	15.434
(Decrease) / increase in liabilities (other than banks)	(19.228)	(51)	(6.440)	(14.114)
Less:				
Interest and similar expenses paid	(2.149)	(4.002)	(1.322)	(2.982)
Taxes paid	(4.468)	(7.080)	(3.889)	(7.035)
Total inflow / (outflow) from operating activities (a)	**16.839**	**46.898**	**30.606**	**34.984**
Investing Activities				
Acquisition of subsidiaries and other investments	(2.000)	----	----	----
Proceeds from sale of available for sale financial assets	8	89	8	929
Purchase of tangible and intangible assets	(6.013)	(2.636)	(52)	(253)
Interest income	985	1.616	574	915
Proceeds from goverment grants	5.706	----	----	----
Proceeds from dividends	----	3	-	3
Total inflow / (outflow) from investing activities (b)	**(7.020)**	**(928)**	**530**	**1.594**
Financing Activities				
Proceeds from capital increase	----	758	----	----
Payments of borrowings	(17.635)	(61.133)	(10.406)	(58.784)
Dividends paid	(7.920)	(7.649)	(7.920)	(7.649)
Total inflow / (outflow) from financing activities (c)	**(25.555)**	**(68.024)**	**(18.326)**	**(66.433)**
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	**(15.736)**	**(22.054)**	**12.810**	**(29.855)**
Cash and cash equivalents at beginning of the year	**45.673**	**67.727**	**15.076**	**44.931**
Cash and cash equivalents at the end of the year	**29.937**	**45.673**	**27.886**	**15.076**

ADDITIONAL DATA AND INFORMATION

1) Group companies that are included in the consolidated financial statements are presented in note (1) of the annual financial statements including locations, percentages, Group ownership and consolidation method.

2) The "Other comprehensive income after tax" for the Group and the Company of € 68 thousands, represents revaluation loss on securities which are classified as "available for sale investements".

3) Apart of the compnay AEOLIC ADERES S.A. there are no other companies which were included in the consolidated financial statements of the year 1/1-31/12/2010 and were consolidated for the first time. Apart of the companies R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A. there are no other companies which were included in the consolidated financial statements of the year 1/1-31/12/2010 and were included in consolidated financial statements of the respective period of the prior year. Also there are no companies which were not included in the consolidated financial statements and the consolidation method applied for all companies is the same in the previous periods.

4) There are no own shares that are held from the Company or by its subsidiaries and associates companies for the year ending as of 31 December 2010.

5) There are no litigations or arbitrations in process or finilized that would have significant effect on the financial position of the Group or the Company.

6) The tax returns of the companies of the Group have not been examined by the tax authorities as yet and, as a consequence, the possibility exists of additional taxes and penalties being assessed at the time when the returns will be examined and will be accepted as final. The Croup and the Company have made provisions for additional taxes and penalties for the amount of € 391 thousands and € 317 thousands respectively. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note (8) to the annual financials statements.

7) The Group and the Company have not made "'General provisions" as at December 31, 2010.

8) The number of employees as of December 31, 2010 was: Group 115, Company 63 persons.
December 31, 2010 was: Group 143, Company 77 persons.

9) The transactions and balances in € thousands for the year ending 31 December 2010 with related parties as defined by IAS 24 are as follows:

	GROUP	COMPANY
a) Sale of goods and services	----	175
b) Purchase of goods and services	2.986	4.580
c) Receivables from related parties	501	479
d) Payables to related parties	----	37
e) Key management personnel compensations	2.267	1.992
f) Receivables from key management personnel	----	----
g) Payables to key management personnel	10	10

10) There are no significant events subsequent to December 31, 2010 concerning the Group or the Company, apart of those which are presented in note (24), that would require adjustement to or additional disclosure in the published financial statements in accordance with IAS 10 principles.

GLYFADA, ATTIKIS MARCH 25, 2011

CHAIRMAN OF THE BOARD OF DIRECTORS	MANAGING DIRECTOR	FINANCE DIRECTOR	ACCOUNTING CHIEF
GEORGIOS FIDAKIS ID No N 000657	JOHN PANTOUSIS ID No Ξ 168490	MIHALIS POULIS R.G. 016921	ATHANASIOS HARBIS R.G. 0002386

KRONOS S.A.