

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, 2009
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING
STANDARDS (IFRS)**

**In accordance with
article 4 of L. 3556/2007**

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**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, 2009 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 9, 2010

**Chairman of the
Board of Directors**

Vice President

Managing Director

Georgios Fidakis

**Konstantinos
Koutsoumbelis**

John Pantousis

F.G. EUROPE S.A.
SOCIETE ANONYME WHOLESALER OF ELECTRICAL AND ELECTRONIC
APPLIANCES

BOARD OF DIRECTORS ANNUAL REPORT
ON THE FISCAL YEAR PERIOD ENDED 31/12/2009
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, 2009 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, 2009 until December 31st, 2009.

Reference is also made to any significant events that took place during fiscal year period of 2009 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 m² 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. Following F.G. EUROPE's resolution not to participate in R.F. ENERGY's €14 million share capital increase on July 10, 2009, the Company's participation dropped to 30%, but then following purchase of an additional 7.5% stake at R.F. ENERGY S.A. from Mr. Georgios Fidakis, at the offer price of said share capital increase, on November 27, 2009, the Company's participation was shaped at its current 37.5% stake. Therefore R.F. ENERGY is currently owned by the Restis Family, with a 50% share, and MAKMORAL TRADING LIMITED (a company owned by Mr. Georgios Fidakis) with a 12.5% share and F.G. EUROPE S.A. with a 37.5% 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.

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.

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

Net earnings after tax for the Company amounted to €8.41 million, against €16.5 million for 2008, despite a substantial blow suffered due to the special one-off tax levy imposed on fiscal year 2008 profits, which was disbursed in 2009 and amounted to €1.38 million.

Furthermore, despite the increase noted against fiscal 2008 figures, net earnings are considered to be particularly important, given the grim market conditions and general financial market adversity. The final outcome was largely shaped by sales of durable consumer goods which remained at high levels. Sales of durable consumer goods represent 96% of total sales of the parent company of the Group.

Total liabilities were reduced by 48.52% and on December 31, 2009 were €79.90 million against €155.21 million on December 31, 2008.

This decrease, in conjuncture with the increase of Equity shaped the Debt/Equity ratio to 4.4 (as at December 31, 2009) against 2.2 (as at December 31, 2008).

Furthermore revenue generated for the Group from its activities in the energy sector posted a further increase of 167%, and reached a total of €4.30 million against €1.61 in the previous corresponding fiscal year period of 2008.

More specifically, at parent company level:

Total revenue from sales rose in 2009 to € 117.22m against € 142.50m in 2008, posting a marginal decrease of 17.74%. Said decrease can be attributed to the decrease in sales of mobile telephony products, which for the fiscal year 2009 reached the percentage of 71.43% (and which came in accordance with the Company's policy of gradual withdrawal from the market of mobile telephony) amounted for the fiscal year 2009 to € 4.38m against to € 15.33m in 2008.

Revenue from sales of durable consumer goods increased the last quarter by € 16.92% (€ 18.66m against € 15.96m in the 4th quarter of 2008), amounted to € 112.84m in the fiscal year 2009 against to € 127.17m in 2008, posting a decrease on an annual basis of 11%, compared to a decrease of 22% during the first half and 15% during the nine month period of 2009.

Sales of air-conditioners rose in 2009 to € 100.03m against € 110.45m in the previous corresponding period of 2008, posting a decrease of 9.43%. Sales of air-conditioners in the Greek market amounted to € 60.18m compared to those in the previous corresponding period of 2008 amounted to € 66.80m, posting a decrease of 9.92%. Exports of air-conditioners in 2009 amounted to € 39.83m against € 43.65m in the previous corresponding period of 2008, posting a decrease of 8.70%.

Sales of ESKIMO and SHARP white electrical home appliances amounted to € 6.05m against € 9.69m in 2008, decreased by 37.56%.

Sales of SHARP Consumer Electronics significantly improved in accordance with the previous corresponding periods, approached the corresponding sales of 2008 decreased by 3.66%.

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA), for the fiscal year 2009 amounted to € 15.82m against € 26.29m in 2008, decreased by 39.81%. As a result EBITDA margin was 13.50% compared to 18.45% for the relevant period of 2008.

Net profit before taxes posted a decrease of 41.09%, amounting to € 13.31m for the fiscal year 2009 compared to € 22.59m in 2008.

Cash inflows from operating activities significantly increased, amounting to € 34.98m as at 31/12/2009 against inflows amounting to € 7.46m during the previous corresponding period of 2008 due to the reduction of inventories (by € 27.32m, percentage 42.67%) and the reduction of receivables (by € 16.90m, percentage 27.23%).

Consolidated Group figures:

Total revenue amounted to € 121.84m in 2009, as opposed to € 144.55m in the previous corresponding period of 2008, decreased by 15.71% mainly attributed to the said decrease in sales of mobile telephony products and of white electrical home appliances of the parent company.

The realized increase in revenues by 167% in the energy sector resulted from the complete year operation in 2009, of the Wind Park of KALLISTI ENERGI AKI S.A. as well as from the beginning of operation of the wind park of AIOLIKI KYLINDRIAS S.A. and the second small hydroelectric power plant of HYDROELECTRICAL ACHAIAS S.A., 100% subsidiary of R.F. ENERGY S.A.

Gross Profit reduced in 2009 to € 36.84m against € 46.12m of the corresponding period in 2008, presenting a decrease equal to 20.11% mainly attributed to the sales' reduction of durable consumer goods by the parent company. Consequently gross profit margin remained in fiscal year 2009 at a level similar to that of fiscal year 2008 (30.24% in FY2009, against 31.90% in FY2008).

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) dropped to € 17.35m against € 26.85m received for the relevant period of 2008, posting a decrease of 35.38% mainly attributed to the sales' reduction by parental company. Operating profit margin accounted to 14.24% against 18.57% for the corresponding period of 2008, decreased by 4.33 base points.

Administrative, distribution and other expenses amounted to € 22.93m maintained in the same level against those in the corresponding period of 2008, amounted to € 22.92m. The maintenance of expenses in the same levels in combination with the sales' reduction in 2009 had a negative effect

on the ratio General Expenses/ Sales, as it increased to 18.82% at 31/12/2009 from the point of 15.85% at 31/12/2008.

Net financial expenses for the Group, decreased by 47.13% amounted to € 1.93m in 2009 against € 3.66m in 2008. Said decrease noted in net financial expenses, came as a result of the decrease noted in Groups bank liabilities in 2009, with direct impact in the reduction by 42.43% of the financial expenses (€ 4.60m in 2009 from € 7.99m in 2008). The reduction in financial income in 2009, counterbalanced by the said decrease noted to financial expenses (€ 2.66m in 2009 against € 4.33m in 2008) thus accordingly shaping the final financial result for the Group.

Total debt dropped to € 130.56m as at 31/12/2009 from € 189.47m at 31/12/2008, posting a decrease of 31.09%. Said decrease of the total debt is actually due to the said by 48.52% decrease of Parental's company debt.

Net profit before taxes amounted in FY2009 to € 12.76m reduced from the level of € 20.42m of the corresponding period in 2008, posting a decrease equal to 37.53% and having a negative effect on EBT/SALES ratio as it is decreased to 10.47% from 14.13% respectively.

Net Profit after taxes and Minority Interests dropped to € 8.37m as at 31/12/2009 against € 15.25m as at 31/12/2008, presenting a decrease of 45.14%.

Other Financial Ratios:

- Current Ratio for the Company in FY 2009: 3.18 (In FY 2008 was 1.78)
- Current Ratio for the Group in FY 2009: 2.49 (In FY 2008 was 1.67)
- Quick Ratio for the Company in FY 2009: 1.95 (In FY 2008 was 1.11)
- Quick Ratio for the Group in FY 2009: 1.86 (In FY 2008 was 1.15)
- Inventory Turnover Ratio in FY 2009 (in days): 163 (In FY 2008 was 240)
- Return on Equity Ratio in FY 2009: 23.60% (In FY 2008 was 47.30%)
- EBITDA Ratio in FY 2009: 44.42% (In FY 2008 was 75.36%)

B. Other Significant Events

No significant events occurred after December 31st, 2009 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

The progress noted over recent years in the financial results of the Company and the Group, and FY 2009's satisfactory profitability, achieved in spite of the generally adverse market conditions, constitute the basis for the Board of Directors' moderately optimistic with regard to fiscal year 2010.

The Company's strategic goals are to preserve its leader position in the Greek air-conditioners market, and to establish such position in foreign markets where the Company is active, to further strengthen sales of SHARP products in the Greek market, and further develop its energy subsidiary, R.F. ENERGY.

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

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

Finally, RF Energy is expected to continue to strongly support total revenues and the financial result of the Group in 2010 and the forthcoming years.

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 concern 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 €110 thousands (€141 thousands in 2008). 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 €981 thousands in 2009 (€788 thousands in 2008), concerning the guarantee and service of air conditioners which FG EUROPE S.A sells in Greek Market.

FIDAKIS LOGISTICS S.A. invoiced F.G EUROPE the amount of €3,103 thousands, according to their agreement for providing logistics services in 2009. In FY 2008 this amount was €3.351 thousands.

The amount of €380 thousands, included under “receivables” in the balance sheet, from FIDAKIS LOGISTICS, pertains to €298 paid in advance FG EUROPE as guarantee, in accordance with an intercompany agreement and €82 thousands outstanding balance from logistic services.

CYBERONICA S.A.’s income from leasing offices and storing facilities rose to €2,865 thousands in 2009 (€2,725 in 2008). From that amount the contribution of FG EUROPE S.A. was €588 thousands and the rest was paid from the other firms of the Group. The biggest share was paid by FIIDAKIS LOGISTICS S.A. as it leases storage facilities of 25,000 m² in Aspropyrgos.

Group companies have paid as leasing guarantees to CYBERONICA S.A. the amount of € 486 thousands in 2009 (from €471 thousands in 2008). The amount paid as guarantee from FG EUROPE S.A. is € 99 thousands.

F. Own Shares

As at December 31st 2009, 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, 2009 shareholders named below owned a percentage larger than 5% of the total Company’s votes:

- Georgios Fidakis direct interest of 49.27% and indirect interest of 5.34%. Total participation in the Company’s share capital is 54.61%.
- SILANER INVESTMENTS LIMITED, direct interest 5.34%
- 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 March 26th, 2008 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
Vlamiis 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
Stroggiopoulos 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, indirect participation changed from 5.34% in FY 2008 to 5.81% in FY 2009. Total participation increased from 54.61% to 55.08%.
- SILANER INVESTMENTS LIMITED, participation increased from 5.34% to 5.81%

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, intends to put forward to the General Assembly of Shareholders a motion for non distribution of dividends to the shareholders against fiscal year 2009 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, 2009.

Glyfada, March 9, 2010

**Chairman of the
Board of Directors**

Georgios Fidakis

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements as well as the consolidated financial statements, which comprise the separate and consolidated statement of financial position the separate and consolidated balance sheet of **F.G. EUROPE S.A.** (the "Company") as at 31 December 2009, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

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 (EU). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 the Greek Auditing Standards, which are based on the International Standards on 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2009,

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 (EU).

Report on Other Legal Requirements

We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying financial statements, under the legal frame of the articles 37, 43a [and 107] of c.L. 2190/1920.

Athens, March 9, 2010

Certified Public Accountants Auditors

Panagiotis Papakonstantinou
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ANNUAL FINANCIAL STATEMENTS COMPANY AND CONSOLIDATED FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

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Statement of Comprehensive Income (Company and Consolidated)
For the Years ended December 31, 2009 and 2008
(All amounts in Euro thousands unless otherwise stated)



	Note	Consolidated		Company	
		2009	2008	2009	2008
For the Years Ended December 31,					
Sales.....	6	121.843	144.555	117.220	142.502
Less: Cost of sales.....	7	(84.999)	(98.435)	(81.948)	(97.264)
Gross profit		36.844	46.120	35.272	45.238
Other operating income.....	6	775	877	768	846
Distribution expenses.....	7	(18.827)	(18.694)	(18.590)	(18.558)
Administrative expenses.....	7	(4.052)	(4.184)	(2.707)	(2.819)
Other operating expenses.....	7	(49)	(41)	(13)	(40)
Earnings before interests and taxes		14.691	24.078	14.730	24.667
Finance income.....	7	2.665	4.331	1.964	4.841
Finance costs.....	7	(4.598)	(7.987)	(3.387)	(6.921)
Earnings before taxes		12.758	20.422	13.307	22.587
Income tax expense.....	8	(4.719)	(5.748)	(4.898)	(6.085)
Net profit for the period		8.039	14.674	8.409	16.502
Attributable as follows:					
Equity holders of the Parent.....		8.366	15.251	-	-
Minority interest.....		(327)	(577)	-	-
Net profit (after tax) attributable to the Group		8.039	14.674	-	-
Other Comprehensive Income					
Available for sale investments.....		(8)	(308)	(8)	(308)
Minority interests from sale of subsidiary within Group.....		-	-	-	-
Other Comprehensive Income after taxes		(8)	(308)	(8)	(308)
Total Comprehensive Income after taxes		8.031	14.366	8.401	16.194
Attributable as follows:					
Equity holders of the Parent.....		8.358	14.943	-	-
Minority interest.....		(327)	(577)	-	-
Net profit (after tax) attributable to the Group		8.031	14.366	-	-
Earnings per share (expressed in Euros):					
Basic.....	9	0,1585	0,2888	0,1593	0,3126

Statement of Financial Position (Company and Consolidated)
As of December 31, 2009 and 2008

(All amounts in Euro thousands unless otherwise stated)



	Note	Consolidated		Company	
		December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment.....	10	37.026	36.652	409	261
Investments in real estate property.....	10	326	332	326	332
Intangible assets.....		1.880	1.896	4	5
Investments in subsidiaries.....		-	-	16.481	17.321
Long term receivables.....		620	665	528	585
Deferred tax assets.....	20	1.533	583	624	328
Available for sale investments.....	11	214	251	214	251
Total non-current assets		41.599	40.379	18.586	19.083
Current assets					
Inventories.....	12	36.741	64.058	36.702	64.018
Trade receivables.....	13	62.279	71.913	45.163	62.062
Cash and cash equivalents.....	14	45.673	67.727	15.076	44.931
Total current assets		144.693	203.698	96.941	171.011
Total assets		186.292	244.077	115.527	190.094
<u>SHAREHOLDERS' EQUITY & LIABILITIES</u>					
<u>SHAREHOLDERS' EQUITY</u>					
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	6.614	6.644	6.726	6.726
Reserves.....	17	5.824	5.491	4.865	4.558
Retained earnings.....		4.734	4.677	8.194	7.763
		33.012	32.652	35.625	34.887
Minority interest.....		22.718	21.952	-	-
Total shareholders' equity		55.730	54.604	35.625	34.887
<u>LIABILITIES</u>					
Non-current liabilities					
Long term Borrowings.....	19	59.948	59.301	48.713	58.824
Retirement benefit obligations.....	21	470	421	306	285
Deferred government grants.....		11.357	7.983	10	21
Long-term provisions.....		647	-	-	-
Deferred tax liabilities.....	20	117	-	-	-
Total non-current liabilities		72.539	67.705	49.029	59.130
Current liabilities					
Short term Borrowings.....	19	10.822	72.865	11	48.396
Short term portion of long term borrowings.....	19	11.165	10.523	10.301	10.400
Current tax liabilities.....		1.185	2.366	926	2.450
Trade and other payables.....	18	34.851	36.014	19.635	34.831
Total current liabilities		58.023	121.768	30.873	96.077
Total liabilities		130.562	189.473	79.902	155.207
Total equity and liabilities		186.292	244.077	115.527	190.094

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, 2009 and 2008
(All amounts in Euro thousands unless otherwise stated)



	Consolidated									
	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Treasury shares	Retained earnings	Total	Minority interest	Total equity
Balance on January 1, 2008										
.....	16.374	6.669	1.953	240	2.782	(5.590)	12.815	35.243	8.582	43.825
Year's changes:										
Total Comprehensive Income...	-	-	854	(308)	-	-	14.397	14.943	(577)	14.366
Dividend distribution for fiscal year 2007.....	-	-	-	-	-	-	(11.616)	(11.616)	-	(11.616)
Interim dividend for fiscal year 2008.....	-	-	-	-	-	-	(6.329)	(6.329)	-	(6.329)
Cancellation of treasury shares.....	-	-	-	-	-	5.590	(5.056)	534	-	534
Share capital increase (decrease).....	(534)	-	-	-	-	-	-	(534)	16.296	15.762
Expenses of issuance of shares.....	-	(25)	-	-	-	-	-	(25)	(38)	(63)
Minority interests from sale of subsidiary.....	-	-	(30)	-	-	-	466	436	(2.311)	(1.875)
Balance on December 31, 2008.....	15.840	6.644	2.777	(68)	2.782	-	4.677	32.652	21.952	54.604
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:										
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

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, 2009 and 2008
 (All amounts in Euro thousands unless otherwise stated)



	Company							
	Share capital	Share premium	Legal reserve	Available for sales - Fair value reserves	Special tax reserves	Treasury shares	Retained earnings	Total
Balance on January 1, 2008.....	16.374	6.726	1.923	240	1.856	(5.590)	15.109	36.638
Year's changes:								
Total Comprehensive								
Income.....	-	-	-	(308)	-	-	16.502	16.194
Legal								
reserve.....	-	-	847	-	-	-	(847)	-
Dividend distribution for fiscal year								
2007.....	-	-	-	-	-	-	(11.616)	(11.616)
Interim dividend for fiscal year								
2008.....	-	-	-	-	-	-	(6.329)	(6.329)
Cancellation of treasury								
shares.....	-	-	-	-	-	5.590	(5.056)	534
Share capital increase								
(decrease).....	(534)	-	-	-	-	-	-	(534)
Balance on December 31, 2008.....	15.840	6.726	2.770	(68)	1.856	-	7.763	34.887
Balance on January 1, 2009.....	15.840	6.726	2.770	(68)	1.856	-	7.763	34.887
Year's changes:								
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

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, 2009 and 2008
(All amounts in Euro thousands unless otherwise stated)



	<u>Consolidated</u>		<u>Company</u>	
	<u>For the Years Ended December 31,</u>			
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before tax (and minority interest).....	12.759	20.422	13.307	22.586
Add / (less) adjustments for:				
Depreciation and amortization.....	2.283	1.257	111	125
Provisions.....	2.402	1.521	1.755	1.521
Exchange rate differences.....	(994)	(1.907)	(994)	(1.508)
Result of investment activity.....	(1.671)	(1.167)	(970)	(2.076)
Interest and similar expenses.....	4.597	6.730	3.387	5.665
Government grants recognized in income.....	(619)	(396)	(11)	(11)
Employee benefits.....	49	87	21	46
Operating result before changes in working capital	18.806	26.547	16.606	26.348
Add / (less) adjustments for changes in working capital items:				
(Increase) / decrease in inventories.....	27.076	(28.622)	27.075	(28.630)
(Increase) / decrease in receivables and prepayments.....	12.104	6.240	15.377	7.196
Increase / (decrease) in trade and other payables.....	(51)	16.127	(14.114)	15.830
(Increase)/ decrease in long term receivables.....	45	(80)	57	(58)
Total cash inflow / (outflow) from operating activities	57.980	20.212	45.001	20.686
Interest and similar expenses paid.....	(4.002)	(6.853)	(2.982)	(5.242)
Income taxes paid.....	(7.080)	(8.177)	(7.035)	(7.981)
Total net inflow / (outflow) from operating activities	46.898	5.182	34.984	(7.463)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Purchase) of subsidiaries and other investments.....	-	(1.885)	-	(11.159)
Proceeds from the sale of subsidiaries and other investments.....	89	-	929	1.459
(Purchase) of PPE and intangible assets.....	(2.636)	(19.323)	(253)	(427)
Proceeds from the sale of PPE and intangible assets.....	-	187	-	187
Interest income.....	1.616	1.406	915	1.399
Dividend income.....	3	23	3	23
Total net cash inflow / (outflow) from investing activities	(928)	(19.592)	1.594	(8.518)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Share capital increase.....	758	15.633	-	-
Proceeds from borrowings.....	-	68.971	-	56.445
Repayments of borrowings.....	(61.133)	-	(58.784)	-
Dividends paid.....	(7.649)	(17.931)	(7.649)	(17.931)
Total net cash inflow from financing activities	(68.024)	66.673	(66.433)	38.514
Net increase / (decrease) in cash and cash equivalents	(22.054)	52.263	(29.855)	37.459
Cash and cash equivalents at beginning of period	67.727	15.464	44.931	7.472
Cash and cash equivalents at end of period	45.673	67.727	15.076	44.931

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

Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009
 (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.
 - R.F. ENERGY S.A. GARBIS 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.
 - R.F. ENERGY S.A. ZEFIROS 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, 2009 is 143 for the Group and 77 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 September 30, 2009	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
• R.F. ENERGY S.A. GARBIS S.A.	Greece	37,50% (b)	Full consolidation
• R.F. ENERGY S.A. ZEFIROS 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

**Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009**

(All amounts in Euro thousands unless otherwise stated)



Note: a) Direct investments, b) Indirect investments

F.G. EUROPE's holding share in the company R.F. ENERGY S.A. is to 37,50%. 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.

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 to fulfill the investment plans, through its participation in the equity raises of its 100% owned subsidiaries, R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A., by EURO 5.250 and EURO 8.025 respectively. The Management of F.G. EUROPE decided not to participate in the aforementioned increase, taking into consideration the unfavorable financial conditions at present. The stake that corresponds to the rights that haven't been exercised by F.G. EUROPE S.A., has been covered by a company owned and controlled by its main shareholder Mr. Georgios Fidakis, maintaining therefore the equity ratio of F.G. EUROPE S.A. and G. Fidakis 50% - Restis family owned and controlled company 50%. F.G. EUROPE's decision not to participate to the share capital increase of R.F. ENERGY S.A. accordingly reduced F.G. EUROPE's participation from 40% to 30%.

Then, because of the delay and the postponement of the above-mentioned repurchases indefinitely, based on the decision of December 11, 2009 of the General Assembly of Shareholders of the Company R.F. ENERGY S.A., the equity of the company was decreased by EURO 14.000. The above amounts were returned to the shareholders in the beginning of 2010.

Based on the decision of November 26, 2009 of the Board of Directors of F.G. EUROPE S.A., the company decided to purchase an additional 7,5% stake at R.F. ENERGY S.A. amounting to 2.100.000 shares. The shares purchased directly by Mr. Georgios Fidakis, who is F.G. EUROPE's President of the Board and the Company's main shareholder. The consideration to be paid for the purchase of said shares equals the amount that Mr. Fidakis paid on July 10, 2009, in order to acquire an equal amount of shares in participation to the share capital increase in which R.F. ENERGY S.A. proceeded with at the time, but in which F.G. EUROPE S.A. did not participate. Following purchase of the additional 7,5% stake, F.G. EUROPE S.A. will own a total stake of 37,5% at R.F. ENERGY S.A.

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 companies R.F. ENERGY GARBIS S.A. and R.F. ENERGY ZEFIROS S.A. in which R.F. ENERGY S.A. participates with 100% were established during the Q4 of 2008 and have been consolidated for the first time with the method of full consolidation in the financial statements of the year 1/1-31/12/2008.

The total effect in the "Other comprehensive income after tax" concerns the loss of EURO 8 that arose on December 31, 2009, after offset of loss EURO 30 from the valuation of securities which are classified as "available for sale investments" and the profit of EURO 22 that arose from the valuation of securities of the same category and was recognised directly in Group's and Company's Equity.

Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009
(All amounts in Euro thousands unless otherwise stated)



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

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.

The Accounting policies, estimations and calculation methods adopted for the preparation of these Annual Financial Statements are those used for the preparation of the Annual Financial Statements for the year ended December 31, 2008.

The Financial Statements have been prepared under the historical cost convention as modified for certain assets and liabilities to fair values. The principal accounting policies adopted in the preparation of these Financial Statements are described below.

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. These cases are analyzed at note 4.

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

New International Accounting Standards have been issued, including amendments and interpretations, which are compulsory for annual accounting periods beginning after January 1, 2009. The management’s estimation of both the Group and the Company, relating to the impact from the enforcement of these new amendments and interpretations, is referred further:

Amendments to IFRS 7, Improvements on Disclosure of Financial Instruments (effective to annual accounting periods beginning on or after January 1, 2009)

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As these changes only result in additional disclosures, there is no impact on earnings per share.

IFRIC 9 and IAS 39, Amendments on Embedded Derivatives (effective to annual accounting periods ending on or after June 30, 2009)

Under these amendments in case of reclassification of financial assets out of the category of measured at fair value through profit or loss, reassessment of embedded derivatives in the host contract shall be made. These amendments will not have any impact on the financial statements since such products are not used by the company.

Sundry Improvements on Standards and Interpretations (effective to annual accounting periods beginning on or after January 1, 2010)

Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009
(All amounts in Euro thousands unless otherwise stated)



These amendments were issued on April 2009 in the context of continuing improvement of IFRSs and they are not expected to have material effect on financial statements.

Replacement of IAS 24, Related Party Disclosure (effective to annual accounting periods beginning on or after January 1, 2011)

This standard attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. It is not expected to have material effect on financial statements.

IFRS 9, Financial Instruments (effective to annual accounting periods beginning on or after January 1, 2013)

IFRS 9 is the first part of Phase 1 of the Board's project to replace IAS 39. Under this standard financial assets are measured at amortized cost or fair value and depend on the basis of the entity's business model for managing the financial assets. It is not expected to have material effect on financial statements.

Amendment of IFRIC 14, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective to annual accounting periods beginning on or after January 1, 2011).

This interpretation is not relevant to the Group.

IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective to annual accounting periods beginning on or after July 1, 2010)

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

Amendment of IAS 32, Classification of Rights Issues (effective to annual accounting periods beginning on or after February 1, 2010)

Under this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.

Amendment of IFRS 1, Additional Disclosures for First Time Adopters of IFRSs (effective for annual periods beginning on or after 1 January 2010)

This amendment provides additional clarifications for first-time adopters of IFRSs in respect of the use of deemed cost for oil and gas assets, the determination of whether an arrangement contains a lease and the decommissioning liabilities included in the cost of property, plant and equipment. This amendment will not impact the Group's financial statements since it has already adopted IFRSs.

Amendment of IFRS 2, Group Cash-Settled Share-Based Payment Transactions (effective for annual accounting periods beginning on or after January 1, 2010)

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-

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based payment transaction. This amendment is not expected to impact the Group's financial statements.

Revised IAS 27, Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 January 2010)

The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The Group will apply these changes from their effective date.

Revised IFRS 3, Business Combinations (effective for annual accounting periods beginning on or after January 1, 2010)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations. Such changes include the expensing of acquisition-related costs, recognition of goodwill concerning non controlling interests and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The Group will apply these changes from their effective date.

Amendment of IFRS 5, Non Current Assets and Discontinued Operations (effective to annual accounting periods beginning on or after July 1, 2009)

The amendments clarify that in case of losing control of a subsidiary, its total assets and liabilities are accounted for as held for sale.

IFRIC 17, Distributions of Non-Cash Assets to Owners (effective to annual accounting periods beginning on or after July 1, 2009)

The interpretation states that the liability for distribution of non cash assets to owners is measured at fair value at the date the distribution is authorized by the appropriate body. At each reporting date and at the settlement date, any difference between fair value of the asset given and liability for distribution is recognized in profit or loss. This amendment is not relevant to the Group.

IFRIC 18, Transfers of Assets from Customers (effective to annual accounting periods beginning on or after July 1, 2009)

This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with an ongoing supply of goods or services. This interpretation is not relevant to the Group.

The following Standards became effective within the current period:

- a) The amendment **IAS 1 'Presentation of Financial Statements'**, which apart from the new titles of Financial Statements and the different name of certain financial instruments, have no other impact.
- b) The new **IFRS 8 'Operating Segments'**, based on the information provided by the Chief Operating Decision Maker (CODM). The application of this standard did not lead to different presentation of the operating segments concerning the previous periods.
- c) The replacement **IAS 23 'Borrowing Costs'**, which had no impact on the financial statements of the Group.

2.3 Basis of Consolidation

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, 2009.

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Control is presumed to exist when the parent company has the power to control the financial and operating policies of the subsidiary so as to obtain benefits from its activities.

The acquisition of subsidiaries is accounted for using the purchase method of accounting that measures the acquirer's assets and liabilities at their fair value at the date of acquisition.

The individual assets, liabilities and contingent liabilities acquired during a business combination are valued at the time of acquisition at fair values.

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

Minority interest is accounted for according to its percentage of the fair value. In subsequent periods any losses are allocated to minority interest according to its percentage plus the minority interest.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The financial statements of the subsidiaries are adjusted appropriately to ensure consistency with the accounting policies of the Group.

All intercompany balances and transactions and any intercompany profit or loss on assets remaining within the Group are eliminated during the consolidation.

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 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.

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.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 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 of 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 than 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.

2.10 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.

2.11 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.

2.12 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

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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 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.

2.14 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.

2.15 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.

2.16 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.

2.17 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 Greek Government 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.

2.18 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.

2.19 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.

2.20 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.

2.21 Dividend Distribution

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

2.22 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.

2.23 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.

2.24 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.

2.25 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.

2.26 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 2009 and 2008 was 2,58 and 3,73 respectively for the Group and 1,82 and 3,16 for the parent Company.

The provisions of L. 2190/1920 impose the following restrictions concerning equity:

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

In case the share capital is below the ½ of the paid in share capital the Board of Directors has to invite the General Assembly of shareholders within 6 months from the end of the fiscal year to decide about the dissolution 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 25% for 2009 and for 2008.

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, 2009, if the Euro had weakened / strengthened by 9% against the USD with all other variables held constant, net profit and equity for the year would have been EURO 341,69 (EURO 1.567,27 in 2008) 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, 2009, if the Euro had weakened / strengthened by 9% against the JPY with all other variables held constant, net profit and equity for the year would have been EURO 2.035,22 (EURO 1.434,30 in 2008) 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.

On December 31, 2009 derivatives haven't been existed. On the other hand on December 31, 2008 if the Euro had strengthened by 9% against the USD with all other variables held constant, net profit and equity for the year would have been EURO 2.223,93 lower and if the Euro had weakened by 9% against the USD with all other variables held constant, net profit and equity for the year would have been EURO 1.256,09 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 derivatives on December 31, 2008.

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

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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 20% with all other variables held constant and all equity investments held by the Group follow exactly this movement.

	Impact on Equity	
	2009	2008
ASE General Index	32,46	39,84

Other reserves within equity would increase/ decrease by EURO 32,46 (EURO 39,84 in 2008) 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, 2009, if interest rates on Euro denominated borrowings had been 80 basis points higher / lower with all other variables held constant, net profit and equity for the year would have been EURO 495,13 (EURO 859,46 in 2008) for the Group and EURO 356,47 (EURO 709,18 in 2008) for the company lower / higher mainly as a result of higher / lower interest expense on floating rate borrowings in Euro.

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, 2009, is analyzed at note 13.

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, 2009 amounted to € 102.450.

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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, 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	<u>58.884</u>	<u>12.648</u>	<u>44.469</u>	<u>6.836</u>

Consolidated December 31, 2008	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings.....	86.675	11.018	51.603	100
Derivative financial instruments.....	542	-	-	-
Trade and other payables.....	38.979	-	-	-
Total	<u>126.196</u>	<u>11.018</u>	<u>51.603</u>	<u>100</u>

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, 2009	< 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.....	20.561	-	-	-
Total	<u>31.278</u>	<u>10.664</u>	<u>39.959</u>	<u>=</u>

Company December 31, 2008	< 1 year	Between 1 year and 2 years	Between 2 year and 5 years	> 5 years
Borrowings.....	60.957	10.889	51.303	-
Derivative financial instruments.....	542	-	-	-
Trade and other payables.....	37.281	-	-	-
Total	<u>98.780</u>	<u>10.889</u>	<u>51.303</u>	<u>=</u>

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.

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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.

The allocation of assets to the business segments as of December 31, 2009 and December 31, 2008 is as follows:

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	≡	≡	≡	≡	≡	≡	<u>186.292</u>
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

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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

December 31, 2008	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination /not allocated	Group
Property, plant and equipment and intangible assets.....	544	54	41.902	448	42.948	(4.068)	38.880
Inventories.....	63.998	60	-	-	64.058	-	64.058
Receivables and prepaid expenses.....	62.577	251	9.712	138	72.678	(765)	71.913
Cash and cash equivalents.....	44.820	111	22.750	46	67.727	-	67.727
Total	171.939	476	74.364	632	247.411	(4.833)	242.578
Other assets.....	-	-	-	-	-	-	1.499
Total assets	≡	≡	≡	≡	≡	≡	244.077
Long term borrowings.....	58.824	-	477	-	59.301	-	59.301
Deferred government grants.....	21	-	7.962	-	7.983	-	7.983
Short term borrowings.....	48.103	293	24.469	-	72.865	-	72.865
Short term portion of long term debt.....	10.400	-	123	-	10.523	-	10.523
Trade and other payables.....	34.776	55	1.341	607	36.779	(765)	36.014
Total	152.124	348	34.372	607	187.451	(765)	186.686
Other liabilities.....	-	-	-	-	-	-	2.788
Equity.....	-	-	-	-	-	-	54.603
Total liabilities	≡	≡	≡	≡	≡	≡	244.077

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

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 Group.....	-	-	-	-	-	-	-
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

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Year ended December 31, 2008	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total	Intercompany elimination	Group
Sales to third parties.....	126.935	15.416	1.611	593	144.555	-	144.555
Sales within the Group.....	141	-	-	5.559	5.700	(5.700)	-
Less: Cost of sales.....	(81.743)	(15.380)	(1.179)	(133)	(98.435)	-	(98.435)
Less: Cost of sales within the Group.....	(141)	-	-	(4.583)	(4.724)	4.724	-
Gross profit.....	<u>45.192</u>	<u>36</u>	<u>432</u>	<u>1.436</u>	<u>47.096</u>	<u>(976)</u>	<u>46.120</u>
Other operating income.....	97	749	26	5	877	-	877
Distribution expenses.....	(17.331)	(774)	-	(589)	(18.694)	-	(18.694)
Distribution expenses within the Group.....	(453)	-	-	-	(453)	453	-
Administrative expenses.....	(2.789)	(30)	(1.140)	(225)	(4.184)	-	(4.184)
Administrative expenses within the Group.....	-	-	-	(523)	(523)	523	-
Other operating expenses.....	(39)	-	(1)	(1)	(41)	-	(41)
Profit from operations.....	<u>24.677</u>	<u>(19)</u>	<u>(683)</u>	<u>103</u>	<u>24.078</u>	<u>=</u>	<u>24.078</u>
Finance income.....	4.776	64	408	-	5.248	(917)	4.331
Finance costs.....	(6.921)	-	(1.066)	-	(7.987)	-	(7.987)
Profits before tax.....	<u>22.532</u>	<u>45</u>	<u>(1.341)</u>	<u>103</u>	<u>21.339</u>	<u>(917)</u>	<u>20.422</u>
Income tax expense.....	(6.073)	(11)	392	(56)	(5.748)	-	(5.748)
Net profit.....	<u>16.459</u>	<u>34</u>	<u>(949)</u>	<u>47</u>	<u>15.591</u>	<u>(917)</u>	<u>14.674</u>

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

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.....	14.037	-	-	-	14.037
Turkey.....	12.540	-	-	-	12.540
Balkan.....	13.276	-	-	-	13.276
Total	<u>112.730</u>	<u>4.380</u>	<u>4.296</u>	<u>437</u>	<u>121.843</u>

Year ended December 31, 2008	Long Living Consumer Goods	Mobile Telephony	Energy	Other	Total
Greece.....	83.287	15.416	1.611	593	100.907
Italy.....	13.121	-	-	-	13.121
Turkey.....	6.849	-	-	-	6.849
Balkan.....	23.678	-	-	-	23.678
Total	<u>126.935</u>	<u>15.416</u>	<u>1.611</u>	<u>593</u>	<u>144.555</u>

6. Income

Analysis of the Groups' income:

	Consolidated		Company	
	Year ended December 31,			
	2009	2008	2009	2008
Sales of goods and services	121.843	144.555	117.220	142.502
Other income	775	877	768	846
Total	<u>122.618</u>	<u>145.432</u>	<u>117.988</u>	<u>143.348</u>

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During the period under review, the Group's results declined compared to the related previous period, due to the effects of international financial crisis which affects the markets recently and directly affects the demand and hence the sales of long living consumer goods.

The implementation of the action "change Air-Conditioning" of the Ministry of Development for the removal and replacement of old air conditioning technology as well as the significant increase of exports on the Turkish market, compensated the decrease in profitability during the period.

7. Break down of expenses

The main categories of expenses are analyzed as follows:

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)
Inventories.....	(81.184)	-	-	-	-	(81.184)
Total	<u>(84.999)</u>	<u>(4.052)</u>	<u>(18.827)</u>	<u>(4.598)</u>	<u>(49)</u>	<u>(112.525)</u>

Consolidated						
Table of allocation of expenses year ended December 31, 2008						
	Cost of Sales	Administrative expenses	Distribution expenses	Financial expenses	Other expenses	Total
Personnel expenses...	(73)	(1.966)	(4.288)	-	-	(6.327)
Third party expenses...	(337)	(909)	(1.568)	-	-	(2.814)
Supplies.....	(208)	(622)	(4.775)	-	-	(5.605)
Taxes and duties.....	(48)	(152)	(251)	-	-	(451)
Various expenses.....	(18)	(476)	(6.178)	-	(41)	(6.713)
Financial expenses.....	-	-	-	(7.987)	-	(7.987)
Depreciation of fixed assets & amortization of intangible assets.....	(1.048)	(70)	(141)	-	-	(1.259)
Provisions.....	386	11	-	-	-	397
Subsidies of fixed assets.....	(29)	-	(1.493)	-	-	(1.522)
Inventories.....	(97.060)	-	-	-	-	(97.060)
Total	<u>(98.435)</u>	<u>(4.184)</u>	<u>(18.694)</u>	<u>(7.987)</u>	<u>(41)</u>	<u>(129.341)</u>

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)

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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	<u>(81.948)</u>	<u>(2.707)</u>	<u>(18.590)</u>	<u>(3.387)</u>	<u>(13)</u>	<u>(106.645)</u>

Company

Table of allocation of expenses year ended December 31, 2008

	Cost of Sales	Administrative expenses	Distribution expenses	Financial expenses	Other expenses	Total
Personnel expenses...	-	(1.685)	(2.702)	-	-	(4.387)
Third party expenses...	(310)	(405)	(2.173)	-	-	(2.888)
Supplies.....	(185)	(456)	(5.909)	-	-	(6.550)
Taxes and duties.....	-	(24)	(148)	-	-	(172)
Various expenses.....	-	(213)	(6.055)	-	(40)	(6.308)
Financial expenses.....	-	-	-	(6.921)	-	(6.921)
Depreciation of fixed assets & amortization of intangible assets.....	-	(47)	(78)	-	-	(125)
Subsidies of fixed assets.....	-	11	-	-	-	11
Provisions.....	(29)	-	(1.493)	-	-	(1.522)
Inventories.....	(96.740)	-	-	-	-	(96.740)
Total	<u>(97.264)</u>	<u>(2.819)</u>	<u>(18.558)</u>	<u>(6.921)</u>	<u>(40)</u>	<u>(125.602)</u>

The personnel expenses are analyzed as follows:

	Consolidated		Company	
	Year ended December 31,			
	2009	2008	2009	2008
Salaries and wages.....	(5.286)	(5.266)	(3.508)	(3.661)
Employers' social security contributions.....	(982)	(969)	(653)	(673)
Other compensation.....	(7)	(5)	-	(6)
Retirement benefits.....	(49)	(87)	(21)	(47)
Total	<u>(6.324)</u>	<u>(6.327)</u>	<u>(4.182)</u>	<u>(4.387)</u>

Finance income and expenses are analyzed as follows:

	Consolidated		Company	
	Year ended December 31,			
	2009	2008	2009	2008
Finance costs:				
Interest and similar expenses.....	(4.164)	(6.414)	(3.101)	(5.374)
Bank charges and commissions.....	(388)	(316)	(286)	(291)
Financial cost of provision of equipment removal.....	(46)	-	-	-
Foreign exchange differences	-	(715)	-	(714)

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(expense).....				
Valuation of Derivatives.....	-	(542)	-	(542)
Total Finance costs	<u>(4.598)</u>	<u>(7.987)</u>	<u>(3.387)</u>	<u>(6.921)</u>
Finance income:				
Interest and similar income.....	1.616	1.144	915	1.136
Gain from securities (sale – dividend income).....	55	23	55	940
Foreign exchange differences (income).....	994	3.164	994	2.765
Total Finance income	<u>2.665</u>	<u>4.331</u>	<u>1.964</u>	<u>4.841</u>
Finance costs, net	<u>(1.933)</u>	<u>(3.656)</u>	<u>(1.423)</u>	<u>(2.080)</u>

Generally the above accounts have as follows:

	Consolidated		Company	
	Year ended December 31,			
	2009	2008	2009	2008
Foreign exchange differences	994	1.907	994	1.509
Result of investment activity.....	1.671	1.167	970	2.076
Interest and similar expenses.....	(4.598)	(6.730)	(3.387)	(5.665)
Finance costs (net)	<u>(1.933)</u>	<u>(3.656)</u>	<u>(1.423)</u>	<u>(2.080)</u>

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 2009
• Fidakis Service S.A.	2007 to 2009
• Fidakis Logistics S.A.	2007 to 2009
• City Elektrik S.A.	2007 to 2009
• Hydroelectrical Achaias S.A.	2007 to 2009
• Aeolic Kylindrias S.A.	Unaudited from inception (2002)
• Kallisti Energiaki S.A.	Unaudited from inception (2004)
• R.F. Energy S.A.	Unaudited from inception (2006)
• R.F. Energy Misohoria S.A.	Unaudited from inception (2008)
• R.F. Energy Omalies S.A.	Unaudited from inception (2008)
• R.F. Energy Korakovrahos S.A.	Unaudited from inception (2008)
• R.F. Energy Dexamenes S.A.	Unaudited from inception (2008)
• R.F. Energy Lakoma S.A.	Unaudited from inception (2008)
• R.F. Energy Tsoukka S.A.	Unaudited from inception (2008)
• R.F. Energy Praro S.A.	Unaudited from inception (2008)
• R.F. Energy Xesportes S.A.	Unaudited from inception (2008)
• R.F. Energy Shizali S.A.	Unaudited from inception (2008)
• R.F. Energy Kalamaki S.A.	Unaudited from inception (2008)
• R.F. Energy Garbis S.A.	Unaudited from inception (2008)
• R.F. Energy Zefiros S.A.	Unaudited from inception (2008)

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

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	Consolidated		Company	
	Year ended December 31,			
	2009	2008	2009	2008
Income tax (current period).....	(3.960)	(5.536)	(3.713)	(5.524)
Extraordinary tax contribution (article 2, L. 3808/2009).....	(1.381)	-	(1.381)	-
Deferred tax.....	832	366	296	33
Adjustments of deferred taxes due to change in tax rate.....	-	56	-	(28)
Provisions for contingent tax liabilities from years uninspected by the tax authorities.....	(210)	(597)	(100)	(566)
Tax audit differences.....	-	(37)	-	-
Income taxes	<u>(4.719)</u>	<u>(5.748)</u>	<u>(4.898)</u>	<u>(6.085)</u>

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 EURO 217 for the company and EURO 356 for the Group as of December 31, 2009.

The company presents the amount of EURO 1.381 in the tax returns that concerns the extraordinary contribution which was imposed according to provisions of article 2, L. 3808/2009. The amount of EURO 1.381 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,			
	2009	2008	2009	2008
Profit before taxes	12.758	20.422	13.307	22.586
Tax rate	25%	25%	25%	25%
Tax at the corporate income tax rate	<u>(3.190)</u>	<u>(5.106)</u>	<u>(3.327)</u>	<u>(5.647)</u>
Tax effects from:				
Tax free income	165	169	14	157
Non tax deductible expenses.....	(104)	(1)	(104)	(1)
Non recognized fiscal losses.....	-	(233)	-	-
Total	<u>(3.129)</u>	<u>(5.171)</u>	<u>(3.417)</u>	<u>(5.491)</u>
Adjustments of deferred taxes due to change in tax rate.....	-	56	-	(28)
Provisions for contingent tax liabilities from years uninspected by the tax authorities.....	(209)	(593)	(100)	(566)
Extraordinary tax contribution.....	(1.381)	-	(1.381)	-
Tax audit differences.....	-	(41)	-	-
Effective income tax for the year	<u>(4.719)</u>	<u>(5.748)</u>	<u>(4.898)</u>	<u>(6.085)</u>

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%

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2013 21%
 2014 hereafter 20%

The impact (loss) in the deferred taxes of the Group and the Company of the above tax rates amounts to EURO 56 for the company and EURO (28) for the Group.

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,			
	2009	2008	2009	2008
Net profit attributable to shareholders.....	8.366	15.251	8.409	16.502
Weighted average number of shares outstanding.....	52.800.154	52.800.154	52.800.154	52.800.154
Basic earnings per share (in Euro)	<u>0,1585</u>	<u>0,2888</u>	<u>0,1593</u>	<u>0,3126</u>

10. Property, plant and equipment and intangible assets

Property, plant and equipment is analyzed as follows:

	Fixed Assets						Total
	Land	Buildings	Plant & machinery	Vehicles	Furniture & fixture	Work in progress	
January 1, 2008							
Value at cost.....	5	1.764	1.255	277	1.057	15.903	20.261
Accumulated depreciation..	-	<u>(149)</u>	<u>(170)</u>	<u>(114)</u>	<u>(742)</u>	-	<u>(1.175)</u>
Net book value.....	<u>5</u>	<u>1.615</u>	<u>1.085</u>	<u>163</u>	<u>316</u>	<u>15.903</u>	<u>19.086</u>
January 1 to December 31, 2008							
Additions.....	-	218	202	39	168	18.355	18.982
Work in progress.....	-	1.773	17.080	-	-	(18.853)	-
Disposals / Transfers.....	-	-	-	(4)	(41)	(183)	(228)
Depreciation.....	-	(148)	(901)	(32)	(149)	-	(1.230)
Depreciation of disposals...	-	-	-	1	40	-	41
December 31, 2008							
Value at cost.....	5	3.755	18.537	312	1.184	15.222	39.016
Accumulated depreciation..	-	<u>(297)</u>	<u>(1.071)</u>	<u>(145)</u>	<u>(851)</u>	-	<u>(2.364)</u>
Net book value.....	<u>5</u>	<u>3.458</u>	<u>17.466</u>	<u>167</u>	<u>333</u>	<u>15.222</u>	<u>36.652</u>
January 1 to December 31, 2009							
Additions.....	-	-	575	71	186	1.803	2.635
Work in progress.....	-	1.530	14.781	-	-	(16.311)	-
Disposals / transfers.....	-	-	-	-	-	-	-
Depreciation.....	-	(256)	(1.831)	(34)	(139)	-	(2.260)
Depreciation of disposals...	-	-	-	-	-	-	-
December 31, 2009							
Value at cost.....	5	5.285	33.893	383	1.370	714	41.650
Accumulated depreciation..	-	<u>(553)</u>	<u>(2.902)</u>	<u>(179)</u>	<u>(990)</u>	-	<u>(4.624)</u>
Net book value.....	<u>5</u>	<u>4.732</u>	<u>30.991</u>	<u>204</u>	<u>380</u>	<u>714</u>	<u>37.026</u>

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	Investments in real estate			Intangible assets		
	Land	Buildings	Total	License for wind energy	Licenses	Total
January 1, 2008						
Value at cost.....	-	-	-	1.800	187	1.987
Accumulated depreciation..	=	=	=	=	(72)	(72)
Net book value.....	<u>=</u>	<u>=</u>	<u>=</u>	<u>1.800</u>	<u>115</u>	<u>1.915</u>
January 1 to December 31, 2008						
Additions.....	52	284	336	-	4	4
Work in progress.....	-	-	-	-	-	-
Disposals / Transfers.....	-	-	-	-	(1)	(1)
Depreciation.....	-	(3)	(3)	-	(23)	(23)
Depreciation of disposals....	-	-	-	-	1	1
December 31, 2008						
Value at cost.....	52	284	336	1.800	190	1.990
Accumulated depreciation..	=	(3)	(3)	=	(94)	(94)
Net book value.....	<u>52</u>	<u>281</u>	<u>333</u>	<u>1.800</u>	<u>96</u>	<u>1.896</u>
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.....	<u>52</u>	<u>274</u>	<u>326</u>	<u>1.800</u>	<u>80</u>	<u>1.880</u>

It is noted that fixed assets are not pledged.

'Investments in real estate' EURO 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, 2009.

It is also noted that Work in progress amount EURO 714 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.

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, 2009 (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.

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	Valuation of Securities							
	Cost	Gain / loss until December 31, 2008	Sales 2008	Valuation December 31, 2008	Purchases 2009	Gain / loss until December 31, 2009	Sales 2009	Valuation December 31, 2009
ASE Listed Companies								
Alpha Bank S.A.....	74	(54)	-	20	7	5	-	32
National Bank of Greece S.A.....	147	(93)	-	54	-	20	-	74
Emboriki Bank S.A....	301	(171)	(130)	-	-	-	-	-
Vioter S.A.....	53	(48)	-	5	-	(2)	-	3
Mihaniki S.A.....	29	(25)	-	4	-	(1)	-	3
Mohlos S.A.....	41	(41)	-	-	-	-	-	-
Proodeftiki S.A.....	71	(70)	-	1	-	-	-	1
Benrubi S.A.....	77	(70)	-	7	-	-	-	7
A/B Vasilopoulos S.A.	79	(13)	-	66	-	-	(66)	-
EFG Eurobank S.A.....	144	(127)	-	17	-	7	-	24
Dionik S.A.....	614	(589)	-	25	-	(7)	-	18
Germanos S.A.....	17	7	(24)	-	-	-	-	-
Total	<u>1.647</u>	<u>(1.294)</u>	<u>(154)</u>	<u>199</u>	<u>7</u>	<u>22</u>	<u>(66)</u>	<u>162</u>
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	<u>135</u>	<u>(83)</u>	=	<u>52</u>	=	=	=	<u>52</u>
Total investments (afs)	<u>1.782</u>	<u>(1.377)</u>	<u>(154)</u>	<u>251</u>	<u>7</u>	<u>22</u>	<u>(66)</u>	<u>214</u>

12. Inventories

Inventories are analyzed as follows:

	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
Merchandise.....	37.224	64.300	37.185	64.260
Provisions for slow moving inventory.....	(483)	(242)	(483)	(242)
Total	<u>36.741</u>	<u>64.058</u>	<u>36.702</u>	<u>64.018</u>

The company and the group has charged the results with valuation losses of EURO 241 resulting from the net realizable value (EURO 28 for the Group and for the Company in 2008).

13. Receivables and Prepayments

Receivables and Prepayments are analyzed as follows:

	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
Customers.....	25.765	17.934	24.705	17.742
Postdated cheques.....	15.478	42.760	15.465	42.745
Notes receivables.....	427	2.200	428	2.200
Provision for doubtful accounts.....	(2.514)	(3.490)	(2.514)	(3.490)

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Total	39.156	59.404	38.084	59.197
Other receivables and prepayments.....	23.123	12.509	7.079	2.865
Total	<u>62.279</u>	<u>71.913</u>	<u>45.163</u>	<u>62.062</u>

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

	Consolidated	Company
Balance on January 1, 2008.....	<u>(1.999)</u>	<u>(1.999)</u>
Provision charged as expense in 2008.....	(1.493)	(1.493)
Amounts written off in 2008.....	2	2
Balance on December 31, 2008.....	<u>(3.490)</u>	<u>(3.490)</u>
Provision charged as expense in 2009.....	(1.522)	(1.522)
Amounts written off in 2009.....	2.498	2.498
Balance on December 31, 2009.....	<u>(2.514)</u>	<u>(2.514)</u>

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,			
	2009	2008	2009	2008
Ageing of trade receivables				
0 - 30 days	11.055	11.106	11.043	11.106
31 - 60 days	5.528	5.595	5.522	5.595
61 - 90 days	4.920	5.368	4.906	5.368
91 - 120 days	4.067	4.698	4.024	4.698
121 - 150 days	7.636	3.227	7.630	3.227
151 - 180 days	3.695	14.205	3.686	14.205
181 - 360 days	22.936	26.309	5.911	16.458
Non – overdues trade receivables	59.837	70.508	42.722	60.657
361 + days	4.956	4.895	4.955	4.895
Impairment losses recognized on receivables.....	(2.514)	(3.490)	(2.514)	(3.490)
Overdues trade receivables	2.442	1.405	2.441	1.405
Total receivables	<u>62.279</u>	<u>71.913</u>	<u>45.163</u>	<u>62.062</u>

The maximum exposure to credit risk without taking into consideration guarantees and other credit insurances amounts as of December 31, 2009 for the Group to EURO 62.279 for the Company to EURO 45.164 and to EURO 71.913 and EURO 62.062 respectively as of December 31, 2008.

To reduce the credit risk the Group/ Company have received from customers cheques receivables in form of guarantees for the amount of EURO 895 (EURO 2.891 in 2008) and has stored real assets of customers amounting to EURO 2.000 (EURO 2.000 in 2008).

Other Receivables and prepayments are analyzed as follows:

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	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
Greek state – taxes receivables.....	2.997	3.195	1.495	2.434
Greek state – prepayment of tax income.....	-	-	-	-
Insurance companies.....	52	-	-	-
Receivables of sales investments.....	-	-	-	-
Subsidies.....	12.015	7.335	-	-
Prepayment expenses.....	2.738	1.788	265	363
Transitory accounts.....	-	-	-	-
Other.....	5.321	191	5.319	68
Total	<u>23.123</u>	<u>12.509</u>	<u>7.079</u>	<u>2.865</u>

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

14. Cash and cash equivalents

	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
Cash on hand.....	10	47	2	35
Sight and time deposits.....	45.663	67.680	15.074	44.896
Total	<u>45.673</u>	<u>67.727</u>	<u>15.076</u>	<u>44.931</u>

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, 2007 the company's share capital amounts to EURO 16.374 and is divided into 54.580.374 ordinary registered shares with par value of EURO 0,0003 each.

The annual General Assembly of shareholders of the Company on March 26, 2008 decided the share capital decrease by EURO 534 with reduction of the total number of shares from 54.580.374 to 52.800.154 common shares because of the cancellation of treasury shares according to article 16 of C.L 2190/1920. After the decrease the Company's share capital amounts to EURO 15.840 divided into 52.800.154 common shares with 0,30 Euro par value each. The shares were cancelled on April 26, 2008.

It is noted that the average number of shares outstanding during the year 2009 is 52.800.154 shares.

16. Share premium

The share premium as of December 31, 2007 amounts to EURO 6.669.

During the fiscal year 2008, the subsidiary company of the Group AIOLIKI KYLINDRIAS S.A., proceeded with two successional share capital increases, initially on February 20, 2008 for the amount of EURO 350 and afterwards on May 30, 2008 for the amount of EURO 3.700. Thus, the share capital of the company amounted to EURO 405 and the difference of EURO 3.645 was credited to the share premium account.

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Furthermore, during the fiscal year 2008, the subsidiary company of the Group R.F. ENERGY S.A., proceeded with two successional share capital increases, initially at May 5, 2008 for the amount of EURO 6.000 and afterwards at October 2, 2008 for the amount of EURO 21.000. Thus, the share capital of the company amounted to EURO 6.000 and the difference of EURO 21.000 was credited to the share premium account. After the related adjustments for consolidation purposes of the Group and subtracting the expenses of the aforementioned share capital increase of EURO 25 share premium account amounts to EURO 6.644 as of December 31, 2008.

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 EURO 30 share premium account amounts to EURO 6.614 as of December 31, 2009.

17. Reserves

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

Consolidated					
Reserve	January 1, 2008	Additions / (reductions)	December 31, 2008	Additions / (reductions)	December 31, 2009
Legal reserve.....	1.953	824	2.777	341	3.118
Treasury shares.....	(5.590)	5.590	-	-	-
Fair value reserves.....	240	(308)	(68)	(8)	(76)
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	<u>(615)</u>	<u>6.106</u>	<u>5.491</u>	<u>333</u>	<u>5.824</u>

Company					
Reserve	January 1, 2008	Additions / (reductions)	December 31, 2008	Additions / (reductions)	December 31, 2009
Legal reserve.....	1.923	847	2.770	315	3.085
Treasury shares.....	(5.590)	5.590	-	-	-
Fair value reserves.....	240	(308)	(68)	(8)	(76)
Extraordinary reserves.....	1.566	-	1.566	-	1.566
Tax free reserves.....	290	-	290	-	290
Total Reserves	<u>(1.571)</u>	<u>6.129</u>	<u>4.558</u>	<u>307</u>	<u>4.865</u>

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 1/3 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 Treasury Shares

As of December 31, 2007, the company held 1.780.220 treasury shares with total purchase cost of EURO 5.590 presented in Shareholders' Equity special treasury shares reserves account.

The annual General Assembly of shareholders of the Company on March 26, 2008 decided the share capital decrease by EURO 534 with reduction of the total number of shares from

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54.580.374 to 52.800.154 common shares because of the cancellation of 1.780.220 treasury shares according to article 16 of C.L 2190/1920. The shares were cancelled on April 26, 2008 and the treasury shares reserve amounted to EURO 0.

17.3 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,			
	2009	2008	2009	2008
Suppliers.....	13.978	28.967	13.747	28.758
Cheques payables postdated.....	2.785	2.867	2.740	2.695
Accrued expenses.....	1.144	2.285	996	2.039
Derivatives.....	-	542	-	542
Redeemable share capital (note 1).....	14.000	-	-	-
Prepayments.....	1.311	-	1.311	-
Other short term obligations.....	1.633	1.353	841	797
Total	<u>34.851</u>	<u>36.014</u>	<u>19.635</u>	<u>34.831</u>

19. Borrowings

The company's borrowings are analyzed as follows:

	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
<u>Long term borrowings:</u>				
Bonded loan.....	71.113	69.824	59.014	69.224
Long term debt payable within the next 12 months.....	(11.165)	(10.523)	(10.301)	(10.400)
Long term debt payable between 1 & 5 years.....	(59.948)	(59.301)	(48.713)	(58.824)
Total long term borrowings	<u>(71.113)</u>	<u>(69.824)</u>	<u>(59.014)</u>	<u>(69.224)</u>
Short term borrowings	<u>10.822</u>	<u>72.865</u>	<u>11</u>	<u>48.396</u>

The net cash outflow (repayments) from borrowings during the period from January 1 to December 31, 2009 amounted to EURO 61.133 for the Group and EURO 56.445 for the Company. During the related previous period the net cash inflows (receivables) amounted to EURO 68.971 for the Group and EURO 56.445 for the Company.

On January 18, 2008 the Board of Directors 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

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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 (3) installments are payable on July 28, 2009. The first nine installments amount to EURO 5.200 and the tenth installment to EURO 28.200. The interest rate for the bonded loan was approximately 2,80%.

Based on the decision of April 3, 2009 of the General Assembly of Shareholders, the Group's Company KALLISTI ENERGI AKI S.A., decided the issuance of a syndicated 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 EURO 6.065. The repayment of the loan will be proceeded in twenty four semi-annual installments, of which the first one (1) installment will be payable on September 30, 2009. The remaining amount of EURO 6.735 concerns the financing against the receivable government grant and will be payable directly to the repayment of the government grant. The interest rate for the bonded loan was approximately 5,80%.

The Group's Company AIOLIKI KYLINDRIAS S.A., received short-term financing of sum EURO 5.934, which during December 2009 converted to Common Bond Loan, with a duration of 14 years and a floating interest Euribor plus fixed margin 2,30%. 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).

The Group's Company HYDROELECTRIKI 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 EURO 48, with one year as grace period after the date of signature of the agreement. One installment has been disbursed till 31/12/2009. For the conclusion of the loan, the company has conceded its future receivables coming from the Power Purchase Agreement with HTSO.

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. 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, 2008	Changes 2008	December 31, 2008	Changes 2009	December 31, 2009
Intangible assets.....	(173)	6	(167)	259	92
Expenses for the acquisition of fixed assets...	-	(1)	(1)	-	(1)
Depreciation of the expenses for the acquisition of fixed assets.....	-	(7)	(7)	(2)	(9)
Investments.....	75	(75)	-	-	-
Inventories.....	28	29	57	60	117

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Receivables and prepayments.....	224	169	393	169	562
Long term borrowings.....	(7)	(129)	(136)	-	(136)
Employee benefits.....	67	(3)	64	5	69
Deferred state subsidies.....	(1)	-	(1)	(155)	(156)
Trade and other payables.....	(41)	104	63	52	115
Tax credits on recognized losses.....	(67)	330	263	434	697
Provision of equipment removal.....	-	-	-	17	17
Other.....	25	(1)	24	(17)	7
Total	<u>130</u>	<u>422</u>	<u>552</u>	<u>822</u>	<u>1,374</u>

Deferred tax assets/ (liabilities) charged directly to Equity					
Share capital increase expenses.....	15	16	31	11	42
Total	<u>145</u>	<u>438</u>	<u>583</u>	<u>833</u>	<u>1,416</u>

Consolidated					
Deferred tax assets/ (liabilities)					
	January 1, 2008	Changes 2008	December 31, 2008	Changes 2009	December 31, 2009
Intangible assets.....	21	(20)	1	(1)	-
Expenses for the acquisition of fixed assets.....	-	(1)	(1)	-	(1)
Depreciation of the expenses for the acquisition of fixed assets.....	-	(7)	(7)	(2)	(9)
Investments.....	1	(1)	-	-	-
Inventories.....	28	29	57	60	117
Receivables and prepayments.....	224	168	392	168	560
Long term borrowings.....	(7)	(129)	(136)	48	(88)
Employee benefits.....	60	(3)	57	5	62
Trade and other payables.....	(4)	(31)	(35)	52	17
Other.....	-	-	-	(34)	(34)
Total	<u>323</u>	<u>5</u>	<u>328</u>	<u>296</u>	<u>624</u>

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

	Consolidated		Company	
	December 31,			
	2009	2008	2009	2008
Short term.....	36	144	94	48
Long term.....	1.380	439	530	280
Total long term borrowings	<u>1,416</u>	<u>583</u>	<u>624</u>	<u>328</u>

21. 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.

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:

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	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, 2008 to December 31, 2009 was as follows:

	Consolidated		Company	
	2009	2008	2009	2008
Current value of non-financing liabilities.....	609	526	360	340
Unrecognized actuarial gains / (losses).....	(139)	(105)	(54)	(55)
Net liability recognized on balance sheet	<u>470</u>	<u>421</u>	<u>306</u>	<u>285</u>
<u>Amounts charged to the Statement of Income for the year</u>				
Current employment cost.....	70	69	39	37
Interest of liability.....	24	19	13	12
Recognized actuarial gains / (losses).....	4	4	2	2
Cost of termination of service.....	-	-	-	-
Total cost to the statement of income	<u>98</u>	<u>92</u>	<u>54</u>	<u>51</u>
<u>Changes in the net liability recognized on the balance sheet</u>				
Net liability at beginning of year.....	421	334	285	239
Benefits paid by the employer.....	(37)	(5)	(33)	(5)
Total cost recognized on the statement of income.....	98	92	54	51
Net liability at end of year	<u>482</u>	<u>421</u>	<u>306</u>	<u>285</u>
<u>Changes in the current value of the liability</u>				
Current value at beginning of year.....	421	334	285	239
Current employment cost.....	70	69	39	37
Interest cost.....	24	19	13	12
Benefits paid by the employer.....	(37)	(5)	(33)	(5)
Additional payments or expenses.....	-	-	-	-
Actuarial gains / (losses).....	131	109	56	57
Current value of liability at end of year	<u>609</u>	<u>526</u>	<u>360</u>	<u>340</u>

The amount of forecast, calculated by the Group on December 12, 2009, for employee termination benefits amounts to EURO 470, and by the Company to EURO 306. The amount of forecast that aggravated the financial results of the fiscal year ended on December 31, 2009 was EURO 49, as for the Group, and EURO 21, as for the Company. In the fiscal year 2008, the respective amounts were EURO 87 as for the Group and EURO 46 as for the Company.

22. 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

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General Assembly of shareholders, which will decide respectively, the proposal of non distribution of dividends to the company's shareholders for the fiscal year 2009.

23. 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	
	December 31, 2009	December 31, 2008
Receivables from:		
F.G. Logistics S.A.....	380	298
Fidakis Service S.A.....	-	93
City Electric S.A.....	-	-
Hydroelectrical Achaias S.A.....	-	-
R.F. Energy S.A.....	-	229
Total	<u>380</u>	<u>620</u>

Subsidiaries	Company	
	December 31, 2009	December 31, 2008
Obligations to:		
F.G. Logistics S.A.....	-	145
Fidakis Service S.A.....	93	-
Total	<u>93</u>	<u>145</u>

Companies with common shareholding structure	Consolidated		Company	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Receivables from:				
CYBERONICA S.A.....	486	471	99	95
Total	<u>486</u>	<u>471</u>	<u>99</u>	<u>95</u>

The transactions with the related parties for the Years ended December 31, 2009 and 2008 are analyzed as follows:

Notes to the Financial Statements (Company and Consolidated)
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 (All amounts in Euro thousands unless otherwise stated)



Subsidiaries	Company	
	Year ended December 31,	
	2009	2008
Sales of goods and services:		
Administrative support.....	2	1
Inventories.....	110	141
Other.....	3	8
Total	<u>115</u>	<u>150</u>

Subsidiaries	Company	
	Year ended December 31,	
	2009	2008
Purchases of goods and services:		
Warranties.....	(981)	(788)
Inventories.....	-	-
Logistics.....	(3.103)	(3.351)
Total	<u>(4.084)</u>	<u>(4.139)</u>

Companies with common shareholding structure Purchases of goods and services:	Consolidated		Company	
	Year ended December 31,		Year ended December 31,	
	2009	2008	2009	2008
	Cyberonica S.A.....	(2.865)	(2.725)	(588)
Total	<u>(2.865)</u>	<u>(2.725)</u>	<u>(588)</u>	<u>(563)</u>

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

Receivables from:	Consolidated		Company	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Members of the Board and Directors.....	-	24	-
Total	≡	<u>24</u>	≡	<u>24</u>

Obligations to:	Consolidated		Company	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Members of the Board and Directors.....	-	31	-
Total	≡	<u>31</u>	≡	<u>31</u>

Compensation:	Consolidated		Company	
	Year ended December 31,		Year ended December 31,	
	2009	2008	2009	2008
Personnel expenses.....	(2.071)	(2.086)	(1.813)	(1.911)
Provision for staff leaving indemnity.....	(55)	(35)	(21)	(23)
Total	<u>(2.126)</u>	<u>(2.121)</u>	<u>(1.834)</u>	<u>(1.934)</u>

**Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009**

(All amounts in Euro thousands unless otherwise stated)



24. 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, 2009 the company R.F. ENERGY S.A. has issued guarantees for loans of its subsidiaries of total amount EURO 8.351 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.

25. 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.

	Consolidated					Total 2010 hereafter
	Year 2009	< 1 year	from 1 year to 2 years	From 2 years to 5 years	> 5 years	
Future lease agreements for						
- buildings.....	2.865	2.967	3.069	9.099	882	16.017
- cars.....	159	146	92	50	-	288
Total	<u>3.024</u>	<u>3.113</u>	<u>3.161</u>	<u>9.149</u>	<u>882</u>	<u>16.305</u>

Notes to the Financial Statements (Company and Consolidated)
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 (All amounts in Euro thousands unless otherwise stated)



	Company					Total 2010 hereafter
	Year 2009	< 1 year	from 1 year to 2 years	From 2 years to 5 years	> 5 years	
Future lease agreements for						
- buildings.....	588	610	631	1822	482	3.545
- cars.....	159	146	92	50	-	288
Total	<u>747</u>	<u>756</u>	<u>723</u>	<u>1.872</u>	<u>482</u>	<u>3.833</u>

26. Post Balance Sheet Events

There are no other significant post balance sheet events having occurred after December 31, 2009 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 9, 2010

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

Notes to the Financial Statements (Company and Consolidated)
For the Year ended December 31, 2009
 (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
26/11/2009	Announcement
11/11/2009	Presentation of the F.G. EUROPE S.A. Group of companies at the Association of Greek Institutional Investors
10/11/2009	Press release for the 9month period results
09/11/2009	Presentation of the F.G. EUROPE S.A. Group of companies at the Association of Greek Institutional Investors
30/09/2009	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
29/09/2009	Announcement of regulated information in accordance with Law 3556/2007 and article 13 of Law 3340/2005
29/09/2009	Trade Acknowledgement
28/09/2009	Trade Acknowledgement
31/07/2009	Six Month Period 2009 Financial Results (Correct Repetition)
30/07/2009	Six Month Period 2009 Financial Results
10/07/2009	Announcement
27/05/2009	Press Release – 1 st Quarter 2009 Financial Results
21/04/2009	Announcement for the Dividend ex date
14/04/2009	Dividend ex date
14/04/2009	Annual General Assembly of Shareholders
23/03/2009	Invitation to attend the annual general assembly of shareholders of common registered shares of the company
23/03/2009	Presentation of the F.G. EUROPE S.A. Group Annual 2008 Financial Results at the Association of Greek Institutional Investors
19/03/2009	Presentation of the F.G. EUROPE S.A. Group of companies at the Association of Greek Institutional Investors
13/03/2009	Press Release – Annual 2008 Results
23/02/2009	Financial Calendar 2009
23/02/2009	Announcement of other significant events
02/01/2009	Announcement of other significant events

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 2009

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

The financial information listed below is aiming to provide a general awareness about the financial results of FG EUROPE S.A. (the Company) 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 independent auditors report, when required, are presented.

COMPANY DATA

Responsible Supervisory Body: **Ministry of Development**
 Company's website address: **http://www.fgeurope.gr**
 Composition of Board of Directors: **Georgios Fidakis, Konstantinos koutsoumpellis, Ioannis Pantousis, Georgios Vlamis, Adreas Demenagas, Georgios Stroggiopoulos, Spyros Lioukas, Ioannis Katsoulakos, Nikolaos Pibilis**

Date of approval of the annual financial statements (from which the condensed data has been extracted): **March 9, 2010**
 Auditor: **Panagiotis Pappakonstantinou (SOEL Reg. No 16651)**
 Audit Company: **SOL S.A. - Certified Public Accountants Auditors**
 Auditor: **Panagiotis Vroustouris (SOEL Reg. No. 12921)**
 Type of Audit Report: **Unqualified audit report**

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

	GROUP		ETAPEIA	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
Equity balance at the beginning of the year (1/1/2009 and 1/1/2008 respectively)	54.604	43.825	34.887	36.638
Total comprehensive income after taxes	8.031	14.366	8.401	16.194
Share capital increase/(decrease)	758	15.699	---	(534)
Dividend distribution	(7.663)	(17.945)	(7.663)	(17.945)
Minority interest increase/(decrease)	---	(1.875)	---	---
Cancellation of treasury shares	---	534	---	534
Equity at the end of the year (31/12/2009 and 31/12/2008 respectively)	55.730	54.604	35.625	34.887

ADDITIONAL DATA AND INFORMATION

- Group companies that are included in the consolidated financial statements are presented in note (1) of the interim financial statements including locations, percentages, Group ownership and consolidation method.
- The total effect in the "Other comprehensive income after tax" concerns loss of € 8 thousands that arose on December 31, 2009, from the sale (loss € 30 thousands) of securities which are classified as "available for sale investments" and the valuation (profit € 22 thousands) of the same category of securities which are recognized directly in Group's and Company's Equity.
- There are not companies which have not included in the consolidated financial statements of the current year and had been consolidated in the previous year. Also there are not companies which have not included in the consolidated financial statements and the consolidation method is the same as this applies in the previous year.
- There are not own shares that are held from the Company or by its subsidiaries and associates companies for the year ending as of 31 December 2009.
- There are no legal or under arbitration differences or decisions of legal or arbitrary bodies that are able to have significant impact on the financial position of the Group and the Company.
- 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 Group and the Company have made provisions for additional taxes and penalties for the amount of € 210 thousands and € 100 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) in the annual financials statements.
- The Group and the Company have not made "Other provisions" til December 31, 2009.
- The number of employed personnel as of December 31, 2009 was : Group 143, Company 77 persons. December 31, 2008 was: Group 144, Company 82 persons.
- The accumulated amounts in € thousands of revenues and purchases for the year ending 31 December 2009 and the balances of receivables and liabilities of the Group companies as of 31/12/2009 that arises from the Company's transactions with related parties according to IAS 24 are as follows:

	GROUP	COMPANY
a) Sales of goods and services	-	115
b) Purchases of goods and services	2.865	4.084
c) Receivables from related parties	486	380
d) Payables to related parties	-	93
e) Key management personnel compensations	2.126	1.834
f) Receivables from key management personnel	-	-
g) Payables to key management personnel	-	-
- On February 2, 2009 the Tax Authorities finished the Company's audit for the fiscal years 2006 and 2007. The total additional taxes that the Company charged was € 327. The Company had made provisions of € 150 thousands for contingency additional taxes for the years 2006 and 2007 and after the results of the above audit made in the year 2008 additional provision for the amount of € 177 thousands.
- On July 10, 2009 the extraordinary General Assembly of shareholders of the company R.F. ENERGY S.A. decided to increase the shareholders equity by the amount of € 14.000 thousands, with a view to effecting its investment plans. F.G. EUROPE Management decided not to participate in said increase. F.G. EUROPE's respective rights transferred to and exercised by another company, directly held by Mr. Georgios Fidakis, who is a main shareholder of R.F. ENERGY.F.G. EUROPE's decision not to participate to the share capital increase of R.F. ENERGY S.A. accordingly reduced F.G. EUROPE's participation from 40% to 30%.
- On November 26, 2009 the Board of Directors of the Company decided to purchase an additional 7.5% stake at R.F. ENERGY S.A. The Company purchased the shares directly from Mr. Georgios Fidakis, who is F.G. EUROPE's President of the Board and the Company's main shareholder. The consideration to be paid for the purchase of said shares equals the amount that Mr. Fidakis paid on July 10, 2009, in order to acquire an equal amount of shares in participation to the share capital increase in which R.F. ENERGY S.A. proceeded with at the time, but in which F.G. EUROPE S.A. did not participate. Following purchase of the additional 7.5% stake, F.G. EUROPE S.A. own a total stake of 37.5% at R.F. ENERGY S.A. Nevertheless, F.G. EUROPE continues holding management of R.F. ENERGY S.A. and controlling the majority of the members of the board of directors, whereas R.F. ENERGY's financial statements continue being consolidated with F.G. EUROPE's financial statements.
- On December 11, 2009, the extraordinary General Assembly of R.F. ENERGY S.A decided to decrease Company's Share Capital for the amount of € 14,000 thousands.
- There are no subsequent events to the financial statements of December 31, 2009 concerning the Group and the Company, that should be reported according to the IAS principles.

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

	GROUP		ETAPEIA	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
ASSETS				
Tangible assets	37.026	36.652	409	261
Investments in Property	326	332	326	332
Intangible assets	1.880	1.896	4	5
Other non current assets	2.367	1.499	17.847	18.485
Inventories	36.741	64.058	36.702	64.018
Trade receivables	62.279	71.913	45.163	62.062
Other current assets	45.673	67.727	15.076	44.931
TOTAL ASSETS	186.292	244.077	115.527	190.094
NET EQUITY AND LIABILITIES				
Share Capital	15.840	15.840	15.840	15.840
Other elements of net equity	17.172	16.812	19.785	19.047
Total equity attributable to the owners of parent company (a)	33.012	32.652	35.625	34.887
Minority interests (b)	22.718	21.952	---	---
Total equity (c) = (a) + (b)	55.730	54.604	35.625	34.887
Long term borrowings	59.948	59.301	48.713	58.824
Provisions / Other long-term liabilities	12.591	8.404	316	306
Short term borrowings	21.987	83.388	10.312	58.796
Other short term liabilities	36.036	38.380	20.561	37.281
Total liabilities (d)	130.562	189.473	79.902	155.207
TOTAL NET EQUITY AND LIABILITIES (e) = (c) + (d)	186.292	244.077	115.527	190.094

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

	GROUP		ETAPEIA	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Turnover	121.843	144.555	117.220	142.502
Gross profit / (losses)	36.844	46.120	35.272	45.238
Earnings before taxes, financing and investing activities	15.685	25.985	15.724	26.175
Earnings before taxes	12.758	20.422	13.307	22.587
Earnings after taxes (A)	8.039	14.674	8.409	16.502
- Equity holders of the parent company	8.366	15.251	---	---
- Minority interest	(327)	(577)	---	---
Other comprehensive income after tax (B)	(8)	(308)	(8)	(308)
Total comprehensive income after tax (A) + (B)	8.031	14.366	8.401	16.194
- Equity holders of the parent company	8.358	14.943	---	---
- Minority interest	(327)	(577)	---	---
Earnings per share - basic (in Euro)	0,1585	0,2888	0,1593	0,3126
Proposed dividend distribution - (in Euro)	---	---	---	0,2650
Earnings before interest, depreciation, amortization and taxes	17.349	26.846	15.824	26.289

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

Indirect method	GROUP		ETAPEIA	
	1/1-31/12/2009	1/1-31/12/2008	1/1-31/12/2009	1/1-31/12/2008
Operating Activities:				
Earnings before taxes	12.759	20.422	13.307	22.586
Add / (less) adjustments for:				
Depreciation and amortization	1.664	861	100	114
Provisions	2.451	1.608	1.776	1.567
Exchange rate differences	(994)	(1.907)	(994)	(1.508)
Result of investment activity	(1.671)	(1.167)	(970)	(2.076)
Interest and similar expenses	4.597	6.730	3.387	5.665
Add/ (less) adjustments for changes working capital items:				
Decrease / (increase) in inventory	27.076	(28.622)	27.075	(28.630)
Increase / (decrease) in receivables	12.149	6.160	15.434	7.138
(Decrease) / increase in liabilities (other than banks)	(51)	16.127	(14.114)	15.830
Less:				
Interest and similar expenses paid	(4.002)	(6.853)	(2.982)	(5.242)
Taxes paid	(7.080)	(8.177)	(7.035)	(7.981)
Total inflow / (outflow) from operating activities (a)	46.898	5.182	34.984	7.463
Investing Activities				
Acquisition of subsidiaries and other investments	---	(1.885)	---	(11.159)
Proceeds from sale of available for sale financial assets	89	---	929	1.459
Purchase of tangible and intangible assets	(2.636)	(19.323)	(253)	(427)
Proceeds from the sale of tangible and intangible assets	---	187	---	187
Interest income	1.616	1.406	915	1.399
Proceeds from dividends	3	23	3	23
Total inflow / (outflow) from investing activities (b)	(928)	(19.592)	1.594	(8.518)
Financing Activities				
Proceeds from capital increase	758	15.633	---	---
Borrowings from banks	---	68.971	---	56.445
Payments of borrowings	(61.133)	---	(58.784)	---
Dividends paid	(7.649)	(17.931)	(7.649)	(17.931)
Total inflow / (outflow) from financing activities (c)	(68.024)	66.673	(66.433)	38.514
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	(22.054)	52.263	(29.855)	37.459
Cash and cash equivalents at beginning of the year	67.727	15.464	44.931	7.472
Cash and cash equivalents at the end of the period	45.673	67.727	15.076	44.931

GLYFADA, ATTIKIS MARCH 9, 2010

CHAIRMAN OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCE DIRECTOR

ACCOUNTING CHIEF

GEORGIOS FIDAKIS
ID No N 000657

JOHN PANTOUSIS
ID No E 168490

MIHALIS POULIS
R.G. 016921

ATHANASIOS HARBIS
R.G. 0002386

KRONOS S.A.