



HELECTOR GROUP

Annual Financial Statements
in line with the International Financial Reporting Standards
for the year ended 31 December 2012

HELECTOR S.A.

ENERGY &

ENVIRONMENTAL APPLICATIONS

25 ERMOU STR. - 145 64 KIFISSIA

Tax ID No.: 094003954 TAX OFFICE: LARGE ENTERPRISES

General Register of Commerce Reg.No.:000258501000



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

Table of Contents

Annual Report of the Board of Directors	5
Audit Report of Independent Certified Public Auditor-Accountant	13
Statement of Financial Position	15
Income Statement	16
Statement of Comprehensive Income.....	17
Statement of Changes in Equity	18
Cash Flow Statement	19
Notes to the financial statements	20
1 General information	20
2 Summary of significant accounting policies.....	20
2.1 Basis of preparation of the financial statements	20
2.1.1 Going concern.....	20
2.2 New standards, interpretations and amendments to existing standards	20
2.3 Consolidation	24
2.4 Foreign exchange conversions	25
2.5 Leases	26
2.6 Property, Plant and Equipment	26
2.7 Intangible assets.....	27
2.8 Impairment of non-financial assets	27
2.9 Financial assets	28
2.10 Financial derivatives	29
2.11 Inventories	30
2.12 Trade receivables	30
2.13 Committed deposits	30
2.14 Cash and cash equivalents	31
2.15 Share capital	31
2.16 Suppliers and other liabilities	31
2.17 Borrowings	31
2.18 Current and deferred taxation	31
2.19 Employee benefits	32
2.20 Provisions	32
2.21 Revenue recognition	33
2.22 Contracts for projects under construction	33
2.23 Service Concession Arrangements	34
2.24 Distribution of dividends	35
2.25 Grants.....	35
2.26 Non-current assets for sale and discontinued operations	35



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

2.27	Reclassifications and rounding of items	35
3	Financial risk management	36
3.1	Financial risk factors.....	36
3.2	Cash management	38
3.3	Fair value determination	38
4	Critical accounting estimates and judgments of the management.....	39
4.1	Significant accounting estimates and assumptions	39
4.2	Considerable judgments of the Management on the application of the accounting principles	41
5	Property, plant and equipment.....	42
6	Intangible assets	44
7	Investments in subsidiaries	45
8	Investments in associates	47
9	Investments in joint ventures consolidated with the proportional method.....	49
10	Financial derivatives	51
11	Inventories	51
12	Trade and other receivables.....	51
13	Committed deposits	53
14	Cash and cash equivalents.....	53
15	Share Capital & Premium Reserve	54
16	Other reserves	54
17	Borrowings	55
18	Suppliers and other liabilities	57
19	Deferred taxation	57
20	Retirement benefit obligations	59
21	Grants	61
22	Provisions.....	61
23	Expenses per category	63
24	Other operating income/ expenses	64
25	Financial income/ expenses - net.....	64
26	Employee benefits	64
27	Income tax	65
28	Cash flows from operating activities	66
29	Commitments	67
30	Contingent receivables and liabilities.....	67
31	Transactions with related parties	70
32	Other notes	71
33	Events after the date of the Statement of Financial Position.....	71



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

Annual Report of the Board of Directors

OF HELECTOR SA ENERGY & ENVIRONMENTAL APPLICATIONS

OVERVIEW

HELECTOR SA is a subsidiary of the ELLAKTOR SA Group, and the Group's branch in ENVIRONMENT & ENERGY. The Company specialises in the design, construction and operation of waste management projects and the generation of power using waste (Waste-to-Energy). The Company holds a leading position in Greece and in Cyprus, and has a significant presence in Germany and Croatia.

It is noted that the company, acting via its German subsidiaries Herhof GmbH and Helector GmbH, has internationally recognised expertise in waste management, which enables it to offer fully vertical solutions to meet the most complex demands and needs of demanding markets/customers.

By expanding its activities and seeking new markets, the Company has demonstrated its significant expertise in the following segments:

- Construction and operation of waste management plants, including hazardous waste. This includes, but is not limited to the following:
 - Construction and operation of an Urban Solid Waste treatment plant in Larnaca-Famagusta, with the annual capacity of 215 000 tons;
 - Construction, financing and operation of an Urban Solid Waste treatment plant in Osnabrueck, Germany, with the annual capacity of 105 000 tons;
 - Construction of an Urban Solid Waste management plant in Trier, Germany, with the annual capacity of 215 000 tons;
 - Construction of RSP in the Municipality of Fyli and Koropi, with the annual capacity of 215 000 tons;
 - Operation of the Mechanical Recycling Plant in Ano Liosia;
 - Operation of an incinerator for hospital waste in Attica.
- Construction and management of landfills and related projects. This includes, but is not limited to the following:
 - Construction of Ano Liosia landfill;
 - Construction of Fyli landfill;
 - Construction of Mavrorachi-Thessaloniki landfill;
 - Construction of Tagarades landfill;
 - Construction of Paphos landfill;
 - Construction and operation of Leachate Treatment Plant in Paphos;
 - Construction and operation of a Leachate Treatment Plant in Ano Liosia-Fyli;
 - Construction of Leachate Treatment Plant in Tagarades;
 - Construction of Leachate Treatment Plant in Mavrorachi.
- Development and operation of RES. This includes, but is not limited to the following:
 - Construction, financing and operation of an energy & heat cogeneration plant using biogas coming from the Ano Liosia and Fyli landfills, via subsidiary VEAL SA – Total Capacity 23.5 MW (the largest plant in Europe);
 - Construction, financing and operation of an energy and heat cogeneration plant using biogas coming from the Tagarades landfill – Total Capacity 5 MW;
 - Development of wind farms with the total capacity of 7.8 MW in the region of Dodecanese, via subsidiary AIFORIKI DODEKANISOU SA.

In parallel, the Company implements pilot and research programmes, under the auspices of EU-funded programmes, from which it expects to obtain experience in new applications with future value added from



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

development into business plans.

The company's operation and growth is rather based on cooperation and complementarity than separated in the categories above, and each time it is achieved through appropriate corporate schemes subject to the company's control and management. Therefore, the entire activity and growth is better depicted in the consolidated financial statements.

EVENTS – RESULTS FOR 2012

A. EVENTS

The following agreements were signed within the year:

- HELECTOR, in joint venture with construction company CHRISTOFOROS D. KONSTANTINIDIS SA, was awarded the project Design, build and operate a landfill gas recovery and power generation system in the existing Ghabawi landfill, Amman, Jordan, whose budget exceeds €19 million. The relevant contract was signed on 23 January 2012.
- HELECTOR, in joint venture with GOKSIN Insaat Gida Elektrik Turizm Bilisim vw Tuketim Mallari Pazarlama San.Ve Tic.Ltd.Sti was awarded the project Construction of Balikesir Solid Waste Management Project Contract 2008TR16IPR001-02/WKS/12. The contractual value stands at €10 303 700, and HELECTOR's share amounts to 25%. The above contract was signed in October 2012.

The following contracts were successfully completed within the year:

1. The turnkey contract undertaken by joint venture Helector GmbH – Herhof GmbH in relation to an aerobic and anaerobic treatment plant in Dorpen, Germany (Biomass fermentation plant for the landfill site Dörpen, design and construction services)
2. The turnkey contract in relation to an anaerobic treatment plant in Kassel, Germany (Lohfeiden-Vollmarshausen digestion plant)
3. The turnkey contract in relation to an anaerobic treatment plant in Ulzen, Germany (Construction contract for the planning, turnkey construction and commissioning of a biowaste digestion plant (dry fermentation))
4. The contract for supplementary works at the Paphos landfill (Supplementary agreement for the design and construction of cell B1 of the 2nd Phase of the Paphos landfill).
5. The Contract titled "CONSTRUCTION OF LANDFILL NW OF THE PREFECTURE OF THESSALONIKI & ACCESS ROAD (Mavrorachi Landfill).

A significant event for the Company in 2012 was the fact that it proceeded to the acquisition of an additional 50% of HERHOF GmbH and HERHOF VERWALTUNGSGESELLSCHAFT mbH, and now controls 100% of both German companies. At the same time, the Group disposed its entire participation (20%) in EPANA SA.

Developments were also seen in relation to PPP waste management projects in Greece, as the promotion of tender procedures for the construction of six waste management plants in Western Macedonia, Peloponnese, Patras, Iliia, Serres and Etoloakarnania, exceeding €450 million (in terms of discounted availability fees) is a key priority of the Ministry for Development and Infrastructures:



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011

(all amounts expressed in €, unless otherwise stated)

1. HELECTOR in a joint venture with AKTOR CONCESSIONS, deposited a binding offer on 28 December 2012, regarding the PPP restricted procedure for the design, construction, funding and operation of a waste management plant in W.Macedonia, with the annual capacity of 120 000 tons.

HELECTOR in a joint venture with AKTOR CONCESSIONS participated in the first phase (pre-selection) of the PPP project tender procedure for the waste management project in the Peloponnese, which includes the design, construction, funding and operation of waste management plant(s) with the indicative annual capacity of 200 000 tons of waste. Finally, the tender procedure started in the end of July, and is expected to be complete within the 1st half of 2013.

2. HELECTOR in a joint venture with AKTOR CONCESSIONS participated in the first phase (pre-selection) of the tender procedure for the PPP project “WASTE MANAGEMENT PLANT IN ILIA UNDER PPP”, with the annual capacity of 100 000 tons. On 8/8/12 our Joint Venture was announced the decision of pre-selection and qualification in phase B, while phase B1 started on 9/1/13.
3. HELECTOR in a joint venture with AKTOR CONCESSIONS participated in the first phase (pre-selection) of the PPP tender procedure for a waste management project in the Prefecture of Ilia, with the annual capacity of 100 000 tons. On 6/4/12 our Joint Venture was announced the decision of pre-selection and qualification in phase B, while phase B1 started on 25/7/12.
4. HELECTOR in a joint venture with AKTOR CONCESSIONS participated in the first phase (pre-selection) of the PPP tender procedure for a waste management project in the Prefecture of Aitolokarnania, with the annual capacity of 110 000 tons. On 5/9/12 our Joint Venture was announced the decision of pre-selection and qualification in phase B, while phase B1 started on 31/1/13.
5. Also, HELECTOR, in joint venture with AKTOR, submitted a tender for a project in Sofia, whose budget exceeds €75 million. The project pertained to the design and construction of a mechanical-biological processing plant for the production of secondary fuel of a capacity of 410 000 tons.
6. HELECTOR submitted a tender, in joint venture with the Slovenian company RIKO d.o.o, in Slovenia, in relation to the project “Regional center for waste management of Dolenjska Region – Phase II” (design, construction and trial operation). The project is co-financed by the European Union and includes, among others, the construction of a biological treatment plant with the annual capacity of 41 000 tons, of which 3 500 tons will be pre-selected biodegradable waste. The indicative budget for the project exceeds €30 million.
7. A call for tenders was proclaimed in Cyprus to award the restoration of an uncontrolled landfill in the Province of Pafos, amounting to €8 million, and HELECTOR Cyprus has submitted a tender. A tender has also been submitted for the project pertaining to the restoration of an uncontrolled landfill in the provinces of Larnaca and Famagusta, budgeted at €29 million.

Beyond the above, the following administrative/shareholder changes took place:

- On 4 February 2012, Mr. Athanasios Katris, Vice-Chairman of the Board of Directors and CEO of HELECTOR resigned from his position as CEO and Director of the Company, from his position as manager-representative of the Joint Ventures in which the Company participates, and from subsidiaries HELECTOR CONSTRUCTIONS SA, APOTEFROTIRAS SA, AIFORIKI KOUNOU SA, DOAL SAHRO GmbH, HELECTOR Cyprus Ltd.
- Subsequently, Mr. Athanasios Katris was replaced in the Boards of Directors of the following companies:
 - HELECTOR SA – Pursuant to decisions of the BoD as of 08/02/2012 and 14/02/2012, Mr. Leonidas Bobolas, Chairman of the Board of Directors was appointed CEO of HELECTOR SA.
 - AIFORIKI DODEKANISOU SA – Pursuant to decision of the AGM of the Company’s shareholders as of 10/02/2012 on the election of new BoD members, and decision as of 10/02/2012 of the new BoD on formation of the Board, Mr. Leonidas Bobolas was appointed new Chairman of the Company’s BoD and CEO.
 - HELECTOR CONSTRUCTIONS SA – Pursuant to decision of the BoD as of 10/2/2012 on the new formation of the BoD, Mr. Leonidas Bobolas was appointed new Chairman of the Company’s BoD and CEO.
 - VEAL SA – Pursuant to decision of the AGM of the Company’s shareholders as of 10/02/2012 on the election of new members of the BoD and decision of the BoD as of 10/02/2012 on its formation, Mr. Leonidas Bobolas was appointed new Chairman of the Board of Directors.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011

(all amounts expressed in €, unless otherwise stated)

- APOTEFROTIRAS SA – Pursuant to decision of the AGM of the Company's shareholders as of 14/02/2012 on the election of new members of the BoD and decision of the BoD as of 14/02/2012 on its formation, Mr. Leonidas Bobolas was appointed new Chairman and CEO of APOTEFROTIRAS SA.
 - AIFORIKI KOUNOU SA – Pursuant to decision of the AGM of the Company's shareholders as of 05/03/2012 on the election of new members of the BoD and decision of the BoD as of 05/03/2012 on its formation, Mr. Leonidas Bobolas was appointed new Chairman of the BoD and CEO.
 - DOAL SA – Pursuant to decision of the AGM of the Company's shareholders as of 05/03/2012 on the election of new members of the BoD and decision of the BoD as of 05/03/2012 on its formation.
 - Helector GmbH – Pursuant to notarial deed as of 17/2/2012, Mr. L. Bobolas was appointed new CEO.
 - Helector Recycling Osnabruck GmbH – Pursuant to notarial deed as of 17/2/2012, Mr. L. Bobolas was appointed new CEO.
 - HERHOF GmbH – Pursuant to notarial deed as of 26/06/2012, Mr. L. Bobolas was appointed new CEO.
- On 23/5/2012, HELECTOR, in implementation of the decision of the Extraordinary GM of 21/5/2012, proceeded through its indirectly 100% subsidiary NEASACO Enterprises Ltd with the acquisition 14,450 of own shares at a price of €7,416,730. The purpose of this acquisition was to acquire at an advantageous and preferential price the shares held by the previous Managing Director of the company, Mr. Ath. Katris, who after his departure from the company stated an intention of sale, and it was implemented in the framework of the agreement for the consensual exchange of securities.

B. RESULTS – FINANCIAL FIGURES

Despite the adverse conditions in Greece, 2012 was for HELECTOR a sufficiently good year taking into account the negative economic environment as well as certain extraordinary and non-recurring events that took place in 2012.

The financial figures for the Group and the Company are analysed as follows:

- The Group's consolidated income stood at €78.07 million, down by 4.9% compared to consolidated income of €82.01 million for 2011. This decrease is mainly due to the decline in construction activities, which was partially compensated by the increase in turnover from waste management activities (operation of plants) and sale of energy.
- Operating results at Group level stood at €15.95 million, down by approximately 26.7% compared to the previous year when it was €21.77, but the respective operating margin decreased and stood at 20.4% compared to 26.5% in the previous year. The main factors that influenced the results are noted in the following paragraph.
- Profit before tax for the Group stood at €15.36 million, decreased by 27.3% compared to the previous year.

It is noted that the Group's results for 2012 were significantly influenced by:

- 1) The losses in the Dorpen & Ulzen projects.
 - 2) The burden by €1.1 million from the impairment of the property of Helector GmbH in Germany.
 - 3) From the retroactive effect (as of 1/7/12) of an extraordinary levy in the income from the sale of renewable energy (~ € 1.1 million).
 - 4) The loss from the sale of EPANA, amounting to € 0.3.
 - 5) Impairment provisions and disposals amounting to € 0.94 million.
 - 6) Impairment of goodwill amounting to € 0.7 million in subsidiary DOAL.
- The net profit for the year (after tax) of the Group amounted to €10,275,706 (2011: €16,074,423) and of the Company to €4,794,318 (2011: €4,131,114).
 - As a result of profitability and the no-dividend distribution policy (subject to the approval of the General Meeting of Shareholders), the Company's equity increased from €57.80 million to €62.59 million. The

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011

(all amounts expressed in €, unless otherwise stated)

Group's equity (except for the amount attributable to non-controlling interests) increased from €85.08 million to €80.23 million. This decrease was mainly due to the cost of acquisition of own shares (€7.41 million) which took place in June of 2012 and pertained to the transfer of 10% of the shares of Ath. Katris to subsidiary Neasaco enterprises Limited. If we exclude this fact, the same funds would amount to €87.65 million increased by €2.57 million in comparison with 2011.

- Short-term borrowings on a consolidated basis were reduced from €4.66 million to €4.04 million, and comprises instalments payable over the next 12 months under long-term loans received by individual subsidiaries to pursue their investment plans. Long-term borrowings were also reduced from €17.02 million to €13.37 million, due to the repayment of regular instalments under loans entered into for the implementation of investment plans of subsidiaries.

The Group's net borrowings as of 31.12.2012 and 31.12.2011 are detailed in the following table:

	Consolidated figures	
	31-Dec-12	31-Dec-11
Total borrowings	17,411,020	21,680,548
Less: Cash and cash equivalents*	-35,232,679	-36,549,073
Net borrowings	-17,821,659	-14,868,525
Total Equity	94,220,745	94,560,927
Total Capital	76,399,087	79,692,402
Gearing ratio	-	-

*Committed deposits (€3,966,121) have been added to total Cash and cash equivalents of 2012 (€31,266,558). Corresponding Committed deposits (€5,847,652) have been added to total Cash and cash equivalents of 2011 (€30,701,421).

Given that the Group holds net cash, gearing ratio calculation as of 31.12.2012 and 31.12.2011 is not applicable. This ratio is defined as the quotient of net debt (i.e. total long and short-term bank borrowings) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

- Net cash flows from operating activities at parent company level stood at €9.83 million (outflows), and at €13.12 million on a consolidated basis (inflows). The respective amounts for 2011 were €3.71 (outflows) million for the Parent and €13.18 million for the Group (inflows).

EVENTS AFTER 31.12.2012

Within the months of January - February 2013 HELECTOR submitted a file of expression of interest / pre-selection with regard to the following projects:

- On 21.1.2013, for project "Design, Financing, Construction, Maintenance, Technical Management and Operation of the Urban Waste Processing Plant in the Integrated waste management facility of Northeast Attica with Public-Private Sector Involvement" proclaimed by the Special Inter-Collective Association of the Prefecture of Attica (EDSNA), with a total annual capacity of 127,500 tons.
- On 23.1.2013, for project "Design, Financing, Construction, Maintenance, Technical Management and Operation of the Urban Waste Processing Plant in the Integrated waste management facility of Southeast Attica with Public-Private Sector Involvement" proclaimed by the Special Inter-Collective Association of the Prefecture of Attica (EDSNA), with a total annual capacity of 127,500 tons.
- On 29.1.2013, for project "Design, Financing, Construction, Maintenance, Technical Management and Operation of the Urban Waste Processing Plant in the Integrated waste management facility of West Attica with Public-Private Sector Involvement" proclaimed by the Special Inter-Collective Association of the Prefecture of Attica (EDSNA), with a total annual capacity of 400,000 tons.
- On 4.2.2013, for project "Design, Financing, Construction, Maintenance, Technical Management and Operation of the Urban Waste Processing Plant in the Integrated waste management facility of West Attica (Fyli) with Public-Private Sector Involvement" proclaimed by the Special Inter-Collective Association of the



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

Prefecture of Attica (EDSNA), with a total annual capacity of 700,000 tons.

FUTURE ACTIONS - ESTIMATES

A. OUTLOOK

The prospects for the sector are positive. HELECTOR has already entered into long-term contracts ensuring a fixed turnover, and in addition to that, the non-executed part of its construction projects amounts to approximately €215 million.

The need to deal with the waste management problem on a global basis becomes even more imperative due to the impending imposition of onerous fines by the European Union for keeping illegal landfills. Consequently, major waste management projects are expected to be announced in Greece, which are already delayed mainly due to the dire straits experienced by Greece.

In addition to Greece where, as already mentioned, more than 12 projects are currently at the stage of tender procedure, whose budget exceeds €2.1 billion in terms of discounted availability fees and relate to the management of approximately 2 million tons of waste annually, HELECTOR now targets several foreign countries, such as Cyprus, where new projects are expected to be tendered in Nikosia, Limassol and Paphos. The company also focuses on the Balkan countries and particularly in Croatia (where the Company is already executing 2 contracts), Slovenia and Bulgaria, while it also operates in the markets of Jordan and Turkey. In Germany, efforts are also made to expand the operations of subsidiaries to EU Member States or accession countries which have secured funds for the implementation of waste management projects.

B. RISKS AND UNCERTAINTIES

The current economic difficulties have made it hard to secure the funds required for co-financed projects in the energy sector and has increased their borrowing costs. Another major risk for the sector can be identified in reactions of local communities and petitions filed with the Council of State in relation to landfills and waste treatment plants, as well as in the time-consuming procedures for the issue of permits and the approval of environmental conditions.

RELATED PARTIES

The Group is controlled by ELLAKTOR SA (domiciled in Greece), which holds 94.44% of the parent company's shares. Out of the remaining percentage, 5% of the shares are held by Mr. Leonidas Bobolas, Chairman of the company.

The following are transactions with related parties:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
a) Sales of goods and services	13,327,013	11,585,479	20,672,802	17,044,385
Sales to subsidiaries	-	-	4,929,899	4,326,148
Sales to associates	-	506,603	-	506,603
Sales to affiliates	6,632,560	1,071,531	6,572,683	1,071,531
Sales to joint ventures	6,694,453	10,007,345	9,170,220	11,140,103
b) Purchases of goods and services	1,677,929	2,840,068	1,222,335	3,882,470
Purchases from subsidiaries	-	-	454,567	2,089,027
Purchases from associates	-	1,770	-	1,770

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011

(all amounts expressed in €, unless otherwise stated)

Purchases from affiliates	822,874	1,813,824	767,768	1,791,673
Purchases from joint ventures	855,055	1,024,474	-	-
c) Key management compensation	1,344,805	685,229	1,092,125	453,589
	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
d) Closing balance (Receivables)	7,756,946	11,635,567	23,940,984	18,625,723
Receivables from subsidiaries	-	-	4,865,845	3,404,933
Receivables from associates	30,282	5,605,790	30,282	5,576,044
Receivables from affiliates	289,501	636,441	194,702	595,854
Receivables from joint ventures	7,437,162	5,393,336	18,850,155	9,048,892
e) Closing balance (Liabilities)	8,263,236	7,019,917	3,576,363	3,229,407
Payables to subsidiaries	-	-	589,577	355,802
Payables to associates	282	8,026	282	7,826
Payables to affiliates	681,236	1,863,422	565,297	1,521,296
Joint venture payables	7,581,718	5,148,469	2,421,206	1,344,483
f) Receivables from key management	99,083	46,033	76,752	46,033
g) Payables to key management	91,857	53,284	91,857	53,284
h) Loans to related parties				
	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Balance as of 1 January	404,609	397,109	4,197,985	1,675,485
Financing during the year	-	7,500	9,735,393	2,522,500
Interest capitalized during the year	-	-	208,462	-
Repayments during the year	-404,609	-	-404,609	-
Balance as of 31 December	-	404,609	13,737,232	4,197,985
i) Loans from related parties				
Balance as of 1 January	-	-	-	-
Financing during the year	-	40,000	2,750,000	-
Interest capitalized during the year	-	-	65,773	-
Balance as of 31 December	-	40,000	2,815,773	-

Following the foregoing overview of operating and financial activities and the explanations we provided acting as authorised management, Shareholders are invited to approve the Financial Statements for 2012 and the accompanying Directors' report, and release the members of the Board of Directors individually and the Board of Directors collectively, as well as the Auditor, from all liability to compensation for 2012.

Athens, 28 March 2013

For the Board of Directors



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

The Chairman of the BoD & CEO

Leonidas G. Bobolas



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

Audit Report of Independent Certified Public Auditor-Accountant

To the shareholders of HELECTOR S.A. Energy and Environmental Applications

Report on the Consolidated and Corporate Financial Statements

We have audited the attached corporate and consolidated financial statements of HELECTOR SA, which comprise the company and consolidated statement of financial position as of 31 December 2012, the company and consolidated profit and loss and comprehensive income statements, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting principles and methods, and other explanatory notes.

Management's Responsibility for the Company and Consolidated Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

Opinion

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of the HELECTOR SA and of its subsidiaries as of 31 December 2012, and of their financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Issues

We have verified the agreement and reconciliation of the Directors' Report with the attached corporate and consolidated financial statements, in the context of the provisions of articles 43a, 108 and 37 of Codified Law 2190/1920.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the period ended on 31 December 2011
(all amounts expressed in €, unless otherwise stated)

Athens, 7 June 2013

The Certified Auditor -Accountant



PriceWaterhouseCoopers

Audit Firm

268 Kifissias Ave, Halandri

SOEL Reg.No. 113

Despina Marinou

SOEL Reg.No. 17681



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012
(all amounts expressed in €, unless otherwise stated)

Statement of Financial Position

	Note	Consolidated figures		Company figures	
		31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
ASSETS					
Non-current assets					
Property, plant and equipment	5	43,705,676	46,547,964	7,673,801	4,912,750
Intangible assets	6	19,139,291	22,224,336	-	-
Investments in subsidiaries	7	-	-	7,917,277	14,453,455
Investments in associates	8	4,269,468	5,872,855	3,236,700	4,546,701
Investments in joint ventures	9	-	-	488,183	483,283
Deferred tax assets	19	1,123,059	1,157,661	455,110	-
Trade and other receivables	12	1,345,311	305,739	6,637,317	18,674
		69,582,807	76,108,516	26,408,388	24,414,863
Current assets					
Inventories	11	858,424	1,069,530	197,295	302,872
Trade and other receivables	12	70,552,443	61,353,620	47,506,040	37,534,932
Committed deposits	13	3,966,121	5,847,652	3,562,836	5,696,608
Cash and cash equivalents	14	31,266,558	30,701,421	15,233,664	12,924,676
		106,643,546	98,972,223	66,499,835	56,459,088
Total assets		176,226,353	175,080,779	92,908,223	80,873,951
EQUITY					
Attributable to equity holders					
Share capital	15	1,476,790	1,476,790	1,476,790	1,476,790
Share premium	15	5,216,215	5,216,215	5,216,215	5,216,215
Treasury shares	15	-7,416,730	-	-	-
Other reserves	16	5,755,902	5,846,196	5,585,773	5,585,773
Profit/ (loss) carried forward		75,199,076	72,539,980	50,316,153	45,521,833
		80,231,253	85,079,181	62,594,931	57,800,611
Non controlling interests		13,989,492	9,481,746	-	-
Total equity		94,220,745	94,560,927	62,594,931	57,800,611
LIABILITIES					
Long-term liabilities					
Borrowings	17	13,369,343	17,015,069	-	-
Deferred tax liabilities	19	2,351,286	2,100,342	-	961,548
Retirement benefit obligations	20	200,596	259,728	97,911	167,735
Grants	21	16,079,294	16,917,655	4,271,358	4,374,353
Financial derivatives	10	1,643,937	1,440,930	-	-
Other long-term liabilities	18	589,262	584,415	584,415	584,415
Provisions	22	2,515,999	2,046,338	362,000	362,000
		36,749,716	40,364,477	5,315,685	6,450,051
Short-term liabilities					
Suppliers and other liabilities	18	39,219,157	33,570,524	21,577,563	16,430,358
Income tax		1,787,066	1,757,798	604,271	192,931
Borrowings	17	4,041,677	4,665,480	2,815,773	-
Dividends payable		16,872	16,872	-	-
Provisions	22	191,121	144,700	-	-
		45,255,893	40,155,375	24,997,607	16,623,289
Total liabilities		82,005,610	80,519,852	30,313,292	23,073,340
Total equity and liabilities		176,226,355	175,080,779	92,908,223	80,873,951

The notes on pages 20 to 76 form an integral part of these financial statements.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Income Statement

	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Sales		78,066,658	82,058,690	26,064,391	24,849,279
Cost of sales	23	-55,710,252	-53,705,773	-14,416,155	-16,857,261
Gross profit		22,356,406	28,352,917	11,648,236	7,992,018
Distribution costs	23	-1,917,297	-2,191,997	-1,832,911	-3,226,888
Administrative expenses	23	-5,150,875	-4,845,778	-2,074,138	-1,682,190
Impairment of subsidiaries	7	-	-	-8,202,405	-851,249
Other operating income/(expenses) (net)	24	663,869	459,576	-710,085	125,239
Operating results		15,952,104	21,774,717	-1,171,304	2,356,930
Share of profit/ (loss) from associates	8	60,645	328,443	-	27,063
Profit/(Loss) from Joint Ventures and Partnerships		-	-	6,058,589	2,312,246
Financial income	25	1,011,169	1,056,573	778,561	392,658
Financial expenses	25	-1,660,724	-2,019,598	-572,419	-363,003
Profit before taxes		15,363,194	21,140,135	5,093,427	4,725,894
Income tax	27	-5,087,488	-5,065,712	-299,110	-594,780
Net profit for the year		10,275,706	16,074,423	4,794,318	4,131,114
Attributable to:					
Equity holders of the Parent Company		8,330,132	14,495,906	4,794,318	4,131,114
Non controlling interests		1,945,574	1,578,517	-	-
		10,275,706	16,074,423	4,794,318	4,131,114

The notes on pages 20 to 76 form an integral part of these financial statements.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Statement of Comprehensive Income

	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Net profit for the year		10,275,706	16,074,423	4,794,318	4,131,114
Other Comprehensive Income					
Cash flow hedge	16	-203,007	-307,556	-	-
Other comprehensive income for the year (net after taxes)		-203,007	-307,556	-	-
Total Comprehensive Income for the year		10,072,699	15,766,879	4,794,318	4,131,114
Total Comprehensive Income for the period attributable to:					
Equity holders of the Parent Company		8,127,125	14,188,362	4,794,318	4,131,114
Non controlling interests		1,945,574	1,578,517	-	-
		10,072,699	15,766,879	4,794,318	4,131,114

The notes on pages 20 to 76 form an integral part of these financial statements.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Statement of Changes in Equity**Consolidated figures**

Notes	Attributed to Equity Holders of the Parent Company					Total	Non controlling interests	Total Equity
	Share capital	Share premium	Other reserves	Treasury shares	Results carried forward			
1 January 2011	1,476,790	5,216,215	6,095,719	-	58,098,271	70,886,995	7,903,229	78,790,224
Net profit for the year	-	-	-	-	14,495,918	14,495,918	1,578,517	16,074,435
Other Comprehensive Income								
Changes in value of cash flow hedge	16	-	-307,556	-	-	-307,556	-	-307,556
Other comprehensive income for the year (net after taxes)		-	-307,556	-	-	-307,556	-	-307,556
Total Comprehensive Income for the year		-	-307,556	-	14,495,918	14,188,362	1,578,517	15,766,879
Transfer to reserves	16	-	-58,033	-	-58,033	-	-	-
Effect of change in participation share in DOAL		-	-	-	3,826	3,826	-	3,826
31 December 2011	1,476,790	5,216,215	5,846,196	-	72,539,980	85,079,181	9,481,746	94,560,927
1 January 2012	1,476,790	5,216,215	5,846,196	-	72,539,980	85,079,181	9,481,746	94,560,927
Net profit for the year	-	-	-	-	8,330,132	8,330,132	1,945,574	10,275,706
Other Comprehensive Income								-
Changes in value of cash flow hedge	16	-	-203,007	-	-	-203,007	-	-203,007
Other comprehensive income for the year (net after taxes)		-	-203,007	-	-	-203,007	-	-203,007
Total Comprehensive Income for the year		-	-203,007	-	8,330,132	8,127,125	1,945,574	10,072,699
Transfer to reserves	16	-	-112,714	-	-112,714	-	-	-
Effect of change in participation percentage in Herhof GMBH		-	-	-	-5,558,321	-5,558,321	2,562,172	-2,996,149
Purchase of treasury shares	15	-	-	-7,416,730	-	-7,416,730	-	-7,416,730
31 December 2012	1,476,790	5,216,215	5,755,902	-7,416,730	75,199,077	80,231,255	13,989,492	94,220,747

Company figures

Notes	Share capital	Share premium	Other reserves	Results carried forward	Total Equity
1 January 2011	1,476,790	5,216,215	5,585,773	41,390,719	53,669,497
Net profit for the year	-	-	-	4,131,114	4,131,114
Total Comprehensive Income for the year	-	-	-	4,131,114	4,131,114
31 December 2011	1,476,790	5,216,215	5,585,773	45,521,833	57,800,611
1 January 2012	1,476,790	5,216,215	5,585,773	45,521,833	57,800,611
Net profit for the year	-	-	-	4,794,318	4,794,318
Total Comprehensive Income for the year	-	-	-	4,794,318	4,794,318
31 December 2012	1,476,790	5,216,215	5,585,773	50,316,153	62,594,931

The notes on pages 20 to 76 form an integral part of these financial statements.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Cash Flow Statement

	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Cash Flows from operating activities					
Cash Flows from operating activities	28	19,266,234	21,782,515	11,721,250	6,338,265
Interest paid		-1,383,753	-2,018,772	-506,646	-363,003
Income tax paid		-4,762,390	-6,588,734	-1,383,724	-2,266,190
Net Cash Flows from operating activities		13,120,091	13,175,009	9,830,879	3,709,072
Cash Flows from investing activities					
Purchase of tangible assets	5	-2,368,897	-1,651,560	-3,498,204	-40,649
Purchases of intangible assets	6	-13,214	-8,545	-	-159
Sales of tangible assets	28	54,357	91,228	5,536	40,008
Dividends received		-	40,000	-	936,796
Cash from acquisition and change of percentage in JVs		206,472	42,871	-	-
Acquisition of subsidiaries & share capital increase of subsidiaries	7	-	-	-1,714,827	-704,226
Dissolution of subsidiaries		-16,917	-	352,627	-
Acquisition of associates	8	-250	-2,172,700	-	-2,172,500
Sale of associates		1,350,200	-	1,350,000	-
Acquisition of joint ventures		-	-	-4,900	-15,878
Interest received		460,613	1,037,684	356,333	392,658
Proceeds from loans repaid by related parties		404,609	-	404,609	-
Loans to related parties		-	-7,500	-9,735,393	-2,522,500
Net Cash Flows from investing activities		76,972	-2,628,522	-12,484,220	-4,086,450
Cash flows from financing activities					
Loans taken out		1,911,694	1,438,682	2,750,000	-
Purchase of treasury shares		-7,416,730	-	-	-
Repayment of borrowings		-6,181,223	-8,911,577	-	-
Grants received	21	78,558	2,821,304	78,558	2,821,304
(Acquisition) of participation share in subsidiaries from non-controlling interests		-2,905,757	-	-	-
Committed deposits		1,881,531	-2,344,319	2,133,772	-2,193,275
Dividends paid to non-controlling interests		-	-936,796	-	-
Net Cash flows from financing activities		-12,631,927	-7,932,706	4,962,329	628,029
Net (decrease)/ increase in cash and cash equivalents		565,136	2,613,781	2,308,989	250,651
Cash and cash equivalents at year start	14	30,701,421	28,087,640	12,924,676	12,674,025
Cash and cash equivalents at year end	14	31,266,557	30,701,421	15,233,665	12,924,676

The notes on pages 20 to 76 form an integral part of these financial statements.



Notes to the financial statements

1 General information

The financial statements include the company financial statements of HELECTOR SA (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (collectively the “Group”), for the year ended on 31 December 2012, according to the International Financial Reporting Standards (“IFRS”).

The Group mainly operates in construction, focusing on environmental construction (landfills), solid and liquid waste management, and RES projects. The Group operates in Greece, Croatia, Bulgaria, Germany, FYROM and Cyprus.

The Company was incorporated and established in Greece with registered and central offices at 25 Ermou st., 14564, Kifissia, Attica. In June of 2012 the Company opened a branch in Rijeka, Croatia, with the purpose of performing and serving the undertaken projects.

The Company is a subsidiary of ELLAKTOR A.E., a company listed on ATHEX, which holds 94.44% of its shares.

The financial statements were approved by the Board of Directors on 28 March 2013, subject to the approval of the GM to take place on 29 June 2013, and are available on the company’s website: www.helector.gr.

2 Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

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

These consolidated and company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been endorsed by the European Union, and IFRS issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the financial assets at fair value through profit and loss, including derivatives, which have been valued at fair value.

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

2.1.1 Going concern

The financial statements as of 31 December 2012 are prepared in accordance with the International Financial Reporting Standards (IFRS) and provide a reasonable presentation of the financial position, profit and loss, and cash flows of the Group, in accordance with the principle of going concern. Given the economic crisis, there is increased financial insecurity in international markets, as regards the economy of Greece in particular. Following careful examination and for reasons explained in the Financial Risk Management (note 3), the Group holds that: (a) the preparation of the financial statements in accordance with the principle of going concern is not affected; (b) the assets and liabilities of the Group are presented correctly in accordance with the accounting principles used by the Group; and (c) operating programs and actions have been planned to deal with problems that may arise in relation to the Group’s activities.

2.2 New standards, interpretations and amendments to existing standards



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 7 (Amendment) "Financial instruments: Disclosures" - transfers of financial assets

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has no effect on the Group's financial statements.

Standards and Interpretations effective from periods beginning on or after 1 January 2013

IFRS 9 "Financial instruments" (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

IFRS 12 (Amendment) "Income taxes" (effective for annual periods beginning on or after 1 January 2013)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property".

IFRS 13 "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

IFRIC 20 "Stripping costs in the production phase of a surface mine" (effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between “short-term” and “other long-term” benefits.

IFRS 7 (Amendment) “Financial instruments: Disclosures” (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity’s financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position.

IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2014. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

IFRS 10 “Consolidated Financial Statements”

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 “Joint Arrangements”

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control. The Group is considering the impact of this standard on its financial statements.

IFRS 12 “Disclosure of Interests in Other Entities”

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

IAS 27 (Amendment) “Separate Financial Statements”

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “Consolidated and Separate Financial Statements”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 “Investments in Associates” and IAS 31 “Interests in Joint Ventures” regarding separate financial statements.

IAS 28 (Amendment) “Investments in Associates and Joint Ventures”

IAS 28 “Investments in Associates and Joint Ventures” replaces IAS 28 “Investments in Associates”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12 (Amendment) “Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance” (effective for annual periods beginning on or after 1 January 2014)

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities. These amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 27 (Amendment) “Investment entities” (effective for annual periods beginning on or after 1 January 2014)

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

Amendments to standards that form part of the IASB’s annual improvements project for 2011.

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB’s annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the European Union.

IAS 1 “Presentation of financial statements”

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 “Accounting policies, changes in accounting estimates and errors” or (b) voluntarily.

IAS 16 “Property, plant and equipment”

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.



IAS 32 “Financial instruments: Presentation”

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

IAS 34, ‘Interim financial reporting’

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 “Operating segments”.

2.3 Consolidation

(a) Subsidiaries

Subsidiaries are economic entities in which the Group is able to lay down their financial and business policies, usually in conjunction with a holding in their share capital with voting rights in excess of 50%. The existence and effect of voting rights that can be exercised or converted are also taken into account to document that the Group is in control of the economic entity. There may also be control in cases where the holding in the share capital with voting rights is less than 50%, but the Group is able to exercise control over the financial and business policies on a de facto basis. There is de facto control where the number of voting rights held by the Group, in relation to the number and allocation of the rights held by other shareholders, enable the Group to exercise control over the financial and business policies.

Subsidiaries are fully consolidated from the date when control over them is acquired and cease to be consolidated from the date when control no longer exists.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. Acquisition cost is calculated as the fair value of the assets assigned, of obligations undertaken or in place, and of the equity instruments issued as of the date of transaction. The costs associated with the acquisition are posted in results. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation share. The difference between acquisition cost and the fair value of the subsidiary’s equity share as at the date of acquisition is recognised as goodwill. If the total cost of the acquisition is lower than the Group’s portion in fair value of the individual assets acquired, the difference is immediately recognised in the income statement.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity with the ones adopted by the Group. In the parent company’s Statement of Financial Position, subsidiaries are valued at cost less impairment.

(b) Changes to holdings in subsidiaries without loss of control

Any transactions with minority shareholders having no effect on the control exercised by the Group over the subsidiary are measured and recorded as equity transactions, i.e. they are handled in the same way as that followed for transactions with key Group shareholders. The difference between the price paid and the relevant share acquired in the book value of the subsidiary’s equity is deducted from equity. Any profit or loss arising from the sale to majority shareholders is also posted under equity.

(c) Sale of/ loss of control over subsidiary

As soon as the Group ceases to exercise control or significant influence on a subsidiary, the remaining percentage is measured at fair value, and any differences are posted in results. Subsequently, this asset is classified as an



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

associate, joint venture or financial asset, its acquisition value being that fair value. In addition, any amounts previously recorded under Other Comprehensive Income will be accounted for as in the case of sale of a subsidiary, and therefore they may be accounted for in profit or loss.

(d) Associates

Associates are economic entities on which the Group can exercise significant influence but not “control”, which is generally the case when the Group holds a percentage between 20% and 50% of a company’s voting rights. Investments in associates are accounted for using the equity method. In accordance with the equity method, an investment in an associate is recognized initially at acquisition cost and the book value increases or decreases in order for the investor's share to be recognized in the associate’s profit or loss following the date of acquisition. The “Investments in associates” account also includes the goodwill resulting on acquisition (reduced by any impairment losses).

In case of sale of a holding in an associate on which the Group continues, however, to exercise significant influence, only the portion of amounts previously posted directly under equity will be posted in results.

Following the acquisition, the Group’s share in the gains or losses of associates is recognized in the income statement, while the share of changes in other comprehensive income following the acquisition is recognized in other comprehensive income. The cumulative changes affect the book value of the investments in associates. When the Group’s share in the losses of an associate is equal or larger than the carrying amount of the investment, the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate.

Unrealized profits from transactions between the Group and its associates are eliminated according to the Group’s percentage ownership in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of affiliates have been adjusted in order to be in conformity to the ones adopted by the Group. In the parent company’s balance sheet, associates are valued at cost less impairment.

(e) Joint Ventures

The Group’s investments in joint ventures are accounted for on the basis of proportionate consolidation (except for those which are inactive on the date of first IFRS adoption, which are consolidated using the equity method as described above). The Group adds its share of the income, expenses, assets and liabilities and cash flows of each joint-venture with the respective figures of the Group.

The Group recognises the share in the gains or losses from sales of the Group to the joint-ventures which is attributed to the other partners of the joint-venture. The Group does not recognise its share in the gains or losses of the joint-ventures which resulted from purchases of the Group by the joint-ventures until the assets acquired are sold to a third party. Occurring losses from such a transaction is recognised directly if it evidences a reduction in the net liquidation value of current assets or impairment. The accounting principles of the joint-ventures have been adjusted in order to be in conformity to the ones adopted by the Group. In the parent company’s balance sheet, joint ventures are valued at cost less impairment.

2.4 Foreign exchange conversions

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the year and from the conversion of monetary items denominated in foreign currency



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

using the rate in effect at the balance sheet date are recorded in the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

(c) *Group Companies*

The results and financial position of all group operations abroad (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) The assets and liabilities are converted using the rates in effect at the balance sheet date;
- ii) The income and expenses are converted using the average rates of the period (except if the average rate is not the reasonable approach of the accumulated impact of the rates in effect at the dates of the transactions, in which case income and expenses are converted using the rates in effect at the dates of the transactions) and
- iii) Any differences arising from this process are posted under other comprehensive income and are transferred to the income statement upon disposal of these companies.

Foreign exchange differences arising from the conversion of the net investment in a foreign company, as well as of the borrowing characterised as hedging of this investment are posted under other comprehensive income. Upon disposal of a foreign company in part or in whole, accumulated exchange differences are transferred to the income statement of the period as profit or loss resulting from the sale.

Gains and changes to fair value from the acquisition of foreign companies are deemed to be assets and liabilities of the foreign company and are measured at the currency rate applicable on the balance sheet date. The resulting foreign exchange differences are recorded in Other comprehensive income.

2.5 Leases

(a) *Group Company as lessee*

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

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

(b) *Group Company as lessor*

The Group leases assets only through operating leases. Operating lease income is recognized in the income statement of each period proportionally during the period of the lease.

2.6 Property, Plant and Equipment

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

the item can be measured reliably. The repair and maintenance cost is recorded in the results when such is realized.

Land is not depreciated. Depreciation of other PPE is calculated using the straight line method over their useful life as follows:

- Buildings	20 – 28	years
- Mechanical equipment	6 – 9	years
- Special mechanical equipment and facilities	18 – 28	years
- Transportation equipment	5 – 7	years
- Other equipment	1 – 5	years

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

PPE under construction are included in property, plant and equipment, and their depreciation starts when complete and finished for their intended use.

When the book values of tangible assets exceed their recoverable value, the difference (impairment) is posted in the income statement as expense (note 2.8).

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

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

2.7 Intangible assets

(a) Goodwill

Goodwill represents the difference between acquisition cost and the fair value of the subsidiary/ associate's equity share as at the date of acquisition. Goodwill arising from acquisitions of subsidiaries is recognised in intangible assets. Goodwill is not depreciable, and is tested for impairment annually and recognised at cost, less any impairment losses. Goodwill losses cannot be reversed.

Goodwill is allocated to cash generating units for impairment testing. Allocation is made to those units or cash generating unit groups which are expected to benefit from the business combinations which created goodwill, and is recognised in line with the operating segment.

Profit and losses from the disposal of an undertaking include the book value of the goodwill of the undertaking sold.

Negative goodwill is written off in profit and loss.

(b) Software

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

(c) Concession right

Concession rights are valued at the acquisition cost, less depreciation. Depreciation is carried out using the straight line method during the Concession Contract (note 2.23).

2.8 Impairment of non-financial assets

Assets with an indefinite useful life, e.g. goodwill, are not depreciated, and are subject to impairment testing on an



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

annual basis, and when certain events or changes to the circumstances suggest that their carrying value may not be recoverable. Assets that are depreciated are subject to impairment audit when indications exist that their book value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired are reassessed for possible impairment reversal on each balance sheet date.

2.9 Financial assets

2.9.1 Classification

The financial instruments of the Group have been classified to the following categories according to the objective for which each investment was undertaken. The Management makes the decisions on classification at initial recognition.

(a) *Financial instruments valued at fair value through the income statement*

This class comprises financial assets held for trading. Derivatives are classified as held for trading, except when they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realized within 12 months of the balance sheet date. During the year, the group had no investments in this category.

(b) *Borrowings and receivables*

These include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Borrowings and receivables are included in the trade and other receivables account in the Statement of Financial Position.

(c) *Financial assets available for sale*

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. During the year, the group had no investments in this category.

(d) *Financial assets held to maturity*

Financial assets held to maturity are non-derivative assets with fixed or determined payments and specific maturity, which the Group management intends to and is in position to hold until maturity. Should the Group sell a significant portion of financial assets held to maturity, the entire portfolio of assets classified as such are reclassified under financial assets available for sale. Financial assets held to maturity are posted in non-current assets, with the exception of assets whose maturity is less than 12 months from the date of the financial report, in which case they are classified under current assets. During the year, the group had no investments in this category.

2.9.2 Recognition and Measurement

The purchase and sales of investments are recorded for on the trade-date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at their fair value, plus expenses directly related to the transaction, with the exception of those assets, regarding expenses directly related to the transaction, which are valued at their fair value through profit and loss. Financial assets valued at fair value through profit and loss are initially recognised at fair value, and transaction expenses are recognised in results in the period they were incurred. Investments are eliminated when the right on cash flows from the investments ends or is transferred and the Group has transferred in effect all risks and rewards implied by the ownership.

Subsequently, financial assets held for sale are valued at fair value and the relative gains or losses are recorded to Other Comprehensive Income until those assets are sold or characterized as impaired. Upon sale or when assets



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

are characterised as impaired, the gains or losses are transferred to the income statement. Impairment losses recognised in results may not be reversed through profit and loss.

Borrowings and trade payables are initially recognised at fair value and are subsequently valued at unamortised cost based on the effective rate method.

Realised and unrealised profits or losses arising from changes in the fair value of financial assets, which are valued at fair value through the income statement, are recognised in profit or loss of the period in which they occur. Income from dividends on financial assets valued at fair value is recognised in profit or loss as other income when the Group establishes the right to receive it.

Profit or losses resulting from fair value changes of available for sale financial assets are recorded to an equity reserve until those assets are sold or become impaired. When sold or impaired, accumulated profit or loss is transferred to profit or loss. The relevant interest, however, calculated based on the effective rate method, is recognised as other income in the income statement. Dividends from available for sale financial assets are recognised in the income statements when the right to receive them is established.

The fair values of financial assets traded on stock markets are defined by current demand prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows.

2.9.3 Offsetting of financial receivables and liabilities

Financial receivables and liabilities are offset and the net amount is presented in the Statement of Financial position only where the Group or Company holds the legal right to do so and intends to offset them on a clear basis between them or to retrieve the financial asset and offset the liability at the same time.

2.9.4 Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity which is the difference between the cost of acquisition and the fair value shall be carried over to results. Impairment losses of equity instruments recognised in the income statement are not reversed through the income statement. Reversal of security impairments are recognized in profit or loss if the increase in the fair value of these items can be correlated objectively to a certain event that took place after recognition of impairment loss in profit or loss.

The impairment test for receivables is described in note 2.12.2.12

2.10 Financial derivatives

Group companies evaluate, on a case by case basis, the making of financial derivative contracts to hedge the exposure to rate fluctuations connected to long-term loan agreements.

Upon commencement of a transaction, the Group establishes the relation between the hedging instruments and hedged assets, as well as the risk management strategy to take various hedging actions. This procedure includes the linking of all derivatives used as hedges to specific assets and liabilities or specific commitments or prospective transactions. Furthermore, when starting a hedge and thereafter, the extent to which the derivatives used in hedging transactions are effective in eliminating fluctuations to the market value or cash flows of the hedged assets.

The fair values of derivatives used for hedging purposes are disclosed in note 10. Changes to the cash flow hedging reserve under Other comprehensive income are disclosed in note 16. The total fair value of hedging derivatives is classified under non-current assets or long-term liabilities when the remaining hedged asset has a maturity over 12 months, or under current assets or short-term liabilities when the residual maturity of the hedged asset is less than 12 months. Derivatives held for trade are classified under current assets or short-term liabilities.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Cash flow hedge

Derivative assets are initially recognised at cost (fair value) as of the date of the relevant agreement and are then measured at fair value.

The portion of change to the derivative's fair value considered effective and meeting the cash flow hedging criteria is recognised in Statement of Comprehensive Income. Profit or loss associated with the non-effective portion of change is directly recognised in the Income Statement, under "Financial expenses (income)- net".

The cumulative amount posted under Equity is transferred in the Income Statement to the periods over which the hedged asset has affected period profit or losses. The profits or losses associated with the effective portion of the hedging of floating rate swaps is recognised in the Income Statement under "Financial expenses (income) – net". However, when a prospective transaction to be hedged results in the recognition of a non-financial asset (such as reserves or fixed assets), then earnings and losses previously posted in net equity are transferred from Equity and are accounted for at the original cost of such asset. These amounts are ultimately charged to results through the cost of sales in the case of reserves, and through depreciation in the case of tangible assets.

When a financial product matures or is sold, or when a hedging relation no longer meets the criteria of hedge accounting, the cumulative profits or losses posted to that time under Equity remain in Equity and are recognised when the prospective transaction is ultimately posted in the Income Statement. When a prospective transaction is no longer expected to be made, the cumulative profits or losses posted under Equity are directly transferred to the Income Statement under "Other operating income/ (expenses) (net)".

2.11 Inventories

Inventories are valued at the lower of acquisition cost and net realisable value. The cost is calculated using the weighted average cost method. The cost of end products and semi-finished inventories includes cost of design, materials, average working cost and a proportion of the general cost of production.

2.12 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, except if the discount outcome is not important, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due, according to the original terms of receivables.

Trade receivables comprise of commercial papers and notes payable from customers.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganization and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized as an expense in the income statement.

2.13 Committed deposits

Committed deposits are cash equivalents not readily available for use. These cash equivalents may not be used by the Group until a certain point of time or event is reached or occurs in the future. In the cases where committed deposits are expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset. Committed deposits are disclosed in a separate row in the statement of financial position but are taken into consideration together with Cash and Cash Equivalents and Time Deposits over 3 months when calculating the gearing ratio.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

2.14 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk.

2.15 Share capital

The share capital includes the Company's ordinary shares. Whenever, any Group company purchases shares of the Company (Own shares), the consideration paid is deducted from equity attributable to the Group's equity holders until the shares are cancelled or disposed of. The profit or loss from the sale of own shares is recognised directly to equity.

Direct expenses for the issue of shares appear net of any relevant income tax benefit, to the reduction of equity.

2.16 Suppliers and other liabilities

Trade liabilities are usually obligations to make payment for products or services obtained during performance of typical commercial activity by suppliers. The accounts payable are classified as short-term liabilities if the payment is due within not more than one year. If not, they are classified as long-term liabilities. Trade liabilities are recognized initially at fair value and are measured subsequently at net book cost by the use of the effective rate method.

2.17 Borrowings

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

Any borrowing expenses paid upon execution of new credit agreements are recognized as borrowing expenses provided that part or all of the new credit line is withdrawn. In this case, they are recorded as future borrowing expenses until withdrawal is made. If the new borrowings are not used, in part or in all, these expenses are included in prepaid expenses and are recognized in profit or loss during the useful life of the relevant credit line.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 Current and deferred taxation

Income tax for the period comprises current and deferred taxation. Tax is recognised in the income statement, unless relevant to amounts recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or equity, respectively.

Income tax on profit is calculated in accordance with the tax legislation established as of the balance sheet date in the countries where the Group operates, and is recognised as expense in the period during which profit was generated. The management regularly evaluates the cases where the applicable tax legislation requires interpretation. Where necessary, estimates are made for the amounts expected to be paid to tax authorities.

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, as shown in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting or the taxable gains or losses. Deferred tax is determined using the tax rates and laws in force as of the date of the balance sheet, and expected to be in force when the deferred tax receivables will be due or deferred tax liabilities will be repaid.

Deferred tax receivables are recognised to the extent that there could be future taxable gains to use the temporary



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

difference that gives rise to the deferred tax receivables.

Deferred tax receivables and liabilities are offset only if the offsetting of tax receivables and liabilities is permitted by law, and provided that deferred tax receivables and liabilities are determined by the same tax authority to the tax paying entity or different entities, and the intention has been expressed to proceed to settlement by way of offset.

2.19 Employee benefits

(a) *Post-employment benefits*

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

The liability that is reported in the Statement of Financial Position with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The interest rate on long-term Greek treasury bonds is used for discounting purposes. Due to the current financial circumstances, the European Central Bank bond curve was used instead of Greek government bonds.

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

(b) *Termination benefits*

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

In case of employment termination where the number of employees to use such benefits cannot be determined, the benefits are disclosed as contingent liability, but are not accounted for.

Share-based payment

Within 2008, the share capital was increased upon waiver of the parent ELLAKTOR of its right to participate, in order to enable the BoD of HELECTOR SA to distribute part of the new shares to its members and to company executives, as an incentive to take strong efforts so that the Company can maintain-enhance its leading position in Greece and in other countries.

In execution of a relevant decision made by the General Meeting, the BoD distributed such shares to executive directors who paid the respective amount at the offer price determined by the GM.

The difference between fair value (as calculated using the cash flow discount method) and the offer price is recognised as an expense in profit and loss and as reserves above par in equity.

2.20 Provisions

Provisions for environmental restoration and outstanding litigations are recognised when an actual legal or assumed commitment exists as a result of past events, when settlement of such commitment will likely require an outflow of resources, and when the required amount can be reliably estimated.



Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one asset included in the same class of liabilities may be small.

Provisions are recognised on a discounted basis when the effect of the time value of money is significant, using a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. When provisions are discounted, the increase in provisions due to the lapse of time is recognised as a financial expense. Provisions are reviewed on each date of financial statements and if an outflow of funds to settle the obligation is unlikely, they are reversed in the income statement.

When concession agreements (note 2.23) include the concessionaire's contractual obligation to maintain the infrastructure at a certain service level or restore the infrastructure to a certain state before delivering it to the conceder at the end of the concession period, the Group, as concessionaire, acknowledges and values this obligation under IAS 37.

2.21 Revenue recognition

Revenue is generated from construction projects, from the generation and sale of power, and from waste management services.

Income is recognized as follows:

i) Income and profit from construction contracts

Revenue and profit from construction contracts are recognised according to IAS 11 as described in note 2.22 below.

ii) Income from the provision of services

Revenue from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services provided.

In the case where the Group acts as a representative, it is the commission and not the gross revenue that is accounted for as revenue.

iii) Income from interest

Interest income is recognised on an accrual basis using the effective rate method. In case of impairment of borrowings and receivables, interest income is recognised using the rate which discounts future flows for impairment purposes.

iv) Income from dividends

Dividends are accounted for as income when the right to receive payment is established.

2.22 Contracts for projects under construction

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Expenses associated with construction contracts are recognised in the period in which they are incurred.

When the result of a construction contract cannot be reliably assessed, only the expenses realized or expected to be collected are recognised as income from the contract.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

When the result of a construction contract can be reliably assessed, such contract's income and expenses will be recognised during the term of contract as income and expenses, respectively. The Group uses the percentage of completion method to estimate the appropriate amount of income and expense to be recognised for a certain period. The stage of completion is calculated based on the expenses which have been realised up to the balance sheet date compared to the total estimated expenses for each contract. If it is possible that the total cost of the contract will exceed total income, then anticipated losses are directly recognised in profit and loss as expenses.

In order to determine the cost realised by the end of the period, any expenses relating to future tasks included in the contract are exempted and presented as work in progress. The total realised cost and recognised profit / loss for each contract is compared with sequential invoices till the end of the financial year.

Where the realised expenses plus the net profit (less losses) recognised exceed the sequential invoices, the occurring difference is presented as a receivable from construction contract customers in the account "Trade and other receivables". When the sequential invoices exceed the realised expenses plus the net profit (less losses) recognised, the balance is presented as a liability towards construction contract customers in the account "Trade and other payables".

2.23 Service Concession Arrangements

With regard to Service Concession Arrangements whereby a public sector body contracts with a private operator for the provision of services, the Group applies IFRIC 12, provided that the following two conditions are met:

- a) the grantor controls or determines which services the operator should provide to whom and at which price, and
- b) the grantor controls any other significant interests in the infrastructure upon completion of the concession arrangement period.

In accordance with IFRIC 12, such infrastructures are not recognised as tangible assets of the operator, but as a Financing Contribution of the State under financial assets (financial asset model), and/ or as a Concession Right under intangible assets (intangible asset model), depending on the contractually agreed terms.

i) Guaranteed receipt from grantor (Financial Asset model)

As an operator, the Group recognizes a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the construction services.

In the case of service concession contracts, the operator has the unconditional right to receive cash if the grantor contractually guarantees to pay the operator:

- a) specified or determinable amounts, or
- b) the shortfall, if any, between amounts received from users of the public service and specific or determinable amounts provided for in the Service Concession Contract.

The financial assets resulting from the application of IFRIC 12 are recorded in the Statement of Financial Position as "Guaranteed receipt from grantor" and recognised at unamortised cost based on the effective rate method, also deducting any impairment losses. The effective rate is equal to the average weighted capital cost for the operator, unless otherwise stipulated in the Concession Contract.

ii) Concession Right (Intangible Asset Model)

As an operator, the Group recognises an intangible asset to the extent that it receives a right (licence) to charge users of the public service. The right to charge users of a public service does not constitute an unreserved right to collect cash, since the amounts collected depend on whether the public uses such service.

Intangible assets resulting from the application of IFRIC 12 are recorded under Intangible Assets in the Statement



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

of Financial Position, analysed as a “Concession Right” and valued at acquisition cost less depreciation. Depreciation is carried out using the straight line method during the Concession Contract.

iii) Guaranteed receipt from grantor and Concession Right (Mixed Model)

When the service concession contract anticipates that the operator will be remunerated for the construction services partly with a financial asset and partly with an intangible asset, the Group recognises each component of its remuneration separately, according to the above (Guaranteed receipt from grantor and Concession Right).

The Group recognises and accounts for the revenues and costs associated with the construction or upgrading services in accordance with IAS 11 (note 2.22), while revenues and costs associated with operation services are recognised and accounted for in accordance with IAS 18 (note 2.21).2.222.21

IFRIC 12, and in particular the Mixed Model (Guaranteed Receipt from Grantor and Concession Right) applies to Joint Venture Helector-Ellaktor-Cybarco, under a service concession arrangement with the Government of Cyprus for the Waste Treatment and Disposal Plants. The arrangement term is 13 years, 3 years of which correspond to the construction period.

Under the service concession contract, the Joint Venture will be paid for its services partly with payments for the construction works and partly with the right to charge the government for management services during the management period.

2.24 Distribution of dividends

The distribution of dividends to equity holders of the parent company is recognised as liability when distribution is approved by the General Meeting of the shareholders.

2.25 Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all stipulated conditions.

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

Government grants regarding the purchase of fixed assets or the construction of projects are included in long term liabilities as deferred state grants and are recognized as income through profit and loss using the straight line method according to the asset expected useful life.

Grants received to finance Concession Contracts are presented in accordance with IFRIC 12 as a reduction to the Guaranteed receipt from grantor (note 2.23).

2.26 Non-current assets for sale and discontinued operations

Non-current assets (or groups of assets for sale) are classified as assets intended for sale and recognised at the book value or net sale price, whichever is lower, if the book value is expected to be recovered through their sale and not through continued use.

2.27 Reclassifications and rounding of items

Any differences between the amounts in these financial statements and the respective amounts in the notes, as well as in the sums, are due to rounding.

In the comparative figures of 31.12.2011, in the consolidated Financial Position Statement the amounts of €151,044 and 5,696,608 were reclassified from Cash and cash equivalents to Trade and other receivables, respectively, in Committed deposits. In the comparative figures of 31.12.2011, in the consolidated Financial Position Statement the amount of €5,696,608 was reclassified from “Trade and other receivables” to Committed



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

deposits. A similar reclassification was made in the cash flows for the comparative period 01.01.2011-31.12.2011 where row Committed deposits shows a change in the year of €2,344,319 and €2,193,275 thousand for the Group and the Company respectively.

In the Company's 2011 Income Statement, an amount of €851,249 has been transferred for purposes of comparability. This amount was included in Other operating income/(expenses) (net).

3 Financial risk management

3.1 Financial risk factors

The Group is exposed to various financial risks, such as market risk (macroeconomic conditions of the Greek market, interest rate risk, etc), credit risk and liquidity risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, accounts payable and other liabilities and debt liabilities. The accounting principles referred to the above financial instruments are presented in Note 2.

Risk management is monitored by the finance division, and more specifically by the central Financial Management Division of the Group, and is determined by directives, guidelines and rules approved by the Board of Directors with regard to rate risk, credit risk, the use of derivative and non-derivative instruments, and the short-term investment of cash.

(a) Market Risk

Market risk is related to the business sectors where the Group operates. Indicatively, the Group is exposed to the risk of a change in the prevailing conditions of the constructions sector and raw materials markets, as well as to risks associated with the execution of projects under joint venture schemes, and the adequacy of capital required for participation in co-financed projects. The Group's departments are closely monitoring the trends in the individual markets in which it operates and plan actions for prompt and efficient adaptation to the individual markets' new circumstances.

(i) Macroeconomic conditions in Greece

The macroeconomic conditions prevailing in Greece and the financial condition of the Greek State remain difficult and this has had a negative effect on the activities of the Group and the Company, to the results of their activities, their financial condition (reduction in the construction activity in Greece, lack of resources for financing new projects, reduced turnover, etc.). The current financial crisis in Cyprus may have a negative impact on Greece, although positive signs were seen recently in Greece (commitment of the coalition government to continue with the reforms to restructure the public sector and strengthen competitiveness, improvement of fiscal figures, etc).

In this backdrop, the Group continues to pursue the strategy of geographic dispersion of operations and strengthens its international presence. Despite the challenges (difficulty in penetrating foreign markets, lack of support by international financial institutions, etc.), the Group undertakes projects abroad (e.g. Russia, Croatia, Cyprus and Germany, etc.).

ii) Cash flow risk and risk arising from fair value change due to a change in interest rates

The Group is exposed to risk from fluctuations of interest rates, arising from bank loans with floating rates. The Group is exposed to floating interest rates prevailing in the market, which affect both the financial position and the cash flows. Cost of debt may increase as a result of these changes thus creating losses or it can decrease on the occurrence of unexpected events. It should be noted that the fluctuation in interest rates in recent years has been caused primarily by the increase in spreads due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and to a lesser extent by the increase in base interest rates (e.g. Euribor).

As regards long-term borrowings, the Group's Management systematically and constantly monitors interest rate fluctuations and assesses the need to take relevant positions to hedge risks, when and if necessary. In the context of risk offsetting, Group companies may enter interest swap contracts and other derivatives.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

11% of the Group's borrowings are linked to floating rates, and all borrowings are denominated in Euro. The Group constantly monitors interest rate trends, as well as the duration and nature of subsidiaries' financing needs. Decisions on loan terms as well as the relation between variable and fixed interest rate are considered separately on a case by case basis.

(b) Credit Risk

The Group has developed policies in order to ensure that transactions are conducted with customers of sufficient credit rating. Due to the conditions prevailing in the market, credit line approval results from a stricter procedure that involves all senior management levels. The Group has been monitoring its debtors' balances very carefully, and where receivables with credit risk are identified, they are assessed in accordance with established policies and procedures and an appropriate impairment provision is formed. The Group does not have significant accumulation of credit risk.

Cash and cash equivalents, investments and financial derivative contracts potentially involve credit risk as well. In such cases, the risk may arise from counterparty failure to fulfil their obligations towards the Group. In order to manage this credit risk, the Group sets limits to the degree of exposure for each financial institution, within the scope of the policies of the Board of Directors. Due to the current debt crisis experienced by the Hellenic Republic, the credit rating of Greek banks has been lowered.

(c) Liquidity risk

Given the current crisis of the Greek State and the Greek financial sector, the liquidity risk is higher and the management of cash flows is urgent. With a view to dealing with liquidity risk, the Group has been budgeting and monitoring its cash flows and needs for credit lines in general (e.g. needs for financing, letters of guarantee, etc.). The Group has been trying to ensure that there is available cash, along with unused bank credit lines in order to be able to meet its needs.

Group liquidity is regularly monitored by the Management. The table below presents an analysis of the Group and Company financial liability maturities as of 31 December 2012 and 2011 respectively:

	Consolidated figures				Total
	31-Dec-12				
	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	
Bank borrowings	4,861,792	6,915,536	6,211,195	2,372,572	20,361,094
Suppliers and other liabilities	24,562,481	-	-	-	24,562,481
Financial derivatives	863,274	674,949	180,714	-	1,718,937
	31-Dec-11				
	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Bank borrowings	5,726,269	8,324,582	7,791,950	4,161,475	26,004,276
Suppliers and other liabilities	21,325,519	-	-	-	21,325,519
Financial derivatives	623,476	645,500	228,269	15,423	1,512,669
	Company figures				
	31-Dec-12	31-Dec-11			
	Up to 1 year				
Bank borrowings	2,928,404	-			
Suppliers and other liabilities	10,625,133	6,960,847			

The above amounts are presented in the contractual, non discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements with respect to Trade and other payables, Financial derivatives and Borrowings.

The Trade and Other liabilities breakdown is exclusive of Advances from customers, Amounts due to customers for contract work and investment plans, and Social security and other taxes.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Interest Rate Sensitivity Analysis of Group Borrowings

If on 31 December 2012, borrowing rates were increased / decreased by 1%, all other variables being equal, the Group's results would appear reduced / increased by €19,000 (2011:€36,000) mainly due to the increased / decreased financial cost of variable rate loans. Accordingly, this would also affect the Company and Group equity.

(d) Other risks – additional tax charges

In previous years, the Greek State imposed extraordinary tax contributions that had a significant effect on the results of the Group and the Company. Pursuant to Law 4093/2012, during the current year a special levy was imposed on the turnover of companies operating in the production of electricity using RES (for the period 1/7/2012-30/6/2014) which was charged to the Group's results (Note 32) Given the current financial condition of the Greek State, additional tax measures may be implemented, which could have a negative effect on the financial position of the Group.

3.2 Cash management

Regarding cash management, the Group's intention is to ensure its ability to continue its operations unhindered so as to secure returns for shareholders and benefits for other parties associated with the Group, and to maintain an optimum capital structure so as to achieve capital cost reductions.

In order to preserve or change its capital structure, the Company may alter the dividend distributed to shareholders, return capital to shareholders, issue new shares or sell assets.

In line with industry practice, the Group monitors the capital structure using the leverage ratio. Leverage is calculated as the ratio of net debt (long-term loans and short-term loans less cash available) over net debt plus equity capital. The following table shows the leverage ratios as of 31 December 2012 and 2011:

	Consolidated figures	
	31-Dec-12	31-Dec-11
Total borrowings	17,411,020	21,680,548
Less: Cash and cash equivalents*	-35,232,679	-36,549,073
Net borrowings	-17,821,659	-14,868,525
Total Equity	94,220,745	94,560,927
Total Capital	76,399,087	79,692,402
Gearing ratio	-	-

*Committed deposits (€3,966,121) have been added to total Cash and cash equivalents of 2012 (€31,266,558). Corresponding Committed deposits (€5,847,652) have been added to total Cash and cash equivalents of 2011 (€30,701,421).

Given that the Group holds net cash, gearing ratio calculation as of 31.12.2012 and 31.12.2011 is not applicable. This ratio is defined as the quotient of net debt (i.e. total long and short-term bank borrowings) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

3.3 Fair value determination

The financial assets measured at fair value as of the balance sheet date are classified under the following levels, in accordance with the method used for determining their fair value:

- Level 1: for assets traded in an active market and whose fair value is determined by the market prices (unadjusted) of similar assets.
- Level 2: for assets whose fair value is determined by factors related to market data, either directly (prices) or



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

indirectly (prices derivatives).

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

The following table presents the Group's financial assets at fair value as of 31 December 2012 and 31 December 2011:

	31 December 2012			
	CONSOLIDATED FIGURES			
	CLASSIFICATION			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial liabilities				
Derivatives as hedging instruments	-	1,643,937	-	1,643,937

	31 December 2011			
	CONSOLIDATED FIGURES			
	CLASSIFICATION			
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial liabilities				
Derivatives as hedging instruments	-	1,440,930	-	1,440,930

The fair value of financial assets traded on active money markets (e.g. derivatives, stocks, bonds, mutual funds), is determined on the basis of the published prices available at the balance sheet date. An "active" money market exists where there are readily available and regularly revised prices, which are published by the stock market, money broker, sector, rating organization or supervising organization. These financial tools are included in level 1.

The fair value of financial assets traded on active money markets (e.g. derivatives traded outside a derivative market) are determined by measurement methods based primarily on available information on transactions carried out on active markets and using less the estimates made by the economic entity. These financial tools are included in level 2.

Where measurement methods are not based on available market information, the financial tools are included in level 3.

The methods used by the Group for financial assets measurement include:

- Market prices or negotiators' prices for similar assets.
- The fair value of interest rate risk hedges, which is determined as the current value of future cash flows.

4 Critical accounting estimates and judgments of the management

Estimates and judgments are continuously evaluated and are based on historic data and expectations for future events, as considered reasonable under the circumstances.

4.1 Significant accounting estimates and assumptions

Annual financial statements along with the accompanying notes and reports may involve certain judgments and calculations that refer to future events regarding operations, developments, and financial performance of the Company and the Group. Despite the fact that such assumptions and calculations are based on the best possible knowledge of the Company's and the Group's management with regard to current conditions and actions, the actual results may eventually differ from calculations and assumptions taken into consideration in the preparation of the



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Company's and the Group's annual financial statements.

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

(a) *Estimates regarding the accounting treatment of construction projects according to IAS 11 "Construction Contracts"*

- (i) Realization of income from construction contracts based on estimation of the percentage completion of the project.

For the estimation of the percentage completion of the construction projects in progress according to which the Group recognizes income from construction contracts, the Management estimates the expected expenses to be made until the completion of the projects.

- (ii) Requests for compensation for additional work made beyond the contractual agreement.

The Group's Management estimates the amount to be received for additional work and recognizes income based on the percentage of completion as long as it considers that the collection of this amount is probable.

(b) *Provisions*

- (i) Potential provision for landscape restoration

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

The Group has formed a cost provision for equipment removal and landscape restoration, with regard to the wind farm it operates.

- (ii) Income tax

Estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities from anticipated tax audits based on estimates regarding whether additional taxes will be imposed. If the final tax outcome is different from the amounts initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such difference is recognised.

- (iii) Provisions for disputed cases

There are pending disputed cases relating to the Group. The Management assesses the outcome of these case and, where a negative outcome is possible, the Group forms the required provisions. Provisions, where required, are calculated on the basis of the current value of the estimates made by the management of the cost to be incurred for settling the expected liabilities as of the Balance Sheet date. The current value is based on a number of factors that requires the exercise of judgment.

(c) *Service concession arrangements*

To determine the recognition amount of an intangible asset from service concession arrangements falling under IFRIC 12, significant estimates are required. The Group recognises such intangible asset based on a calculated reasonable profit percentage on the construction costs incurred.

(d) *Estimate of useful life and residual value of assets*

Judgment is required to determine the useful life and the residual life of PPE and intangible assets which are recognised either at acquisition or through business combinations. The estimate of an asset's useful life is a matter of judgment based on the Group's experience with similar assets. The residual value and useful life of an asset are reviewed at least annually, taking into account new facts and the prevailing



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

market conditions.

(e) Employee benefits

Retirement benefit obligations are calculated at the discounted present value of future compensation benefits to employees which will be earned at year end, on the assumption that such benefits will be equally earned by the employees during a working period. The obligations for the above benefits are calculated on the basis of financial and actuarial hypotheses which require that the Management makes assumptions regarding discount rates, salary increase rates, mortality and disability rates, retirement ages and other factors. Due to the long-term nature of said provisions, such hypotheses are subject to a high degree of uncertainty. The assumptions used are detailed in note 20.

(f) Impairment of goodwill

The Group tests the impairment of goodwill from acquisitions of subsidiaries and associates on an annual basis. The testing is done either through discounting of future cash flows (calculation of value in use) of the cash generating units to which the goodwill has been charged, or through the determination of the fair value less the sale expenses.

4.2 Considerable judgments of the Management on the application of the accounting principles

The Group's Management has re-assessed the ability of offsetting tax losses carried forward with future taxable gains for subsidiaries "Herhof GmbH" and "Helector Germany GmbH" and has recognised deferred tax receivables for carrying tax losses of € 1,929,503, in relation to which a future economic benefit is considered probable due to future taxable gains.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

5 Property, plant and equipment**Consolidated figures**

	Land & buildings	Transport equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost						
1-Jan-11	11,995,320	1,968,506	55,779,516	1,334,770	747,043	71,825,154
Additions	120,070	70,189	750,666	44,995	665,640	1,651,560
Disposals (note 28)	-	-81,602	-80,914	-121,914	-4,150	-288,580
31-Dec-11	12,115,390	1,957,093	56,449,268	1,257,851	1,408,533	73,188,135
1-Jan-12	12,115,390	1,957,093	56,449,268	1,257,851	1,408,533	73,188,135
Increase of participation share in JV	-	-	1,226	-	-	1,226
Additions	209,129	46,935	1,183,017	104,820	824,996	2,368,897
Impairment	-1,143,816	-	-	-	-	-1,143,816
Disposals (note 28)	-	-164,643	-360,278	-	-	-524,920
Reclassifications from PPE under construction	773,887	-	-	-	-773,887	-
31-Dec-12	11,954,590	1,839,384	57,273,237	1,362,665	1,459,642	73,889,519
Accumulated Depreciation						
1-Jan-11	-2,345,113	-1,540,740	-18,066,406	-971,178	-	-22,923,437
Depreciation for the year (note 23)	-542,818	-182,007	-3,103,332	-125,115	-	-3,953,272
Disposals (note 28)	-	58,699	55,928	121,914	-	236,541
31-Dec-11	-2,887,931	-1,664,048	-21,113,810	-974,379	-	-26,640,168
1-Jan-12	-2,887,931	-1,664,048	-21,113,810	-974,379	-	-26,640,168
Increase of participation share in JV	-	-	-409	-	-	-409
Depreciation for the year (note 23)	-582,487	-135,596	-3,206,377	-120,364	-	-4,044,824
Disposals (note 28)	-	155,582	345,977	-	-	501,559
31-Dec-12	-3,470,419	-1,644,060	-23,974,619	-1,094,745	-	-30,183,843
Net book value as of 31 December 2011	9,227,459	293,045	35,335,458	283,468	1,408,533	46,547,964
Net book value as of 31 December 2012	8,484,171	195,324	33,298,618	267,921	1,459,642	43,705,676

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Company figures

	Land & buildings	Transport equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost						
1-Jan-11	163,785	931,149	9,713,215	768,134	12,188	11,588,470
Additions	-	23,516	6,301	10,832	-	40,649
Disposals (note 28)	-	-	-	-121,914	-	-121,914
31-Dec-11	163,785	954,665	9,719,516	657,052	12,188	11,507,206
1-Jan-12	163,785	954,665	9,719,516	657,052	12,188	11,507,206
Additions	2,432,250	9,601	122,474	33,879	900,000	3,498,204
Disposals (note 28)	-	-14,286	-342,453	-	-	-356,738
31-Dec-12	2,596,035	949,980	9,499,536	690,930	912,188	14,648,669
Accumulated Depreciation						
1-Jan-11	-	-800,484	-4,449,920	-644,137	-	-5,894,542
Depreciation for the year (note 23)	-	-31,641	-742,779	-47,409	-	-821,829
Disposals (note 28)	-	-	-	121,914	-	121,914
31-Dec-11	-	-832,125	-5,192,699	-569,632	-	-6,594,456
1-Jan-12	-	-832,125	-5,192,699	-569,632	-	-6,594,456
Depreciation for the year (note 23)	-8,054	-34,166	-638,284	-51,110	-	-731,615
Disposals (note 28)	-	5,226	345,977	-	-	351,203
31-Dec-12	-8,054	-861,065	-5,485,007	-620,742	-	-6,974,868
Net book value as of 31 December 2011	163,785	122,540	4,526,817	87,420	12,188	4,912,750
Net book value as of 31 December 2012	2,587,981	88,915	4,014,529	70,188	912,188	7,673,801

During the current year, the Group impaired a property located in Germany.

Leases amounting to € 1,296,848 (2011: € 1,178,900) and € 427,990 (2011: € 761,601) for the Group and the Company respectively, regarding tangible asset operating leases are included in the income statement (note 23).

No guarantees have been placed over the tangible assets in order to secure liabilities.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

6 Intangible assets**Consolidated figures**

	Software and others	Concession right	Goodwill	Total
Cost				
1-Jan-11	251,792	24,236,092	1,521,327	26,009,211
Acquisition/ absorption of subsidiary	-	-	654,342	654,342
Additions	8,545	-	-	8,545
31-Dec-11	260,337	24,236,092	2,175,669	26,672,098
1-Jan-12	260,337	24,236,092	2,175,669	26,672,098
Additions	13,214	-	-	13,214
Impairment	-	-	-654,342	-654,342
31-Dec-12	273,552	24,236,092	1,521,327	26,030,970
	Software	Concession right	Goodwill	Total
Accumulated Depreciation				
1-Jan-11	-184,405	-1,817,707	-	-2,002,112
Depreciation for the year (note 23)	-22,039	-2,423,609	-	-2,445,648
31-Dec-11	-206,444	-4,241,316	-	-4,447,760
1-Jan-12	-206,444	-4,241,316	-	-4,447,760
Depreciation for the year (note 23)	-20,308	-2,423,609	-	-2,443,917
31-Dec-12	-226,754	-6,664,925	-	-6,891,679
Net book value as of 31 December 2011	53,893	19,994,776	2,175,669	22,224,336
Net book value as of 31 December 2012	46,799	17,571,166	1,521,327	19,139,291

Company figures

	Software	Total
Cost		
1-Jan-11	79,653	79,653
Additions	159	159
31-Dec-11	79,812	79,812
1-Jan-12	79,812	79,812
31-Dec-12	79,812	79,812
Accumulated Depreciation		
1-Jan-11	-79,653	-79,653
Depreciation for the year (note 23)	-159	-159
31-Dec-11	-79,812	-79,812
1-Jan-12	-79,812	-79,812
31-Dec-12	-79,812	-79,812
Net book value as of 31 December 2011	-	-
Net book value as of 31 December 2012	-	-

Concession right



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012
(all amounts expressed in €, unless otherwise stated)

Joint Venture Helector-Ellaktor-Cybarco has entered into a service concession arrangement, under the Larnaca-Famagusta Waste Treatment and Disposal Plants, with the government of Cyprus. The contractual amount reaches €43 million, plus the right to fees for services provided during the management period. The arrangement term is 13 years, 3 years of which correspond to the construction period. As regards the method in which the service concession arrangement is accounted for, the Joint Venture applies the provisions of Interpretation 12 “Service Concession Arrangements”.

Under the service concession contract, the Joint Venture will be paid for its services partly with payments for the construction works and partly with the right to charge the government for management services during the management period. According to the provisions of that Interpretation, the Joint Venture recognised the payments for construction works by reference to the completion stage of construction works, while the second component of the payment was recognised as an intangible asset whose acquisition cost as of 31 December 2012 was €24,236,092 (2011:€ 24,236,092).

Amortisation of the intangible asset started in 2010, upon completion of the construction works, and will extend until the end of the management period.

Goodwill

For the acquisition that took place during the year 2011, the estimate of fair values of assets and liabilities of the acquired business and the resulting goodwill was finalized, as required by IFRS 3. Specifically:

- The goodwill of €654.342 thousand was finalised, which resulted from the consolidation of DOAL SA with the full method, following the acquisition of the remaining 76% by parent HELECTOR SA. The above goodwill was fully impaired and written off in the income statement at cost of goods sold.

No change was brought to the intangible assets of the parent company over the current year.

7 Investments in subsidiaries

	<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>
At year start	14,453,455	14,586,078
(Dissolution)	-48,600	-
(Impairment)	-8,202,405	-851,249
Transfer from/ to associates	-	14,400
Additions	1,714,827	704,226
At year end	7,917,277	14,453,455

During fiscal year ended on 31 December 2012, HELECTOR S.A. proceeded to impair the investments which it had in the subsidiaries of Helector Germany GMBH, Helector Bulgaria Ltd and DOAL S.A. by €7,300,000, €204,005 and €698,400 respectively.

During the year ended on 31 December 2011, HELECTOR S.A. impaired its investment in the subsidiary of Herhof GMBH by €851,249.

Subsidiaries are analysed as follows:

Name	Registered office	Percentage of participation 2012	Percentage of participation 2011
------	-------------------	----------------------------------	----------------------------------



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

AIFORIKI DODEKANISOU SA	GREECE	100.00%	100.00%
AIFORIKI KOUNOU SA	GREECE	80.00%	80.00%
APOTEFROTIRAS SA	GREECE	70.00%	70.00%
VEAL SA	GREECE	50.00%	50.00%
EXANTAS MARITIME	GREECE	-	100.00%
HELECTOR CYPRUS (formerly ELEMEX LTD)	CYPRUS	100.00%	100.00%
HELECTOR GERMANY GMBH	GERMANY	100.00%	100.00%
HERHOF GMBH	GERMANY	100.00%	50.00%
HERHOF RECYCLING CENTER OSNABRUCK GMBH	GERMANY	100.00%	100.00%
HERHOF VERWALTUNGS GMBH	GERMANY	100.00%	50.00%
HELECTOR CONSTRUCTIONS SA	GREECE	100.00%	100.00%
JV HELECTOR-ELLAKTOR-CYBARCO	CYPRUS	100.00%	100.00%
HELECTOR BULGARIA LTD	BULGARIA	100.00%	100.00%
YLECTOR DOOEL SKOPJE	FYROM	100.00%	100.00%
HELECTOR SA - ENVITEC SA Partnership	GREECE	50%	50%
DOAL SA	GREECE	100.00%	100%
K.G.E GREEN ENERGY LTD	CYPRUS	100.00%	100%
NEASACO ENTERPRISES LTD	CYPRUS	100.00%	-

Note: -VEAL SA is consolidated using the full consolidation method, since the Group, albeit it has a 50% holding, has control over the company. HELECTOR SA – ENVITEC SA Partnership is consolidated using the proportional method, since control is exercised jointly.

Additions – changes during the year

a) EXANTAS MARITIME

The EXANTAS SHIPPING COMPANY, which on 31.12.2011 was consolidated with the full consolidation method as a subsidiary, no longer consolidated because it was dissolved in the fourth quarter of 2012.

b) HERHOF VERWALTUNGS GMBH

HERHOF VERWALTUNGS GMBH, which on 31.12.2011 was consolidated using the equity method as an associate, whereas as of the 2nd quarter of 2012 it has been consolidated using the full consolidation method as a subsidiary with participation percentage 100%.

c) NEASACO ENTERPRISES LTD

NEASACO ENTERPRISES LTD was established and consolidated for the first time in 2012. NEASACO ENTERPRISES LTD is established in Cyprus. HELECTOR CYPRUS has a 100% holding in this company, with the participation cost amounting to €7,416,730.

d) HERHOF GMBH

Also, the Group increased its participation share in German company HERHOF GMBH from 50% to 100%, increasing accordingly the consolidation percentage from 50% to 100%. The total consideration paid stands at €2,905,757 thousand. The above transaction had a negative effect on the owners of the parent by € 5,558,321 and was recorded directly to the Group's equity as an equity transaction.

e) HELECTOR CYPRUS

The subsidiary HELECTOR CYPRUS increased its share capital during the year, to which HELECTOR SA contributed the amount of € 1,700,000.

f) HELECTOR BULGARIA LTD

The subsidiary HELECTOR BULGARIA LTD increased its share capital during the year, to which HELECTOR SA contributed the amount of € 14,827.

Additions – changes during the previous year



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

a) K.G.E GREEN ENERGY LTD

K.G.E GREEN ENERGY LTD was established and consolidated for the first time in 2011. K.G.E GREEN ENERGY LTD is established in Cyprus. HELECTOR CYPRUS LTD has a 100% holding in this company, with the participation cost amounting to €1,000. Its object is to develop a plant using secondary fuel.

b) HELECTOR BULGARIA LTD

The subsidiary HELECTOR BULGARIA LTD increased its share capital during the year, to which HELECTOR SA contributed the amount of € 10,226.

c) YLECTOR DOOEL SKOPJE

The subsidiary YLECTOR DOOEL SKOPJE increased its share capital during the year, to which HELECTOR SA contributed the amount of € 10,000.

d) DOAL SA

DOAL SA, which was consolidated using the equity method as an associate as of 31.12.2010, has been consolidated using the full consolidation method as a subsidiary since Q1 2011 due to an increase in the Group's holding therein.

8 Investments in associates

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
At year start	5,872,856	3,413,489	4,546,701	2,376,601
Additions	250	2,184,700	-	2,184,500
(Sales)	-1,668,093	-	-1,310,000	-
Share in profit/ loss (after taxes)	64,456	328,443	-	-
Transfer to subsidiaries	-	-14,400	-	-14,400
Dividends	-	-63,237	-	-
Other	-	23,861	-	-
At year end	4,269,468	5,872,855	3,236,701	4,546,701

During the year, there was no need to calculate impairment losses on investments.

Additions – changes during the year

EPANA SA PERME HELLAS SA

EPANA S.A. and its subsidiary PERME HELLAS S.A., were sold by HELECTOR S.A., for € 1,350,000 to third parties within the 2nd quarter of 2012, with loss at Group level, € 304,506 and profit € 40,000 to the parent Company.

FREEQUEST HOLDING LTD

FREEQUEST HOLDINGS LTD was sold for € 200 from HELECTOR CYPRUS to third parties within the 2nd quarter of 2012 with losses € 13,387.

ADEYP SA

ADEYP SA, which was consolidated on 31.12.2011 with the equity method now ceases to be consolidated because it was dissolved in the 2nd quarter of 2012.

ELLAKTOR VENTURES LTD

ELLAKTOR VENTURES LTD was acquired and consolidated in 2012 using the equity method. HELECTOR CYPRUS LTD has a 25% holding in this company, with the participation cost amounting to €250. The company is a company of participations and investments and it is installed in Cyprus.



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

HERHOF VERWALTUNGS GMBH

HERHOF VERWALTUNGS GMBH, which was consolidated using the equity method as an associate as of 31.12.2011, has been consolidated using the full consolidation method as a subsidiary since Q2 2012 due to an increase in the Group's holding therein.

Additions – changes during the previous year

FREEQUEST HOLDING LTD

FREEQUEST HOLDINGS LTD was acquired and consolidated in 2011 using the equity method. HELECTOR CYPRUS LTD has a 20% holding in this company, with the participation cost amounting to €200. The company is established in Cyprus and its object is to trade recyclable materials.

DOAL SA

A change was made in the consolidation method of company DOAL SA compared to the financial statements of the previous year. The company was consolidated as an associate using the equity method; starting from Q2011, the company is consolidated using the full consolidation method as a subsidiary, as a result of the Group's increased stake in said company.

ENERMEL SA

During FY 2011, the associate ENERMEL SA increased its share capital, and HELECTOR SA contributed the amount of €1,892,500 increasing its participation share from 48% to 49.16%.

EPANA SA

During 2011, the associate EPANA SA increased its share capital, in which HELECTOR SA participated with €260,000, without such contribution bringing any change to the participation share of the latter (20%).

PROJECT DYNAMIC CONSTRUCTION

PROJECT DYNAMIC CONSTRUCTION was acquired and consolidated in 2011 using the equity method. PROJECT DYNAMIC CONSTRUCTION is a company established in Greece. HELECTOR SA participates with 32.32% in this company, with the participation cost of €32,000. The company's objective is to undertake and execute all kinds of public and private construction works, including works for the wider public sector, prepare all kinds of construction work designs, and supervise any construction works, trade and deal raw materials, products and equipment related to the execution of works, and provide services to third parties for the execution of construction works.

ENVIRONMENTAL TRANSPORT (trade name PERME HELLAS SA)

PERME HELLAS SA was consolidated in FY 2011 via EPANA SA which holds a participation share of 11.86% (direct share 59.3%).

The Group's share in the Assets, Liabilities, income and profit of associates stands as follows:

Name	Country of establishment	Assets	Liabilities	Income	Profit / (losses)	Participation share
2012						
ENERMEL SA	GREECE	4,222,414	32,554	-	-8,029	49.16%
TOMI EDL LTD	GREECE	77,712	39,658	-	308	50.00%
EPANA SA*	GREECE	4,334,650	2,660,022	518,770	54,767	20.00%
FREEQUEST HOLDINGS LTD*	CYPRUS	55,018	41,762	44,931	8,502	20.00%
PROJECT DYNAMIC CONSTRUCTION	GREECE	57,933	16,777	59,209	9,159	32.32%



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Name	Country of establishment	Assets	Liabilities	Income	Profit / (losses)	Participation share
ELLAKTOR VENTURES LTD	CYPRUS	94,489	99,335	-	-4,061	25.00%
PERME HELLAS SA*	GREECE	818,608	555,304	-	-	11.86%
		9,660,823	3,445,412	622,911	60,646	
2011						
ENERMEL SA	GREECE	4,209,029	10,746	-	-16,262	49.16%
ADEYP SA	GREECE	1,622	278	-	-	36.00%
TOMI EDL LTD	GREECE	77,328	39,582	-	-3,271	50.00%
EPANA SA	GREECE	4,398,624	2,778,762	2,356,097	346,150	20.00%
HERHOF VERWALTUNGS GMBH	GERMANY	637,755	654,005	-	-50,000	50.00%
FREEQUEST HOLDING LTD	CYPRUS	54,498	49,745	129,945	44,884	20.00%
PROJECT DYNAMIC CONSTRUCTION	GREECE	152,691	120,694	107,792	27,063	32.32%
PERME HELLAS SA	GREECE	818,608	555,304	177,012	-20,122	11.86%
		10,350,154	4,209,115	2,770,846	328,443	

*The figures of the companies pertain to the period that they belonged to the Group.

9 Investments in joint ventures consolidated with the proportional method

	Company figures	
	31-Dec-12	31-Dec-11
At year start	483,283	467,405
Additions	4,900	15,878
At year end	488,183	483,283

Joint ventures are analysed as follows:

S/N	Name	Registered office	Percentage of participation 2012	Percentage of participation 2011
1	J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	GREECE	40.39%	40.39%
2	JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	GREECE	60.00%	60.00%
3	JV HELECTOR-MESOGIOS (TAGARADES LANDFILL)	GREECE	30.00%	30.00%
4	JV MESOGIOS SA – HELECTOR SA – BILFINGER (KOZANI LANDFILL)	GREECE	35.00%	35.00%

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

5	JV HELECTOR SA-BILFINGER BERGER (CYPRUS- PAPHOS LANDFILL)	CYPRUS	100.00%	55.00%
6	JV DETEALA- HELECTOR-EDL LTD	GREECE	30.00%	30.00%
7	JV HELECTOR SA – MESOGEIOS SA (FYLIS LANDFILL)	GREECE	99.00%	99.00%
8	JV HELECTOR SA – MESOGEIOS SA (MAVRORACHI LANDFILL)	GREECE	65.00%	65.00%
9	JV HELECTOR SA – MESOGEIOS SA (HERAKLION LANDFILL)	GREECE	30.00%	30.00%
10	JV HELECTOR SA – MESOGEIOS SA (LASITHI LANDFILL)	GREECE	70.00%	70.00%
11	JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)	CYPRUS	100.00%	55.00%
12	J/V HELECTOR–PANTECHNIKI-ARSI	GREECE	80.00%	80.00%
13	JV LAMDA – ITHAKI & HELECTOR	GREECE	30.00%	30.00%
14	J/V HELECTOR– ERGOSYN SA	GREECE	70.00%	70.00%
15	J/V BILFIGER BERGER - MESOGEIOS- HELECTOR	GREECE	29.00%	29.00%
16	J/V TOMI SA –HELECTOR SA	GREECE	21.75%	21.75%
17	JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	GREECE	15.23%	15.23%
18	JV HELECTOR –ENVITEC (Recycling & Composting Plant)	GREECE	50.00%	50.00%
19	JV HELECTOR -LANTEC-ENVIMEK-ENVIROPLAN	GREECE	32.00%	32.00%
20	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	GREECE	50.00%	50.00%
21	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	GREECE	49.85%	49.85%
22	J/V HELECTOR SA – ZIORIS SA	GREECE	51.00%	51.00%
23	J/V HELECTOR SA – EPANA SA	GREECE	50.00%	50.00%
24	J/V HELECTOR SA - KONSTANTINIDIS	GREECE	49.00%	-

Additions/ changes during 2012**JV HELECTOR SA-BILFINGER BERGER (CYPRUS- PAPHOS LANDFILL)**

During year 2012 HELECTOR S.A. increased its participation in Joint Venture HELECTOR SA - BILFINGER BERGER (CYPRUS - PAPHOS LANDFILL) from 55% to 100%.

JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)

During year 2012 HELECTOR S.A. increased its participation in Joint Venture HELECTOR SA - BILFINGER BERGER (MARATHOUNTAS LANDFILL & ACCESS ROAD) from 55% to 100%.

J/V HELECTOR SA - KONSTANTINIDIS

During year 2012 JOINT VENTURE HELECTOR SA - KONSTANTINIDIS was established, in which HELECTOR SA participates with a percentage of 49%.

Additions/ changes during 2011

During 2011, the following joint ventures were established: J/V HELECTOR SA-TH.G.LOLOS – CH. TSOBANIDIS – ARSI SA (HELECTOR SA participation: 50%); J/V HELECTOR SA-TH.G.LOLOS – CH. TSOBANIDIS – ARSI SA- ENVITEC SA (HELECTOR SA participation: 49.85%); J/V HELECTOR SA- ZIORIS SA (HELECTOR SA participation: 51%); and J/V HELECTOR SA- EPANA SA (HELECTOR SA participation: 50%).

The following amounts represent the Group's share in the assets and liabilities of joint ventures consolidated using the proportional method and included in the Statement of Financial Position:

	Consolidated figures	
	31-Dec-12	31-Dec-11
Assets		
Non-current assets	31,433	40,396
Current assets	30,203,513	23,787,314
	30,234,946	23,827,710

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Liabilities		
Long-term liabilities	441,974	539,646
Short-term liabilities	29,273,053	20,575,728
	29,715,027	21,115,374
Equity	519,919	2,712,336
Income	17,909,958	17,822,467
Expenses	-14,058,716	-13,265,438
Profit/ (loss) after tax	3,851,243	4,557,029

There are no commitments or contingent liabilities related to the group's participation in the joint venture.

10 Financial derivatives

The amount of long-term liabilities shown in the table below corresponds to subsidiary HELECTOR – CYBARGO.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Long-term liabilities				
Interest rate swaps for cash flow hedging	1,643,937	1,440,930	-	-
Total	1,643,937	1,440,930	-	-
Details of interest rate swaps				
Nominal value of interest rate swaps	15,000,000	12,750,000	-	-
Fixed Rate	4.41%	4.41%	-	-
Floating rate	Euribor	Euribor	-	-

The fair value of the derivative used to hedge cash flow changes is posted under non-current assets where the residual maturity of the hedged asset is greater than 12 months.

As of 31.12.2012 and 31.12.2011 the parent company held no financial derivatives.

11 Inventories

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Finished products	535,935	571,588	197,295	302,872
Production in progress	322,489	497,942	-	-
Net realisable value	858,424	1,069,530	197,295	302,872

The cost of inventories recognized as an expense in expenses per class amounts to € 5,202,586 (2011: € 6,485,293) and € 1,911,066 (2011: € 2,658,221) for the Group and the Company respectively.

12 Trade and other receivables

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Trade	43,505,944	34,307,232	4,555,031	6,030,348

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Less: Trade impairment provisions	-330,592	-330,592	-330,592	-330,592
Trade Receivables - Net	43,175,352	33,976,640	4,224,439	5,699,756
Prepayments	3,846,237	2,279,970	3,158,629	1,518,884
Amounts due from customers for contract work	6,154,042	4,998,945	6,154,042	4,125,761
Loans to related parties (note 31)	-	404,609	13,737,231	4,197,985
Greek State	5,496,481	4,483,798	481,971	375,362
Loans to third parties	4,823,994	2,620,083	2 000 000	2,620,083
Other receivables	763,357	1,431,448	587,045	561,755
Less: Other receivable impairment provisions	-217,736	-217,736	-217,736	-217,736
Receivables from related parties (note 31)	7,856,028	11,681,600	24,017,736	18,671,756
Total	71,897,754	61,659,357	54,143,356	37,553,606
Non-current assets	1,345,311	305,739	6,637,317	18,674
Current assets	70,552,443	61,353,620	47,506,039	37,534,932
	71,897,754	61,659,359	54,143,356	37,553,606

There is no credit risk concentration in relation to trade receivables since the Group has a large client base from several business segments.

The book value of receivables is almost the same as their fair value.

Loans to third parties include a loan to ALBERT MALVASIA SA, with the nominal value of €2,000,000, offered at a lending rate of 8% (3m Euribor + spread), and are included in current assets.

There are no other interest-bearing trade receivables, or other receivables.

On 31.12.2012, trade and other receivables amounting to €14,439,290 (2011:€ 24,887,994) and € 1,387,598 (2011:€ 5,340,996) relate to non-defaulted receivables for the Group and the Company, respectively.

The Group's general policy for collecting trade receivables is 90 days. Balances of under 90 days are not considered overdue. On 31 December 2012, trade receivables of €29,281,683 (2011: €10,348,391) for the Group and €3,206,150 (2011: €748,813) for the Company are considered to be overdue, but are expected to be collected and have, therefore, not been impaired. The following table shows the maturity of such trade receivables:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Up to 3 months	13,373,499	2,954,507	2,675,801	235,499
3 -6 months	8,751,453	3,340,752	5,051	259,198
Over 6 months	7,156,731	4,053,133	525,298	254,116
	29,281,683	10,348,391	3,206,150	748,813

All Group and Company receivables are expressed in Euros.

The movement in the provision for doubtful trade and other receivables stands as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Balance as of 1 January	548,328	247,252	548,328	247,252

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Provision for impairment of receivables	-	301,076	-	301,076
Balance as of 31 December	548,328	548,328	548,328	548,328

The amounts recognised as provision are usually written-off to the extent that such amounts are not expected to be collected from the specific customers/ debtors.

The Group and Company maximum exposure to credit risk on 31 December 2012 is the fair value of the above trade and other receivables, which approximates their book value.

The amounts included in other receivables do not include impaired assets, unless otherwise specified.

On the balance sheet date, the Group holds no guarantees on trade debtors. Proper performance guarantees with customers are shown in note 30.

13 Committed deposits

The Group's Committed Deposits stood at €3,966,121 thousand and €5,847,652 thousand on 31.12.2012 and 31.12.2011 respectively. The largest part comes from the subsidiary HELECTOR SA, and in particular by €3,562,836 thousand on 31.12.2012 and €5,696,608 thousand on 31.12.2011.

Committed deposits pertain mainly to subsidies of European research program, which are released with the gradual implementation of the programs.

14 Cash and cash equivalents

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Cash in hand and in banks	41,207	53,179	4,862	769
Short-term deposits with banks	29,364,352	27,014,856	15,228,802	12,138,638
Time deposits	1,860,998	3,633,386	-	785,269
Total	31,266,558	30,701,421	15,233,664	12,924,676

Cash and cash equivalents are expressed in euros.

The following table shows the rates of deposits per credit rating class by Standard & Poor (S&P) as of 31.12.2012.

	<u>Consolidated figures</u>	
	<u>2012</u>	<u>2011</u>
Financial institution credit rating	Cash and cash equivalents	Cash and cash equivalents
A+	499,992	-
AA-	-	4,255,994
A	2,314,966	-
CCC	20,328,818	19,759,195
Other	8,081,574	6,633,053
	31,225,350	30,648,242

	<u>Company figures</u>	
	<u>2012</u>	<u>2011</u>
Financial institution credit rating	Cash and cash equivalents	Cash and cash equivalents
AA-	-	4,059,933

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

A	119,591	-
CCC	14,908,433	8,863,974
Other	200,777	-
	15,228,802	12,923,907

Other includes cash in hand, as well as unrated credit institutes.

All committed deposits for the 2 years are deposited in financial institutes of credit rating CCC.

The rates of time deposits are determined after negotiations with selected banking institutions based on Euribor for an equal period with the selected placement (e.g. week, month etc).

15 Share Capital & Premium Reserve**Consolidated figures**

	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
1 January 2011	144,500	1,476.790	5,216,215	-	6,693,005
31 December 2011	144,500	1,476.790	5,216,215	-	6,693,005
1 January 2012	144,500	1,476.790	5,216,215	-	6,693,005
Purchase of treasury shares	-14,450	-	-	-7,416,730	-7,416,730
31 December 2012	130,050	1,476.790	5,216,215	-7,416,730	-723,725

Company figures

	Number of shares	Ordinary shares	Share premium	Total
1 January 2011	144,500	1,476.790	5,216,215	6,693,005
31 December 2011	144,500	1,476.790	5,216,215	6,693,005
1 January 2012	144,500	1,476.790	5,216,215	6,693,005
31 December 2012	144,500	1,476.790	5,216,215	6,693,005

The total number of approved ordinary shares is 144,500 (2011: 144,500 shares) with the face value of € 10.22 each (2011: 10.22 for each share). All issued shares have been paid up fully.

During 2012 subsidiary HELECTOR CYPRUS, through subsidiary NEASACO ENTERPRISES LTD acquired 14,450 shares of parent company HELECTOR S.A. which correspond to 10% of the paid up share capital of the parent company for an acquisition value of € 7,416,730.

16 Other reserves**Consolidated figures**

Statutory reserves	Special reserves	Untaxed reserves	Foreign Exchange Difference Reserves	Cash Flow hedging reserves	Other reserves	Total
--------------------	------------------	------------------	--------------------------------------	----------------------------	----------------	-------

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

1 January 2011	1,233,613	4,099,324	1,178,699	-135,309	-280,901	292	6,095,719
Transfer from retained earnings	58,033	-	-	-	-	-	58,033
Changes in value of cash flow hedge	-	-	-	-	-307,556	-	-307,556
31 December 2011	1,291,646	4,099,324	1,178,699	-135,309	-588,457	292	5,846,196
1 January 2012	1,291,646	4,099,324	1,178,699	-135,309	-588,457	292	5,846,196
Transfer from retained earnings	112,714	-	-	-	-	-	112,714
Changes in value of cash flow hedge	-	-	-	-	-203,007	-	-203,007
31 December 2012	1,404,359	4,099,324	1,178,699	-135,307	-791,464	292	5,755,902

Company figures

	Ordinary reserves	Extraordinary reserves	Untaxed reserves	Other reserves	Total
1 January 2011	501,964	4,099,324	984,194	292	5,585,773
31 December 2011	501,964	4,099,324	984,194	292	5,585,773
1 January 2012	501,964	4,099,324	984,194	292	5,585,773
31 December 2012	501,964	4,099,324	984,194	292	5,585,773

(a) Statutory reserve

The provisions of articles 44 and 45 of Codified Law 2190/1920 regulate the formation and use of statutory reserves: At least 5% of each year's actual (book) net earnings must be withheld to form a statutory reserve, until the statutory reserve's accumulated amount equals at least 1/3 of the share capital. Upon decision of the Ordinary General Meeting of Shareholders, the statutory reserve may be used to cover losses, and therefore may not be used for any other purpose.

(b) Special reserves

Reserves of this category have been created upon decision of the Ordinary General Meeting in past years, do not have any specific designation and may therefore be used for any purpose, upon decision of the Ordinary General Meeting.

(c) Untaxed reservesUntaxed reserves

According to Greek Law, tax-free reserves are exempt of income tax on condition that they shall not be distributed to shareholders. The Group does not intend to distribute these reserves in the following year, and therefore has not computed the income tax which would result in such case. Should the Group decide to distribute untaxed reserves, these will be taxed at the tax rate applicable at the time of distribution.

17 Borrowings

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Long-term borrowings				

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Bank borrowing	13,369,344	16,975,069	-	-
From related parties	-	40,000	-	-
Total long-term borrowings	13,369,344	17,015,069	-	-
Short-term borrowings				
Bank overdrafts	2,000	248,473	-	-
Bank borrowing	2,966,174	4,417,006	-	-
Bond loan	1,073,503	-	-	-
From related parties	-	-	2,815,773	-
Total short-term borrowings	4,041,677	4,665,480	2,815,773	-
Total borrowings	17,411,020	21,680,549	2,815,773	-

Long-term borrowings mature by 2020.

The average effective rate as of 31 December 2012 was 5.14% (2010: 5.19 %) for bank borrowings.

No guarantees have been placed on the Group's tangible assets to secure borrowings.

The Group's exposure to the risk of changes in borrowing rates, and the contractual dates for re-determination of rates are as follows:

	Consolidated figures			Company figures		
	Fixed rate	Floating rate up to 6 months	Total	Fixed rate	Floating rate up to 6 months	Total
31 December 2012						
Total borrowings	4,285,664	1,875,357	6,161,021	-	2,815,773	2,815,773
Effect of interest rate swaps	11,250,000	-	11,250,000	-	-	-
	15,535,664	1,875,357	17,411,021	-	2,815,773	2,815,773
31 December 2011						
Total borrowings	5,300,899	3,629,650	8,930,549	-	-	-
Effect of interest rate swaps	12,750,000	-	12,750,000	-	-	-
	18,050,899	3,629,650	21,680,549	-	-	-

The maturity of long-term borrowings is as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Between 1 and 2 years	3,042,111	3,645,685	-	-
2 to 5 years	6,509,775	7,922,436	-	-

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Over 5 years	3,817,458	5,446,948	-	-
	<u>13,369,343</u>	<u>17,015,069</u>	<u>-</u>	<u>-</u>

The current value of long-term borrowings is as follows:

	Consolidated figures			
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
	Book value		Fair value	
Bank borrowing	<u>13,369,343</u>	<u>17,015,069</u>	<u>13,854,614</u>	<u>17,757,077</u>

Current value is based on discounted cash outflows using 5.14% as the lending rate (2011: 5.19%).

The fair value of short-term borrowings approximates their book value.

All borrowings are expressed in Euros.

18 Suppliers and other liabilities

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Trade payables	6,174,483	4,057,915	4,448,213	1,772,043
Accrued interest	110,091	103,987	-	-
Accrued expenses	17,993	24,275	-	-
Advances from customers	7,244,746	8,811,765	7,088,038	8,140,930
Wages and salaries payable	385,726	299,175	117,625	-
Social security and other taxes	4,019,197	3,368,756	1,408,785	1,303,064
Amounts due to customers for contract work	3,392,734	64,484	2,455,607	25,517
Subcontractors	5,551,902	5,731,519	1,276,812	1,175,540
Payables under investment plans	584,415	584,415	584,415	584,415
Other liabilities	3,972,040	4,035,447	1,114,264	730,573
Total liabilities – Related parties (note 31)	8,355,094	7,073,201	3,668,220	3,282,691
Total	<u>39,808,419</u>	<u>34,154,939</u>	<u>22,161,978</u>	<u>17,014,773</u>
Long-term	589,262	584,415	584,415	584,415
Short-term	39,219,157	33,570,524	21,577,563	16,430,358
Total	<u>39,808,419</u>	<u>34,154,939</u>	<u>22,161,978</u>	<u>17,014,773</u>

All liabilities are expressed in euros.

Company and Group liabilities from trade activities are interest free.

19 Deferred taxation

Deferred tax receivables and liabilities are offset when there is a legally vested right to offset current tax receivables against current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Deferred tax liabilities:				
Recoverable after 12 months	2,351,286	2,100,342	-	961,548
Recoverable within 12 months	-	-	-	-



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

	<u>2,351,286</u>	<u>2,100,342</u>	<u>-</u>	<u>961,548</u>
Deferred tax receivables:				
Recoverable after 12 months	1,123,059	1,157,661	455,110	-
Recoverable within 12 months	-	-	-	-
	<u>1,123,059</u>	<u>1,157,661</u>	<u>455,110</u>	<u>-</u>
	<u>1,228,227</u>	<u>942,681</u>	<u>-455,110</u>	<u>961,548</u>

Total change in deferred income tax is presented below:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Opening balance	942,681	831,620	961,548	1,373,484
Disposal of subsidiary	-	-449	-	-
Debit/ (credit) through profit and loss (note 27)	285,546	111,510	-1,416,658	-411,936
Closing balance	1,228,228	942,681	-455,110	961,548

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

CONSOLIDATED FIGURES

Deferred tax liabilities:

	Accelerated tax depreciation	Construction contracts	Other	Total
1 January 2011	328,953	1,581,187	219,339	2,129,479
Income statement debit/(credit)	201,830	-528,120	-17,527	-343,817
31 December 2011	530,783	1,053,067	201,812	1,785,662
1 January 2012	530,783	1,053,067	201,812	1,785,662
Income statement debit/(credit)	180,450	71,483	-66,432	185,501
31 December 2012	711,233	1,124,550	135,381	1,971,164

Deferred tax receivables:

	Different tax depreciation and amortization	Tax losses	Construction contracts	Other	Total
1 January 2011	224,104	829,076	145,581	99,097	1,297,858
Income statement debit/(credit)	-121,383	-231,001	-140,477	37,534	-455,327
Disposal of subsidiary	-	-	-	449	449
31 December 2011	102,721	598,075	5,104	137,080	842,980
1 January 2012	102,721	598,075	5,104	137,080	842,980

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Income statement debit/(credit)	-69,504	-19,224	-5,104	-6,213	-100,045
31 December 2012	33,217	578,851	-	130,866	742,936

COMPANY FIGURES**Deferred tax liabilities:**

	Different tax depreciation and amortization	Construction contracts	Other	Total
1 January 2011	3,234	1,270,269	170,815	1,444,318
Income statement debit/(credit)	-	-445,117	30,998	-414,119
31 December 2011	3,234	825,152	201,813	1,030,199
1 January 2012	3,234	825,152	201,813	1,030,199
Income statement debit/(credit)	206	304,023	-66,432	237,797
31 December 2012	3,439	1,129,175	135,381	1,267,995

Deferred tax receivables:

	Impairment of holdings	Construction contracts	Other	Total
1 January 2011	-	6,007	64,827	70,834
Income statement debit/(credit)	-	-903	-1,280	-2,183
31 December 2011	-	5,104	63,547	68,651
1 January 2012	-	5,104	63,547	68,651
Income statement debit/(credit)	1,640,481	-5,104	19,077	1,654,454
31 December 2012	1,640,481	-	82,624	1,723,105

Deferred tax receivables are recognised for the transfer of tax losses, provided that it is probable to achieve a relevant financial benefit due to future taxable gains. The Group recognized a deferred tax receivable amounting to € 578,851 (2011: € 598,075) for tax losses amounting to €1,929,523 (2011: €2,094,480) which can be carried forward and offset against future taxable profits.

20 Retirement benefit obligations

The amounts recognised in the Statement of Financial Position are the following:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Liabilities in the Statement of Financial Position for:				
Retirement benefits	200,596	259,728	97,911	167,735
Total	200,596	259,728	97,911	167,735

The amounts recognised in the Income Statement are the following:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

**Charges /(credits) to results
(note 26)**

Retirement benefits	-16,036	77,130	-34,792	57,300
Total	-16,036	77,130	-34,792	57,300

Retirement benefits

The amounts posted in the Statement of Financial Position are as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Present value of non-financed liabilities	268,047	297,628	145,442	205,613
Non-booked actuarial (earnings)/losses	-67,451	-37,900	-47,531	-37,878
	200,596	259,728	97,911	167,735
Liability in Statement of Financial Position	200,596	259,728	97,911	167,735

Change in liability in Statement of Financial Position:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Opening balance	259,728	244,715	167,735	151,637
Indemnities paid	-43,095	-62,117	-35,031	-41,202
Total debit/ (credit) to results	-16,036	77,130	-34,792	57,300
Closing balance	200,597	259,728	97,911	167,735

The amounts posted in the Income Statement are as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Current employment cost	48,048	34,903	31,406	29,026
Financial cost	14,286	13,433	9,869	9,309
Depreciation of non-booked actuarial profit / (loss)	1,929	5,591	2,150	5,591
Past service cost	-	-9,392	-	-9,392
Cut-down losses	-80,300	32,595	-78,218	22,766
Total included in employee benefits (note 26)	-16,036	77,130	-34,792	57,300

The above amounts have been charged to the cost of sales.

The main actuarial assumptions used are as follows:

	31-Dec-12	31-Dec-11
Discounting interest	3.60%	4.80%

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Future salary raises	0.00%	4.00%
----------------------	-------	-------

Regarding mortality rates, the new Greek Mortality Table of 1990 for men and women has been used (Ministerial Decision K3-3974/99).

21 Grants

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
At year start	16,917,655	15,232,043	4,374,353	1,936,819
Additions	78,558	2,821,304	78,558	2,821,304
Transfer to results (note 24)	-916,919	-1,135,692	-181,553	-383,770
At year end	16,079,294	16,917,655	4,271,358	4,374,353

Out of the total Group's government grants:

i) The unamortised amount of € 10,021 thousand (2011:€10,636 thousand) corresponds to a grant received by subsidiary VEAL SA under OPCE for the construction of a co-generation power plant using biogas from the Ano Liosia landfill. The grant amount covers 40% of the investment's budget.

ii) The unamortised amount of €4,271 thousand (2011: €4,374 thousand) represents a) €1,386 thousand (2011: €1,568) corresponding to a grant received by HELECTOR SA under OPCE regarding project "Electrical power generation from Tagarades Thessaloniki Sanitary Landfill biogas", with a 5 MW capacity. The grant amount covers 40% of the investment's budget; b) €499 thousand (2011: €499 thousand) corresponding to a European Commission grant (DG ENER) under the 6th framework programme for project BIOGAS CHCP. This project relates to a demonstration power and heat poly-generation programme implemented using anaerobic treatment of organic waste; and c) €2,334 thousand (2011: €2,307 thousand) corresponding to an advance of the European Commission grant (DG ENER) for project GAS-BIOREF. This project relates to the implementation of a demonstration gasification plant with a capacity of 3 T/H, using 50% SRF and 50% biomass, and d) an amount of € 52 thousand (2011: € 0 thousand) to a subsidisation of the European Union for project "Integrated system of optimum management and control of production of green energy from waste" (GreenWips).

iii) The unamortised amount of €1,787 thousand (2011: € 1,907 thousand) relates to a government grant received by subsidiary AIFORIKI DODEKANISSOU S.A. from the Corporate Programme "Competitiveness" regarding the "Wind power utilisation for the production of electrical power in the islands of Rhodes (3.0 MW), Kos (3.6 MW) and Patmos (1.2 MW)" project. The grant amount covers 30% of the investment's budget.

22 Provisions**Consolidated figures**

	Contractual liabilities to trade	Litigations pending	Landscape restoration	Tax provisions	Other provisions	Total
1 January 2011	81,026	291,000	58,159	637,736	569,220	1,637,141
Additional provisions for the year	-	-	2,937	387,450	485,907	876,294
Used provisions for the year	-	-	-	-	-322,397	-322,397
31 December 2011	81,026	291,000	61,096	1,025,186	732,730	2,191,038
1 January 2012	81,026	291,000	61,096	1,025,186	732,730	2,191,038
Additional provisions for the year	-	-	2,936	-	580,863	583,799
Increase of percentage in JV	-	-	-	87,719	17,500	105,219

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Used provisions for the year	-	-	-	-3,811	-169,127	-172,938
31 December 2012	81,026	291,000	64,032	1,109,094	1,161,966	2,707,119

Company figures

	Litigations pending	Tax provisions	Total
1 January 2011	82,000	280,000	362,000
31 December 2011	82,000	280,000	362,000
1 January 2012	82,000	280,000	362,000
31 December 2012	82,000	280,000	362,000

Analysis of total provisions:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Long-term	2,515,999	2,046,338	362,000	362,000
Short-term	191,121	144,700	-	-
Total	2,707,119	2,191,038	362,000	362,000

Provisions have been posted in the income statement as follows:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Administrative expenses	580,863	485,907	-	-
Income tax	-	387,450	-	-
Financial cost	2,937	2,937	-	-
	583,799	876,294	-	-

(a) Outstanding litigations

The entire amount of the provision formed pertains to third-party actions against the Company. The amount of the provision is based on estimates made by the Group's Legal Department. The company's management considers the provision amount sufficient, and no additional charges are expected to arise beyond the amounts disclosed as of 31.12.2012.

(b) Contractual obligations to customers

The provision formed refers to losses that may ensue as a result of the company's contractual obligations towards its customers. The amount of the provision is based on estimates made by the Group's Legal Department. The company's management considers the provision amount sufficient, and no additional charges are expected to arise beyond the amounts disclosed as of 31.12.2012.

(c) Landscape restoration

In accordance with article 9(4) of Ministerial Decision 1726/2003, companies operating wind farms should remove the facilities and restore the landscape upon termination of operation of the Power Plant.

The Group has formed a cost provision for equipment removal and landscape restoration, for the wind farms it operates via subsidiary Aiforiki Dodekanisou SA. The provision has been calculated as the present value of expenses that will be borne for landscape restoration. The Management of the Group has estimated that the total

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

future expenses will amount to approximately €141,000. The amount of € 2,937 has been recognised in 2012 as financial cost.

23 Expenses per category**Consolidated figures**

	Notes	31-Dec-12			Total
		Cost of sales	Distributi on costs	Administ rative expenses	
Employee benefits	26	9,542,903	242	1,443,126	10,986,271
Inventories used	11	5,070,299	9,030	123,256	5,202,586
Depreciation of tangible assets	5	4,012,418	-	32,406	4,044,824
Impairment of PPE	5	1,143,816	-	-	1,143,816
Amortisation of intangible assets	6	2,348,041	-	95,876	2,443,917
Impairment of PPE	6	654,342	-	-	654,342
Repair and maintenance expenses of tangible assets		963,822	4,059	63,975	1,031,856
Operating lease rents		873,517	30,555	392,775	1,296,848
Third party fees for technical works		15,575,190	514,250	96,777	16,186,217
Other		15,525,904	1,359,160	2,902,683	19,787,747
Total		55,710,252	1,917,297	5,150,875	62,778,424

	Notes	31-Dec-11			Total
		Cost of sales	Distributi on costs	Administ rative expenses	
Employee benefits	26	9,762,733	-	1,842,043	11,604,776
Inventories used	11	6,413,587	-	71,706	6,485,293
Depreciation of tangible assets	5	3,890,046	-	63,226	3,953,272
Amortisation of intangible assets	6	2,444,890	-	758	2,445,648
Repair and maintenance expenses of tangible assets		1,039,648	-	35,219	1,074,867
Operating lease rents		982,216	19,070	177,614	1,178,900
Third party fees for technical works		8,846,508	387,997	48,464	9,282,969
Other		20,326,145	1,784,931	2,606,746	24,717,821
Total		53,705,773	2,191,997	4,845,778	60,743,546

Company figures

	Notes	31-Dec-12			Total
		Cost of sales	Distributi on costs	Administ rative expenses	
Employee benefits	26	2,394,868	-	479,028	2,873,896
Inventories used	11	1,901,786	9,030	250	1,911,066
Depreciation of tangible assets	5	731,337	-	278	731,615
Repair and maintenance expenses of tangible assets		174,699	4,059	2,224	180,982
Operating lease rents		255,895	30,555	141,540	427,990
Third party fees for technical works		5,048,708	506,284	89,973	5,644,966
Other		3,908,862	1,282,982	1,360,845	6,552,689
Total		14,416,155	1,832,911	2,074,138	18,323,204

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

	Notes	31-Dec-11			Total
		Cost of sales	Distributi on costs	Administ rative expenses	
Employee benefits	26	3,256,518	-	527,257	3,783,775
Inventories used	11	2,658,221	-	-	2,658,221
Depreciation of tangible assets	5	774,420	-	47,409	821,829
Amortisation of intangible assets	6	-	-	159	159
Repair and maintenance expenses of tangible assets		146,338	-	1,212	147,550
Operating lease rents		580,781	19,070	161,750	761,601
Third party fees for technical works		5,008,319	380,154	7,360	5,395,833
Other		4,432,664	2,827,664	937,043	8,197,371
Total		16,857,261	3,226,888	1,682,190	21,766,339

24 Other operating income/ expenses

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Profit /(loss) from the disposal of subsidiaries	-16,917	-	304,027	-
Profit /(loss) from the disposal of Associates	-317,893	-	40,000	-
Profit/ (losses) from the sale of PPE	30,995	43,339	-	40,008
Amortisation of grants received (note 21)	916,919	1,135,692	181,553	383,770
Rents	12,278	36,724	12,278	42,741
Revenues from concession of rights (for concession companies)	1,091	-	-	-
Impairment provisions and disposals	-937,227	-	-937,227	-
Other profit/ (losses)	974,624	-756,180	-310,716	-341,280
Total	663,869	459,576	-710,085	125,239

25 Financial income/ expenses - net

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Interest expenses				
- Bank borrowings	1,146,632	1,644,531	82,216	-
- Financial cost for landscape restoration	2,937	2,940	-	-
- Other	511,155	372,127	490,203	363,003
	1,660,724	2,019,598	572,419	363,003
Interest income	-1,011,169	-1,056,573	-778,561	-392,658
Net interest (expenses)/ income	649,554	963,025	-206,142	-29,655
Financial (income)/ expenses - net	649,554	963,025	-206,142	-29,655

26 Employee benefits

	Consolidated figures	Company figures
--	----------------------	-----------------

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Wages and salaries	8,798,965	9,271,459	2,165,976	2,849,404
Social security expenses	1,971,726	2,049,849	742,118	876,077
Cost /(revenue) of defined benefit plans (note 20)	-16,036	77,130	-34,792	57,300
Other employee benefits	231,615	206,338	594	994
Total	10,986,271	11,604,776	2,873,896	3,783,775
Number of employees	400	338	99	110

27 Income tax

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Tax for the year	4,801,943	4,954,202	1,715,767	1,006,716
Deferred tax (note 19)	285,546	111,510	-1,416,658	-411,936
Total	5,087,488	5,065,712	299,110	594,780

Pursuant to Law 3943/2011, the income tax rate for legal entities is set at 20% for FY 2011 and thereafter. Further, a 25% withholding tax is imposed on the profits distributed by domestic companies, which is paid by beneficiaries and applies to distributable profits approved from 1 January 2012 and thereafter. Especially as regards profits distributed within 2011, the withholding tax rate is 21%.

Since FY 2011, Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited by legally appointed auditors are required to obtain an “Annual Certificate” under Article 82(5) of Law 2238/1994, which is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the legally appointed auditor or auditing firm issues to the company a “Tax Compliance Report” and then the legally appointed auditor or auditing firm submits it to the Ministry of Finance electronically no later than ten days from the expiry date of the deadline set for the approval of the company’s financial statements by the General Meeting of Shareholders. The Ministry of Finance will choose a sample of certain companies representing at least 9% which will be re-audited by the competent auditing services of the Ministry. The audit in question will have been completed no later than eighteen months of the date of submission of the “Tax Compliance Report” to the Ministry of Finance.

In relation to changes to Greek tax laws made after 31.12.2012, see note 33.33

The table presenting the analysis of unaudited financial years of all companies under consolidation, is shown in Note 30.

The tax on the Group’s profit before tax differs from the notional amount which would result using the tax rate applicable to the parent’s profit, on the consolidated companies’ profit. The difference is as follows:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Profit before taxes	15,363,194	21,140,135	5,093,427	4,725,894
Tax computed based on local applicable tax rates on parent profit (2012):				
20% & 2011: 20%)	3,072,639	4,228,027	1,018,685	945,179
Difference between current tax rate and deferred tax rate	-	-179,318		-160,404
Untaxed income	-42,288	-79,667	-1,217,138	-467,862
Expenses not deductible for tax purposes:	646,092	192,455	497,563	277,867

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Taxation differences for consolidated companies	-546,893	130,157	-	-
Other taxes	9,346	1,256	-	-
Tax audit differences and used tax provisions	9,602	-237,450	-	-
Tax provisions	-	387,450	-	-
Tax losses for which no deferred tax asset was recognised	<u>1,938,990</u>	<u>622,803</u>	<u>-</u>	<u>-</u>
Income tax	<u>5,087,488</u>	<u>5,065,712</u>	<u>299,110</u>	<u>594,780</u>

No tax has been computed on other comprehensive income.

The average weighted tax rate for the Group for the year 2012 is 33.11% (2011: 23.96%). The decrease is mainly due to the reduction of the Greek tax rate by 4% and the imposition of the extraordinary levy.

28 Cash flows from operating activities

	Note	Consolidated figures		Company figures	
		31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Profit before taxes		15,363,194	21,140,147	5,093,427	4,725,894
Adjustments for:					
Depreciation of PPE	5	4,044,824	3,953,272	731,615	821,829
Depreciation of intangible assets	6	2,443,917	2,445,648	-	159
Impairment	5,6,7	1,798,158	-	8,202,405	851,249
Disposal of property, plant and equipment	breakdown below	-	4,150	-	-
(Profit)/loss from the sale of tangible assets	breakdown below	-30,995	-43,339	-	-40,008
(Profit) / losses from the disposal of subsidiaries	24	16,917	-	-304,027	-
(Profit) /loss from the disposal of Associates		317,893	-	-40,000	-
Amortisation of grants	21	-916,919	-1,135,692	-181,553	-383,770
Interest income	25	-1,011,169	-1,056,573	-778,561	-392,658
Write-offs/provisions of receivables and inventories	12	1,042,804	301,076	1,042,804	301,076
Interest expenses	25	1,657,787	2,019,598	572,419	363,003
Share of profit/ (loss) from associates	8	<u>-60,645</u>	<u>-328,443</u>	<u>-</u>	<u>-</u>
		<u>24,665,766</u>	<u>27,299,844</u>	<u>14,338,529</u>	<u>6,246,774</u>
Changes in working capital					
(Increase)/decrease in inventory		105,530	-187,727	-	259,226
(Increase)/decrease in receivables (non-current & current)		-10,633,368	-8,642,972	-7,694,661	-1,262,435
Increase/(decrease) in liabilities (non-current & current)		4,771,074	3,131,910	5,147,205	1,078,602

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Increase/(decrease) in provisions (non-current & current)	416,365	166,447	-	-
Increase / (decrease) in retirement benefits	-59,131	15,013	-69,823	16,098
	<u>-5,399,532</u>	<u>-5,517,329</u>	<u>-2,617,280</u>	<u>91,491</u>
Net Cash Flows from operating activities	<u>19,266,234</u>	<u>21,782,515</u>	<u>11,721,250</u>	<u>6,338,265</u>

In the cash flow statement, profit from the disposal of tangible fixed assets includes:

	Consolidated figures		Company figures	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Net book value	23,361	47,889	5,536	-
Profit/ (losses) from the sale of PPE	30,995	43,339	-	40,008
Income from the sale of PPE	<u>54,357</u>	<u>91,228</u>	<u>5,536</u>	<u>40,008</u>

During year 2011, a net book value of 4150 was written-off in results.

29 Commitments

Capital commitments

There are no significant capital commitments undertaken and pending execution as of the date of the Statement of Financial Position.

Operating lease obligations

The Group leases property through operating leases. Such leases have varying terms regarding rent adjustment, renewal rights and other clauses, and usually extend over a term of 3 or more years.

Total future payable rents, under operating leases, are as follows:

Commitments from operating leases:	Consolidated figures	
	31-Dec-12	31-Dec-11
Up to 1 year	425,423	686,732
From 1-5 years	1,239,665	2,467,054
Over 5 years	610,515	1,925,319
	<u>2,275,604</u>	<u>5,079,105</u>

30 Contingent receivables and liabilities

(a) Proceedings have been initiated against the Group for work accidents which occurred during the execution of construction projects by companies or joint ventures in which the Group participates. Because the Group is fully insured against work accidents, no substantial encumbrances are anticipated as a result of rulings against the Group. Other litigations or disputes referred to arbitration, as well as the pending court or arbitration rulings are not expected to have a material effect on the financial standing or the operations of the Group or the Company, and



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

for this reason no relevant provisions have been formed.

(b) Since FY 2011, Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited are required to obtain an “Annual Certificate” under Article 82(5) of Law 2238/1994. This “Annual Certificate” is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a “Tax Compliance Report” and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically. The “Tax Compliance Report” must be submitted to the Ministry of Finance no later than the tenth day of the seventh month after financial year end. The Ministry of Finance will choose a sample of certain companies representing at least 9% of all companies submitting a “Tax Compliance Report” to be re-audited by the competent auditing services of the Ministry. The audit must be completed no later than eighteen months from the date of submission of the “Tax Compliance Report” to the Ministry of Finance.

The list of open tax years of the companies being consolidated are presented below: The Group’s tax liabilities for these periods have not been finalised; therefore it is possible that additional charges are imposed when the relevant audits are performed by the tax authorities (notes 22 & 27). Helector, the parent company, has not been tax audited for financial year 2009 through 2010. It was audited for FY 2011 pursuant to Law 2238/1994 and has obtained a tax compliance certificate from PricewaterhouseCoopers SA without any significant adjustments regarding tax expenses and related tax provisions, as these are reflected in the annual financial statements for 2011. PricewaterhouseCoopers SA has already undertaken the parent’s tax audit for financial year 2012. Also, a tax audit for closing year 2012 is underway by the competent audit firms for the Group’s subsidiaries based in Greece. The Company’s management is not expecting significant tax liabilities, upon completion of the tax audit, other than those recorded and presented in the financial statements. Also, adequate provisions have been formed, charging the results of the current and previous years, and no significant extra charges are anticipated.

Subsidiaries

Name	Open tax periods
AIFORIKI DODEKANISOU SA	2010-2012*
AIFORIKI KOUNOU SA	2010-2012*
APOTEFROTIRAS SA	2010-2012*
VEAL SA	2010-2012*
DOAL SA	2010-2012*
HELECTOR CYPRUS (formerly ELEMEX LTD)	2005-2012
HELECTOR GERMANY GMBH	2007-2012
HERHOF GMBH	2005-2012
HERHOF RECYCLING CENTER OSNABRUCK GMBH	2006-2012
HERHOF VERWALTUNGS GMBH	2005-2012
HELECTOR CONSTRUCTIONS SA	2010-2012*
JV HELECTOR-ELLAKTOR-CYBARCO	2007-2012
HELECTOR BULGARIA LTD	2010-2012
YLECTOR DOOEL SKOPJE	2010-2012
HELECTOR SA - ENVITEC SA Partnership	2010-2012
K.G.E GREEN ENERGY LTD	2011-2012
NEASACO ENTERPRISES LTD	2012

Associates

Name	Open tax periods
TOMI EDL LTD	2010-2012
ENERMEL SA	2010-2012
PROJECT DYNAMIC CONSTRUCTION	2010-2012
ELLAKTOR VENTURES LTD	2011-2012



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

Joint Ventures

Name	Open tax periods
J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	2010-2012
JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	2010-2012
JV HELECTOR-MESOGIOS (TAGARADES LANDFILL)	2006- 2012
JV MESOGIOS SA – HELECTOR SA – BILFINGER (KOZANI LANDFILL)	2007- 2012
JV HELECTOR SA-BILFINGER BERGER (CYPRUS- PAPHOS LANDFILL)	2006- 2012
JV DETEALA- HELECTOR-EDL LTD	2010-2012
JV HELECTOR SA – MESOGIOS SA (FYLIS LANDFILL)	2010-2012
JV HELECTOR SA – MESOGIOS SA (MAVRORACHI LANDFILL)	2010-2012
JV HELECTOR SA – MESOGIOS SA (HERAKLION LANDFILL)	2006- 2012
JV HELECTOR SA – MESOGIOS SA (LASITHI LANDFILL)	2006- 2012
JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)	2005- 2012
JV HELECTOR - ARSI	2010- 2012
JV LAMDA – ITHAKI & HELECTOR	2007- 2012
J/V HELECTOR– ERGOSYN SA	2010-2012
J/V BILFIGER BERGER - MESOGIOS- HELECTOR	2010-2012
J/V TOMI SA –HELECTOR SA	2007- 2012
JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	2008- 2012
JV HELECTOR –ENVITEC (Recycling & Composting Plant)	2010-2012
JV HELECTOR -LANTEC-ENVIMEK-ENVIROPLAN	2010-2012
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	2011-2012
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	2011-2012
J/V HELECTOR SA – ZIORIS SA	2011-2012
J/V HELECTOR SA – EPANA SA	2011-2012
J/V HELECTOR SA - KONSTANTINIDIS	2012

* The Group companies which are domiciled in Greece, are mandatorily audited by audit firms and have obtained a tax compliance certificate for FY 2011, are marked with an asterisk (*). In accordance with the applicable law, financial year 2011 should be considered as the definitive year for tax audit purposes eighteen months after the “Tax Compliance Report” has been submitted to the Ministry of Finance.

(c) The Group has contingent liabilities in relation to banks, other guarantees, and other matters that arise from its normal business activity and from which no substantial burden is expected to arise.

**HELECTOR S.A.**

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

31 Transactions with related parties

The aggregate amounts of sales and purchases from year start, as well as the closing balances of receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
a) Sales of goods and services	13,327,013	11,585,479	20,672,802	17,044,385
Sales to subsidiaries	-	-	4,929,899	4,326,148
Sales to associates	-	506,603	-	506,603
Sales to affiliates	6,632,560	1,071,531	6,572,683	1,071,531
Sales to joint ventures	6,694,453	10,007,345	9,170,220	11,140,103
b) Purchases of goods and services	1,677,929	2,840,068	1,222,335	3,882,470
Purchases from subsidiaries	-	-	454,567	2,089,027
Purchases from associates	-	1,770	-	1,770
Purchases from affiliates	822,874	1,813,824	767,768	1,791,673
Purchases from joint ventures	855,055	1,024,474	-	-
c) Key management compensation	1,344,805	685,229	1,092,125	453,589
	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
d) Closing balance (Receivables)	7,756,946	11,635,567	23,940,984	18,625,723
Receivables from subsidiaries	-	-	4,865,845	3,404,933
Receivables from associates	30,282	5,605,790	30,282	5,576,044
Receivables from affiliates	289,501	636,441	194,702	595,854
Receivables from joint ventures	7,437,162	5,393,336	18,850,155	9,048,892
e) Closing balance (Liabilities)	8,263,236	7,019,917	3,576,363	3,229,407
Payables to subsidiaries	-	-	589,577	355,802
Payables to associates	282	8,026	282	7,826
Payables to affiliates	681,236	1,863,422	565,297	1,521,296
Joint venture payables	7,581,718	5,148,469	2,421,206	1,344,483
f) Receivables from key management	99,083	46,033	76,752	46,033
g) Payables to key management	91,857	53,284	91,857	53,284

Services to and from related parties, as well as sales and purchases of goods, are performed in accordance with the price lists that apply for non related parties.

Amounts payable to and from related parties are not subject to securities, have no specific repayment terms and are interest free.

h) Loans to related parties

	<u>Consolidated figures</u>		<u>Company figures</u>	
--	-----------------------------	--	------------------------	--



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012

(all amounts expressed in €, unless otherwise stated)

	<u>31-Dec-12</u>	<u>31-Dec-11</u>	<u>31-Dec-12</u>	<u>31-Dec-11</u>
Balance as of 1 January	404,609	397,109	4,197,985	1,675,485
Financing during the year	-	7,500	9,735,393	2,522,500
Interest capitalized during the year	-	-	208,462	-
Repayments during the year	<u>-404,609</u>	<u>-</u>	<u>-404,609</u>	<u>-</u>
Balance as of 31 December	-	404,609	13,737,232	4,197,985
i) Loans from related parties				
Balance as of 1 January	-	-	-	-
Financing during the year	-	40,000	2,750,000	-
Interest capitalized during the year	<u>-</u>	<u>-</u>	<u>65,773</u>	<u>-</u>
Balance as of 31 December	-	40,000	2,815,773	-

The collectability of the above collectable amounts is considered safe, and therefore no impairment provision has been made.

32 Other notes

1. No liens exist on tangible fixed assets.
2. In accordance with Law 4093/2012 on the Approval of the Medium-Term Fiscal Strategy Framework 2013-2016 – Urgent Implementing Measures of Law 4046/2012 and the Medium-Term Fiscal Strategy Framework 2013-2016”, a special solidarity levy is imposed on electricity producers using RES and CHP plants, calculated on the price of electricity sales to take place from 1.7.2012 through 30.6.2014, and relates to operating plants and any plants which might be trial commissioned or connected to the grid in the future. The special solidarity levy for the Group is calculated as a percentage of the price for electricity sale, before VAT, and stands at 25% for photovoltaic plants which were trial commissioned or connected to the grid by 31.12.2011, and at 10% for other RES and CHP plants. Said levy for the period 1.7.2012-31.12.2012 stands at €1,043,786 thousand for the Group, and reduced net profit for the period by an equivalent amount. The reduction brought to the profit for the period which are attributable to parent company equity holders stands at approximately €645,973.
3. The total fees payable to the Group’s legal auditors for FY 2012 stand at €171.728 (2011: €116,160) thousand for the mandatory audit on the annual financial statements and at €57,925 for other services (2011: €11,289).

33 Events after the date of the Statement of Financial Position

- On 23.01.2013 the new tax law 4110/23.01.2013 was passed. The most important changes are that according to the new law, the income tax rate for legal entities will be 26% for FY 2013 and thereafter, and that the withheld tax on dividends approved after 1 January 2014 will be 10% (note 27).27 The estimated impact from the recalculation of deferred taxes for the Group and the Company will amount to approximately €-503 thousand and €106 thousand respectively.
- On 26.03.2013, after the Eurogroup meeting, the adjustment programme for Cyprus as agreed with the Cypriot authorities was announced. This programme aims at ensuring the viability of the financial sector in Cyprus and restoring the country’s sustainable development and healthy finances for the years to come. The adjustment programme includes the participation of depositors keeping non-guaranteed deposits (over €100.000) with Laiki Bank and the Bank of Cyprus. Therefore, this may cause uncertainties in the gradual rebound in Greece also. The total deposits of Group companies with Laiki Bank and the Bank of Cyprus in Cyprus stand at €472,000 and €1,798,000 respectively. Also, it should be noted that the Group has no exposure



HELECTOR S.A.

Annual Financial Statements in line with the International Financial Reporting Standards

for the year ended 31 December 2012
(all amounts expressed in €, unless otherwise stated)

to transferable securities (e.g. bonds or shares) or other financial instruments in these banks.

- The Municipality of Sofia, at the end of April 2013 selected for temporary contractor the “Actor - Helector” Joint Venture, which offered 213.4 leva with VAT (€109.1 million) for the design, construction and trial operation of a mechanical and biological treatment (MBT) plan with an annual capacity of 410 thousand urban solid waste of Sofia. The time for the completion of the project is 3 years, 2 of which will be the construction period and 1 year the trial operation of the plant.

Athens, 28 March 2013

The Chairman of the Board of Directors

Leonidas G. Bobolas (ID Card No. Σ-237945)

The Director

Loukas I. Giannakoulis (ID Card No. Σ-095375)

The CFO

Georgios I. Pliatsikas (ID Card No. AI-559981)