ASPROFOS ENGINEERING S.A.

Financial statements in accordance with the International Financial Reporting Standards (IFRS) for the fiscal year ended on 31 December 2014

ASPROFOS S.A.

COMPANY (S.A.) REGISTRATION No.: 4712/01 NT/B/86/654

REGISTERED OFFICES: 284, EL. VENIZELOU AVE, KALLITHEA, ATHENS 17675

Contents

Page

Company Details 4

Statement of Financial Position 7

Statement of Comprehensive Income 8

Statement of Changes in Equity 9

Cash Flow Statement 10

Notes on the financial statements 11

1 General information 11

2 Summary of Significant Accounting Policies 11

2.1 Basis of preparation of the Financial Statements 11
2.1.1 Going concern 11
2.1.2 Changes in standards and interpretations 12
2.2 Foreign exchange conversions 16
2.3 Tangible assets – property, plant and equipment 16
2.4 Intangible assets 17
2.5 Impairment of non-financial assets 17
2.6 Financial Assets 17
2.7 Trade and other receivables 18
2.8 Cash and cash equivalents 18
2.9 Share capital 18
2.10 Employee benefits 18
2.11 Provisions 19
2.12 Suppliers and other liabilities 19
2.13 Current and deferred taxation 19
2.14 Recognition of revenues 20
2.15 Leasing 20

3 Financial risk management 20

4 Significant accounting estimates and assumptions 23

5 Tangible fixed assets - property, plant and equipment 25

6 Intangible assets 26

7 Trade and other receivables 27

8 Cash and cash equivalents 28

9 Share capital 28

10 Reserves 29

11 Suppliers and other liabilities 29

12 Personnel retirement benefit liabilities 30

13 Other long-term liabilities 31

14 Employee benefits 32

15 Expenses by category 32

16 Other income/(expenses) 33

17 Financial expenses (net) 33

18	**Taxes**	**33**
19	**Cash flows generated from operating activities**	**34**
20	**Contingent liabilities and litigation**	**34**
21	**Commitments and other contractual obligations**	**35**
22	**Transactions with related parties**	**35**
23	**Post balance sheet events**	**37**

Company Details

Board of Directors : Dimitrios Karagounis, Chairman of the Board (from 21/01/2014)

Adamantios Lentsios, Chairman of the Board (up to 20/01/2014) and Vice-Chairman, (from 21/01/2014)

Ioannis Fotopoulos, Managing Director

Nikolaos Skandalis, Vice Chairman (until 20/01/2014)
Georgios Dimogiorgas, member

Dionysios Routsis, member

Konstantinos Martakos, member (from 21/01/2014 to 22/05/2014)

Aristides Doudonis, member (until 21/01/2014)

Miltiadis Sotiropoulos, member (from 22/05/2014)

Solon Filopoulos, member (Employee Representative)

Registered Offices: 283 El. 284, El. Venizelou Ave, Athens 17675

SA Reg. No.: 4712/01NT/B/86/654

Audit Firm: PriceWaterhouseCoopers SA

268, Kifisias Avenue,

152 32 Halandri,

Athens, Greece

Audit report by Independent Auditor

To the Shareholders of the Company ASPROFOS ENGINEERING S.A.

Report on the Financial Statements

We have audited the attached financial statements of the Company "ASPROFOS ENGINEERING S.A.", comprising the statement of financial position as at 31st December 2014, as well as the statement of comprehensive income, the statement of changes in equity and the statement of cash flows of the fiscal year that ended on the above date, along with a summary of important accounting policies and methods and other explanatory notes.

Management's Responsibility for Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with International Auditing Standards. These standards require us to comply with the code of ethics, as well as plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

The audit involves performing procedures to obtain audit evidence, with regard to the amounts and disclosures in the financial statements. The procedures are selected at the auditor's discretion and include an assessment of the risk of material misstatement in the financial statements, whether due to fraud or error. To assess such risk, the auditor shall consider the internal safety principles relating to the preparation and fair presentation of the company's financial statements in order to design audit procedures appropriate to the circumstances and not to express an opinion on the effectiveness of the company's internal safety principles. Such audit also includes an evaluation of the appropriateness of the accounting principles and methods used and the fairness of accounting estimates made by management, as well as an evaluation of the overall presentation of the financial statements.

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

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Opinion

In our opinion, the attached financial statements constitute an appropriate presentation, in all material aspects, of the financial position of the “ASPROFOS ENGINEERING S.A.” as at 31st December 2014, and of its financial performance and its cash flows for the year that ended on the above date, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Issues

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

b) On 31 December 2014 the company’s total equity has turned negative, therefore there are grounds for application of the conditions of Article 48 of Codified Law 2190/1920. 2190/1920 shall apply.

Athens, 21 April 2015

The Certified Auditor-Accountant

PriceWaterhouseCoopers SA
Independent Auditing Company
Certified Auditors & Accountants
SOEL Reg. No. 113

Konstantinos Michalatos

SOEL Reg.No. 17701

Statement of Financial Position

	Note	31 December 2014	31 December 2013
ASSETS			
Fixed Assets			
Tangible assets – property, plant and equipment	**5**	3,073	3,401
Intangible assets	**6**	72	26
Other non-current receivables		2	2
		3,147	**3,429**
Current assets			
Trade and other receivables	**7**	1,487	1,552
Cash and cash equivalents	**8**	1,152	921
		2,639	**2,473**
Total Assets		**5,786**	**5,902**
EQUITY			
Share capital	**9**	5,027	5,027
Reserves	**10**	1,027	1,726
Results carried forward		(10,632)	(8,709)
		(4,578)	**(1,956)**
LIABILITIES			
Non-current liabilities			
Provisions for personnel retirement	**12**	2,588	2,237
Other long-term liabilities	**13**	2	2
		2,590	**2,239**
Short-term liabilities			
Suppliers and other liabilities	**11**	7,774	5,619
		7,774	**5,619**
Total liabilities		**10,364**	**7,858**
Total equity and liabilities to banks		**5,786**	**5,902**

The notes on pages 11 to 38 form an integral part of these financial statements.

Chairman of the BoD	Managing Director	Finance & Administrative Services Director	Head of Finance Services
Dimitrios Karagounis	Ioannis Fotopoulos	Konstandinos Vathis	Anastasia Gioka

Statement of Comprehensive Income

	Note	Year ended 31 December 2014	Year ended 31 December 2013
Turnover (sales)		**8,383**	**12,856**
Cost of sales	**15**	(8,186)	(12,720)
Gross profit		**197**	**136**
Administration and distribution costs	**15**	(2,591)	(3,886)
Other (costs)/income	**16**	26	249
Operating profit/(loss)		**(2.368)**	**(3,501)**
Financial income		2	6
Financial expenses		(59)	(60)
Financing (costs)/ income	**17**	(57)	(54)
Profit/ (loss) before tax		**(2,425)**	**(3,555)**
Taxes	**18**	-	-
Fiscal Period Profits/(Losses)		**(2,425)**	**(3,555)**
Other Comprehensive Income:			
Items that will not be classified in the income statement in the future:			
Actuarial profits/(losses) from defined benefit pension plans		(197)	6
Total Comprehensive Income for the year		**(2,622)**	**(3,549)**

The notes on pages 11 to 38 form an integral part of these financial statements.

Statement of Changes in Equity

	Note	Share capital	Reserves	Results carried forward	Total Equity
Balance as at 1 January 2013		**5,027**	**1,720**	**(5,154)**	**1,593**
Actuarial profits/(losses) from defined benefit pension plans	12	-	6	-	6
Fiscal Period Profits/(Losses)		-	-	(3,555)	(3,555)
Balance as at 31 December 2013		**5,027**	**1,726**	**(8,709)**	**(1,956)**
Balance as at 1 January 2014		**5,027**	**1,720**	**(8,709)**	**(1,956)**
Actuarial profits/(losses) from defined benefit pension plans	12	-	(197)	-	(197)
Fiscal Period Profits/(Losses)		-	-	(2,425)	(2,425)
Netting of tax-exempt reserves under Law 4172/2013	10	-	(502)	502	-
Balance as of 31 December 2014		**5,027**	**1,027**	**(10,632)**	**(4,578)**

The notes on pages 11 to 38 form an integral part of these financial statements.

Cash Flow Statement

		Year ended	
	Note	**31 December 2013**	**31 December 2013**
Cash flows generated from operating activities			
Cash flows generated from operating activities	**19**	395	548
Net cash flows from operating activities		395	548
Cash flows from investment activities			
Purchases of tangible and intangible assets	**5.6**	(107)	(59)
Interest income	**17**	2	6
Net cash flows from investment activities		**(105)**	**(53)**
Cash flows from financing activities			
Interest paid	**17**	(59)	(60)
Net Cash flows from financing activities		**(59)**	**(60)**
Net increase/(decrease) in cash and cash equivalents		**231**	**435**
	8	**921**	**486**
Cash and cash equivalents at start of fiscal year			
		231	435
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at end of fiscal year	**8**	**1,152**	**921**

The notes on pages 11 to 38 form an integral part of these financial statements.

Notes on the financial statements

1 General information

ASPROFOS S.A. is a wholly owned subsidiary of HELLENIC PETROLEUM S.A. The Company provides specialised services in the field of industrial investments with a focus on investments in refineries, natural gas and infrastructure projects which range from the preparation of feasibility studies and basic and detailed designs to construction supervision and start-up services.

The Company is based in Greece, with registered offices at 284, El. Venizelou Str., Kallithea, 17675. 17675. The Company's website is at ***www.asprofos.gr***.

The accounting principles applied for the calculation and recognition of accounting figures are the same as those applied in the consolidated accounting statements of the Hellenic Petroleum Group as at 31 December 2014. The functional currency and the reporting currency of the Company is the Euro and the financial figures presented in these financial statements are expressed in thousands unless otherwise mentioned.

These financial statements have been approved for issue by the Board of Directors on **21 April 2015.** The Company's Shareholders can amend the Financial Statements after Publication.

2 Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all fiscal periods presented, unless otherwise stated.

2.1 Basis of preparation of the Financial Statements

The financial statements of ASPROFOS ENGINEERING S.A. for the fiscal year ended December 31, 2014 have been prepared by management in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and according to the interpretations of the International Financial Reporting Standards Interpretations Committee, as adopted by the European Union.

These financial statements presented were prepared based on the historical cost convention. The preparation of financial statements in accordance with International Accounting Standards demands the exercise of judgment on the part of the management of the Company as well as the use of estimates in the process of applying the accounting principles to calculate various accounting values. Areas requiring a greater degree of subjectivity, or of increased complexity, or where assumptions and estimates are significant for the financial statements, are referred to under Note 4, "Significant accounting estimates and assumptions". These estimates are based on the perception of events and actions by the management of the Company and actual events may differ from such estimates.

2.1.1 Going concern

The financial statements as at 31 December 2014, prepared in accordance with International Financial Reporting Standards (IFRS), fairly present the Company's financial position, profits and losses and cash flows based on the principle of its operation as a going concern. In assessing the implementation of the going concern principle, Management evaluated the following:

Macroeconomic environment: Given the developments during 2015 and discussions at national and international level on the review of the terms of Greece's financing programme, the macroeconomic and financial environment in Greece is volatile. Return to economic stability depends greatly on the actions and decisions of institutions in the country and abroad. Taking into account the nature of the activities and the financial standing of the Company, any negative developments are not expected to significantly affect its proper operation. Nevertheless, the Management

continually evaluates the situation and its possible consequences, to ensure that all necessary and possible measures and actions are taken in good time to minimize any impact on the Company's business.

Development of business activities: The forecast of income for 2015 largely depends on the project of the trans-adriatic natural gas pipeline (TAP) in which the company has been assigned with the elaboration of studies for purposes of establishment permit issuance. Sales to the parent company are decreased as compared to the previous year. The promotion actions that started three years ago in the Eastern European and Middle East markets are being continued unabatedly. The company participates in all energy development projects in Southeastern Europe.

Decrease of cost basis: In the last three years, the company significantly decreased its operating cost, mainly through the voluntary redundancy plan, a restructuring program, an agreement with the trade union for reducing the labour cost, as well as through a rational cutting of its operating costs.

On 31 December 2014 the Company's total equity had turned negative, and therefore the provisions of Article 48 of Codified Law 2190/1920 shall apply. It is therefore anticipated that a decision will be made to increase the Share Capital in due time.

2.1.2 Changes in standards and interpretations

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

a) The following standards, amendments to and interpretations of the International Financial Reporting Standards apply to the Company for financial periods beginning on or after 1 January 2014:

- *IAS 32 (Amendment) "Financial instruments: Presentation" (effective for annual accounting periods beginning on or after 1 January 2014).* This amendment to the application guidelines of IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities in the statement of financial position. The adoption of this amendment has no significant impact on the Company.
- *IAS 36 (Amendment)* "*Recoverable amount disclosures for non financial assets" (effective for annual accounting periods beginning on or after 1 January 2014).* This amendment requires: a) the disclosure of the recoverable amount of an asset or cash-generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosures related to the measurement of the fair value less cost of disposal when an impairment loss has been recognised or reversed. It also removes the requirement to disclose the recoverable value when a CGU contains goodwill or intangible assets with an indefinite useful life and there is no impairment. The adoption of this amendment has no significant impact on the Company.
- *IAS 39 (Amendment) "Financial instruments: Recognition and Measurement" (effective for annual accounting periods beginning on or after 1 January 2014).* This amendment allows the continuation of hedge accounting when a derivative, which has been designated as a hedge instrument is novated in order to be liquidated by a central counterparty as a result of the laws or regulations, if specific conditions are met. The adoption of this amendment has no significant impact on the Company.
- *IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014)* The Interpretation covers the accounting for a payment of a levy imposed by government and is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation may result in the recognition of the liability later than what applies today, particularly with regard to levies imposed as a result of conditions that apply on a specific date. The adoption of this amendment has no significant impact on the Company.
- Group of standards with regard to the consolidation and joint arrangements (effective for annual accounting periods starting on or after 1 January 2014)

The International Accounting Standards Board ("IASB") has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (Amendment), IAS 28 (Amendment), which had no impact on the Company's financial statements. The main provisions are as follows:

– *IFRS 10 "Consolidated Financial Statements".* IFRS 10 replaces all the guidelines with regard to the instructions regarding audit and consolidation that are provided in IAS 27 and SIC 12. The new standard changes the definition of control as a decisive factor in order to decide whether a financial entity must be consolidated. The standard provides extensive clarifications that dictate the different ways in which an economic entity (investor) can control another economic entity (investment). The revised definition of control focuses on the need to simultaneously have the right (the possibility of directing the activities that significantly affect the performances) and the variable returns (positive, negative or both) in order to have control. The new standard also provides clarifications with regard to substantive and protective rights, as well as agency relationships.

– *IFRS 11 "Joint Arrangements".* IFRS 11 provides a more realistic reflection of joint arrangements by focusing on the rights and obligations, rather than their legal form. There are two types of arrangements: joint operations and joint ventures. The proportional consolidation method is no longer allowed. Participants in joint ventures must apply consolidation with the equity method. Economic entities participating in joint operations apply similar accounting with what participants in jointly controlled assets or jointly controlled operations apply for the time being. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

– *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.

– *IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"*. 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.

– *IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities".* The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many investment funds and similar entities that meet the definition of investment entities are exempted from the requirement on consolidation of most subsidiaries, which are accounted for as investments at fair value through profit or loss, although control is exercised. The amendments to IFRS 12 introduce the disclosure requirements that an investment entity must meet.

– *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 transferred to IAS 27 terms of the IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" related to 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.

- *IAS 19 Revised (Amendment) "Employee Benefits" (effective for annual accounting periods beginning on or after 1 January 2014).* This amendment, with a limited scope, applies for employee or third party contributions to defined benefit plan, and simplify the accounting of the contributions when they are independent of the number of the years of service, for example, contributions from employees calculated based on a fixed percentage of the salary. The adoption of this amendment has no significant impact on the Company.

- *Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015)*

  The following amendments describe the most substantial changes to seven IFRSs as a consequence of the results of the 2010-12 annual improvement process of the IASB. For the time being, the Company is assessing the impact which these amendments will have on the financial statements.

  – *IFRS 2 "Share-based Payment".* The amendment clarifies the definition of "vesting conditions" and distinctly defines the "performance" term and the "service" term.

  – *IFRS 3 "Business Combinations".* The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It is also clarified that any potential financial or non-financial item, which is not an item of equity is measured at fair value through results.

  – *IFRS 8 "Operating Segments".* The amendment requires the disclosure of the estimates of management as regards the aggregation of operating segments.

  – *IFRS 13 "Fair Value Measurement".* The amendment clarifies that the standard does not exclude the possibility of measuring short-term receivables and liabilities at the amounts of the invoices, in cases where the impact of discounting is insignificant.

  – *IAS 16 "Property, plant and equipment"* and *IAS 38 "Intangible assets".* Both standards were amended in order to clarify the way in which the book value of the asset before depreciation and the accumulated depreciation are addressed when an entity follows the adjustment method.

  – *IAS 24 "Related Party Disclosures".* The standard was amended in order to include as a related party a company that provides key management personnel services to the economic entity or the parent company of the economic entity.

- *Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 January 2015).*

  The following amendments describe the most substantial changes to four IFRS as a consequence of the results of the 2011-2013 annual improvement process of the IASB. For the time being, the Company is assessing the impact which these amendments will have on the financial statements.

  – *IFRS 3 "Business Combinations".* This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

  – *IFRS 13 "Fair Value Measurement".* The amendment clarifies that the portfolio exception in IFRS 13, which allows fair value measurement of a group of financial assets and liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

  - *IAS 40 "Investment in Property".* The amendment clarifies that IAS 40 and IFRS 3 are not mutually exclusive.

- *Annual Improvements to IFRSs 2014* (effective for annual periods beginning on or after 1 January 2016)

  The amendments set out below describe the key changes to four IFRSs. The amendments have not yet been endorsed by the EU.

  - *IFRS 5 "Non-current assets held for sale and discontinued operations".* The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

  - *IFRS 7 "Financial instruments: Disclosures".* The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7 "Disclosure – Offsetting financial assets and financial liabilities" is not specifically required for all interim periods, unless required by IAS 34.

  - *IAS 19 "Employee benefits".* The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

  - *IAS 34 "Interim Financial Reporting".* The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

- *IFRS 11 (Amendment) "Joint Arrangements"* (effective for annual periods beginning on or after 1 January 2016). This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'. This amendment has not yet been endorsed by the European Union.

- *IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation* (effective for annual periods beginning on or after 1 January 2016). This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.

- *IFRS 10 and IAS 28 (Amendments) "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"* (effective for annual periods beginning on or after 1 January 2016). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.

- *IAS 27 (Amendment) "'Equity Method in Separate Financial Statements"* (effective for annual periods beginning on or after 1 January 2016). This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the European Union.

- *IFRS 15 "Revenue from Contracts with Customers"* (effective for annual periods beginning on or after 1 January 2017) IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to

determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This standard has not yet been endorsed by the European Union.

- *IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7* (effective for annual periods beginning on or after 1 January 2018). IFRS 9 replaces IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 "Hedge Accounting" establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. IFRS 9 cannot be adopted earlier by the Company as it has not yet been adopted by the European Union.
- *IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment entities: Applying the consolidation exception"* (effective for annual periods beginning on or after 1 January 2016) These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.
- *IAS 1 (Amendments) "Disclosure initiative"* (effective for annual periods beginning on or after 1 January 2016) These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments have not yet been endorsed by the EU.

2.2 Foreign exchange conversions

(a) Functional currency and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of transaction. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the fiscal year and from the translation of monetary items into foreign exchange at current rates applicable on the balance sheet date are recorded in profit and loss, except where they are transferred directly to equity since they relate to cash flow hedging and net investment hedging activities.

Profits/losses due to profits/losses and which arise from the estimated value of Cash and Cash Equivalents are recorded as financial profits/losses.

2.3 Tangible assets – property, plant and equipment

Tangible assets mainly include offices. Tangible assets are shown at acquisition cost less accumulated depreciation and impairment, with the exception of land which is valued at cost less impairment. Acquisition costs include all expenses directly attributable to the acquisition of assets. Subsequent expenditure is added to the book value of tangible assets or as a separate asset only where it is probable that future financial benefits associated with the asset will accrue to the Company, and that their cost can be measured reliably. The cost of repairs and maintenance is removed from the results when it occurs.

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

- Land	Not applicable
- Buildings	20 years
- Other equipment	5 years

The residual values and useful economic life of tangible assets (property, plant and equipment) are subject to reassessment at least at each balance sheet date.

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

Profits or losses from the sale of tangible assets are determined by the difference between the amount accruing and their net book value. These profits or losses are written off in the profit and loss statement as part of other net income (expenses).

2.4 Intangible assets

Software

The software cost includes the cost of obtaining software licenses. The cost of software user licenses is capitalised on the bases of acquisition and development costs for the specific software. These costs are depreciated using the straight-line method over the length of its useful life (3 years).

2.5 Impairment of non-financial assets

Assets with an indefinite useful life are not depreciated, and are subject to impairment testing on an annual basis, and whenever certain events or changes in circumstances suggest that their book value may not be recoverable. Assets which are depreciated are subject to impairment audits when there are indications that their book value is not recoverable. Impairment losses are recognised to the extent of the amount by which the book value of the asset exceeds its recoverable value. The recoverable value is the higher of fair value, reduced by disposal cost, and use value (current value of expected future cash flows accruing in view of management’s estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified as minimum cash generating units. Any non-financial assets, apart from goodwill, which have undergone impairment, are reassessed for possible impairment reversal on each balance sheet date.

2.6 Financial Assets

The financial assets of the Company are classified into the “loans and receivables” category. This category includes non-derivative financial assets with fixed or predefined payments which are not traded in active markets and there is no intention of selling them. They are included in current assets, apart from those with maturities longer than 12 months after the balance sheet date, which are included in non-current assets. Receivables are included in the balance sheet either in the category of "Trade and other receivables" or the category "Cash and Cash Equivalents" and are presented at amortised cost using the effective interest rate (see note 2.7).

2.7 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Impairment losses for doubtful accounts are recognised when there is objective evidence that the Company is not in a position to collect all amounts due to it under the contractual terms.

Serious problems faced by the customer, the probability of bankruptcy or financial restructuring or the inability to meet scheduled payments are considered evidence that the receivable value has been impaired. The amount of the impairment provision is the difference between the book value of receivables and the present value of estimated future cash flow, discounted at the effective interest rate. The amount of the impairment loss is recognised in profit and loss and included under the "Administrative and sales expenses" account.

The nominal value less provisions for doubtful receivables and payables is estimated to approach their fair value.

2.8 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 and bank overdrafts.

2.9 Share capital

Share capital includes the Company's ordinary shares. Direct expenses for the issue of shares are shown following subtraction of the relevant income tax, reducing the proceeds from the issue.

2.10 Employee benefits

(a) Obligations due to retirement

The Company has both defined contribution and defined benefit schemes in place.

The pension plan is a defined contribution plan under which the company makes fixed payments to a separate legal entity. The Company has no legal obligation to pay additional contributions if the fund does not have sufficient assets to pay all employees' benefits relating to their service in this and previous periods.

In respect of other defined contribution plans the company pays contributions to state pension funds on a mandatory basis. The Company has no other obligation once it has paid its contributions. The contributions are recognised as personnel expenses when due. Prepaid contributions are recognised as an asset where they may be refunded or can be offset against new debt.

The pension scheme is a defined benefit plan that sets aside a specific amount for payment of a pension that an employee will receive when he retires, which usually depends on one or more factors such as age, years of experience and level of earnings. The Company does not fund a defined pension benefit plan.

The liability recorded in the balance sheet for defined benefit plans is the present value of the liability for the defined benefit, on the balance sheet date, less the fair value of the plan's assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is calculated by discounting future cash flows at a discount rate equivalent to the interest rate on long-term company bonds with a high credit rating with a duration approximately equal to that of the pension plan.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The past service cost is recognised directly to profit and loss.

b) Employment termination benefits

Employment termination benefits are payable when employees leave before their retirement date or when the employee leaves voluntarily in exchange for such benefits. The Company recognises these benefits when it has made the commitment to do so, either when terminating employment of current employees in accordance a detailed formal plan without the alternative of refusal, or when it offers such benefits as an incentive for voluntary redundancy. When such termination benefits are deemed payable more than twelve (12) months from the Balance Sheet date, then they must be discounted at their current value.

2.11 Provisions

Provisions for risks and liabilities are made when the company has legal contractual obligations arising from past actions, or is likely to require future outflows for the settlement of such obligations and these obligations can be estimated with reasonable accuracy. Restructuring provisions include fines in respect of termination of salary contracts and fees related to employee termination of service. Provisions may not be made in respect of potential future operating losses.

Provisions are calculated at the present value of Management's best estimates of the expenditure required to settle expected liabilities at the end of the reporting period. The discount rate used reflects market conditions and the time value of money as well as increases specific to the liability.

2.12 Suppliers and other liabilities

Trade and other payables are recognised initially at fair value and subsequently measured according to the amortised cost using the effective interest method. Accounts payable are classified as short-term if payment is due in one year or less. If not they are shown as long term liabilities.
The book value of payable accounts is considered to approach their fair values.

2.13 Current and deferred taxation

Deferred income tax is determined using the liability method in respect of temporary differences arising between the book value and the tax bases of assets and liabilities 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 which are expected to be in force when the deferred tax receivables accrue or deferred tax liabilities are repaid.

Deferred tax receivables are recognised to the extent that there will be future taxable gains making use of the temporary difference that gives rise to 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 for the tax paying entity or other different entities, and the intention has been expressed to proceed to settlement by way of offset.

These financial statements do not contain recognised deferred tax provisions as the Company estimates that there will be sufficient taxable profits in subsequent years to offset the total loss.

2.14 Recognition of revenues

Revenue is comprised of the fair value of services provided in the field of design studies - technical services, and is net of Value Added Tax, discounts and rebates. Revenue is recognised as follows:

a) Revenue from the provision of services

Revenue from services provided, based on framework contracts, is recognised on the basis of costs accruing in the period plus a margin of profit.

(b) Fixed Price Contracts

Revenue based on fixed price contracts are recognised in the period services are provided, based on the stage of completion of the service in relation to total income receivable for the services rendered.

(c) Income from Interest

Income from interest is calculated pro rata over time using the effective interest rate. When a receivable is impaired, the book value is reduced to its recoverable amount, which is the present value of expected future cash flows discounted at the original effective interest rate, allocating the discount as income from interest.

2.15 Leasing

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases.. Finance leases are capitalised at the start of the leasing period at the lower of the fair value of the leased asset and the current value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the financial expenses so that a fixed rate is achieved on the residual financial liability. The respective lease liabilities, net of financing charges, are included in long-term liabilities. That portion of the costs of financing the lease which corresponds to interest is recognised in the income statement over the term of the lease such that a fixed rate of interest is established on the balance of the liability remaining in each period. Fixed assets acquired through finance leases are depreciated over the shorter period between their useful life and the term of the lease.

The Company has not made any financial leasing arrangements.

Leases under which the risks and rewards incidental to ownership remain with the lessor are classified as operating leases. The payments made for operating leases (net of any incentives offered by the lessor) are recognised in the income statement using the straight line method over the period of the lease.

For the purposes of preparation of these financial statements, the Company has entered into operating leases as presented in note 21.

3 Financial risk management

Financial risk factors

The business activities of the Company are conducted in almost the entire Greek market, and the greater part of its activity involves transactions with its parent company Hellenic Petroleum S.A. As such the Company has limited exposure to market risk. The same applies to currency exchange, credit and cash flow risks, and the risk associated

with changes in fair value due to fluctuations in interest rates. On the other hand, the Company is exposed to liquidity risk.

(a) Market risk

Currency exchange risk The functional currency of the Company is the Euro. Currency exchange risks for the Company are considered to be limited given that its transactions are conducted in the functional currency.

(b) Credit risk

The Company has no significant concentrations of credit risk since the majority of receivables originate with companies in the HELLENIC PETROLEUM Group. Customers outside the Group are Companies which have a proven record of creditworthiness.

The table below shows the distribution of customer receivables:

	31 December 2014	31 December 2013
Total customer receivables	1,314	1,423
Of which:		
Balance for the credit period not impaired	380	647
Impaired Balance	118	98
	1,196	**1,325**

Provisions for doubtful receivables

The maximum exposure to credit risk at balance sheet date is the fair value of each class of receivable referred to above. Provisions are made for doubtful receivables for which it estimated that failure to collect will create losses.

The breakdown of customer receivables with maturity dates outside the credit period but not considered impaired, is as follows:

	31 December 2014	31 December 2013
Up to 30 days	147	251
30-90 days	138	276
More than 90 days	95	120
Total	**380**	**647**

The breakdown of maturation dates of impaired trade receivables:

	31 December 2014	31 December 2013
Up to 30 days	-	-
30-90 days	-	-
More than 90 days	118	98
Total	**118**	**98**

(c) Liquidity risk

Liquidity risk is handled by the Company's Finance Department in collaboration with the parent company. The free flow of cash within the Company is dependent on the cash liquidity management at Group level, given that the Company has a high concentration of payables to HELLENIC PETROLEUM S.A.

Given market developments during 2015, the liquidity risk is greater and cash management has become a more pressing imperative. The Company has no outstanding financial liabilities for the year ended 31 December 2014 so liquidity risk management is limited to liabilities to trade suppliers and other creditors. Its liabilities as at 31 December 2014 amounted to €6,094 thousand (31.12.2013: €968 thousand) due within one year and are equal to current balances. The effect of discounting is not significant.

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

The Company is not exposed to risks associated with changes in fair value due to changes in interest rates since it does not have any standing loan arrangements during the fiscal years covered by the financial statements.

(e) Capital Risk Management:

The Company's goals in relation to capital management are to ensure its uninterrupted operation in the future, with the aim of providing satisfactory returns for shareholders and other stakeholders, as well as maintaining optimum capital allocation and thus minimize the opportunity cost of capital employed.

The Company has no outstanding loans in the fiscal periods in question, and shows positive cash and cash equivalent balances.

4 Significant accounting estimates and assumptions

The company makes certain estimates and assumptions in relation to the future. By definition therefore these estimates will seldom coincide exactly with actual events and are mentioned below. The estimates and assumptions involving a significant risk of revaluation of the book value of assets and liabilities in the subsequent financial period are indicated below.

Estimates and assumptions are continually reassessed and are based on past experience adjusted in accordance with current market conditions and other factors, including expectations of future events.

(a) Income tax

The Company is subject to tax and judgment must be used to determine income tax provisions. There are transactions and calculations for the determination of the tax.

The Company has not set aside a provision for liabilities arising from anticipated tax audits or due to accumulated tax losses, but estimates that significant future tax liabilities will not arise from such audits. If the final tax amount is different from that initially recognised, such differences will impact income tax as recognised in the income statement.

Management believes that it is unlikely that there will be sufficient taxable profits to offset the total of tax losses and therefore there are no recognised deferred tax assets.

(b) Pension plans

The present value of pension provisions depends on a number of factors determined by actuarial methods and assumptions. One such actuarial assumption is the discount rate used to calculate the cost of the provision.

The Company determines the appropriate discount rate at the end of each year. This is defined as the rate that should be used to determine the present value of future cash flows which would be necessary to meet pension plan obligations. In order to determine the appropriate discount rate, the Company uses the interest rate of low-risk corporate bonds, converted into the currency in which the liability is paid, with a due date near to that of the relevant pension plan liability.

Other important assumptions relating to pension plan obligations are based in part on current market conditions. Further information is presented in Note 12 of this document.

5 Tangible fixed assets - property, plant and equipment

	Land	Buildings	Vehicles	Furniture & other equipment	Total
Cost					
Balance as at 1 January 2013	**1,283**	**7,582**	**-**	**1,173**	**10,038**
Additions	-	-	-	41	41
Sales/disposals	-	-	-	(42)	(42)
Balance as at 31 December 2013	**1,283**	**7,582**	**-**	**1,172**	**10,037**
Accumulated depreciation					
Balance as at 1 January 2013	**-**	**5,183**	**-**	**1,109**	**6,292**
Amortization for the period	**-**	343	-	43	386
Sales/disposals	**-**	-	-	(42)	(42)
Balance as at 31 December 2013	**-**	**5,526**	**-**	**1,110**	**6,636**
Net book value as at 31 December 2013	**1,283**	**2,056**	**-**	**62**	**3,401**
Cost					
Balance as at 1 January 2014	**1,283**	**7,582**	**-**	**1,172**	**10,037**
Additions	-	22	-	22	44
Sales/disposals	-	-	-	-	-
Balance as of 31 December 2014	**1,283**	**7.604**	**-**	**1,194**	**10.081**
Accumulated depreciation					
Balance as at 1 January 2014	**-**	**5,526**	**-**	**1,110**	**6,636**
Amortization for the period	**-**	341	-	31	372
Sales/disposals	**-**	-	-	-	-
Balance as of 31 December 2014	**-**	**5,867**	**-**	**1,141**	**7,008**
Net book value as at 31 December 2014	**1,283**	**1,737**	**-**	**53**	**3,073**

The Company has not committed any tangible assets as security against its loan obligations.

6 Intangible assets

	Software	Total
Cost		
Balance as at 1 January 2013	**1,250**	**1,250**
Additions	18	18
Balance as at 31 December 2013	**1,268**	**1,268**
Accumulated depreciation		
Balance as at 1 January 2013	1,223	1,223
Amortization for the period	19	19
Balance as at 31 December 2013	**1,242**	**1,242**
Net book value as at 31 December 2013	**26**	**26**
Cost		
Balance as at 1 January 2014	**1,268**	**1,268**
Additions	63	63
Decrease	(723)	(723)
Balance as of 31 December 2014	**608**	**608**
Accumulated depreciation		
Balance as at 1 January 2014	1,242	1,242
Amortization for the period	17	17
Decrease	(723)	(723)
Balance as of 31 December 2014	**536**	**536**
Net book value as of 31 December 2014	**72**	**72**

Decrease relates to the write-off of fully depreciated software programs that are no longer used either because they have been replaced with others or because their user license has not been renewed or because they are outdated.

7 Trade and other receivables

	31 December 2014	31 December 2013
Clients	1,314	1,423
Less: Provision for impairment	(118)	(98)
Net trade receivables	**1,196**	**1,325**
Other receivables	291	227
Total	**1,487**	**1,552**

The book values of the above receivables represent their fair values.

Other assets include receivables from personnel, withheld taxes and accrued expenses deferred.

The movement in provisions for impairment of trade receivables is as follows:

	31 December 2014	31 December 2013
Balance as at 1 January	98	98
Charges/(Credits) in income statement	20	-
Balance as at 31 December	**118**	**98**

The movement in provisions for doubtful debts has been recorded in the income statement as an administrative and distribution expense.

8 Cash and cash equivalents

	31 December 2014	31 December 2013
Cash in hand and in banks	1,152	921
Total	**1,152**	**921**

The weighted average current interest rate was:

	31 December 2014	31 December 2013
Euro	0.24%	0.75%

9 Share capital

	Number of Shares	Share capital
31 December 2013	**171,300**	**5,027**
31 December 2014	**171,300**	**5,027**

The share capital of the Company is fully paid up and the shares have been issued and assigned to shareholders. The nominal value of one share in the Company is €29.35 (31 December 2013: €29.35)

10 Reserves

	Statutory reserves	Untaxed reserves	Other reserves	Total
Balance as at 31st December 2013	**206**	**1,514**	**6**	**1,726**
Netting of tax-exempt reserves under Law 4172/2013	-	(502)	-	**(502)**
Actuarial Profits/Losses from defined benefit pension plans	-	-	(197)	**(197)**
Balance as at 31st December 2014	**206**	**1,012**	**(191)**	**1,027**

Statutory reserves

According to Greek law, companies are required to transfer at least 5% of annual net profits, according to their accounting books, to a statutory reserve until that reserve is equivalent to one third of their share capital. This reserve may not be distributed, but can be used to offset losses.

Untaxed reserves

Untaxed reserves include the following:

- Profits untaxed under the applicable tax and institutional framework in force at the time. If the distribution of profits will be taxable under the tax rate which will apply at the time of distribution to shareholders or their conversion to equity.
- Partially taxable reserves taxed at a rate which is below the applicable effective rate in force at the time. If the distribution of profits will be taxable under the tax rate which will apply at the time of distribution to shareholders or their conversion to equity. In 2014, a part of these reserves was set off against the result for the year, also in accordance with Law 4172/2013.

11 Suppliers and other liabilities

	31 December 2014	31 December 2013
Suppliers	6,094	1,976
Postdated Cheques	-	2,601
Value Added Tax	238	72
Insurance organisations and other taxes	870	834
Accrued expenses	157	96
Fees payable	213	-
Other liabilities	202	40
Total	**7,774**	**5,619**

Other liabilities refer to obligations to other creditors.

12 Personnel retirement benefit liabilities

	31 December 2014	31 December 2013
Liabilities in the Statement of Financial Position:		
Retirement benefits	2,588	2,237
Total	**2,588**	**2,237**

	31 December 2014	31 December 2013
Debits in the Statement of Comprehensive Income:		
Retirement benefits	155	2,143
Total	**155**	**2,143**

	31 December 2014	31 December 2013
Debits in the Statement of Comprehensive Income:		
Retirement benefits	(197)	6
Total	**(197)**	**6**

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

	31 December 2014	31 December 2013
Present value of non-financed liabilities	2,588	2,237
Total	**2,588**	**2,237**

The amounts posted in the Statement of Comprehensive Income are as follows:

	31 December 2014	31 December 2013
Current employment costs	71	177
Interest costs	84	128
Total	**155**	**305**
Additional voluntary redundancy plan expenses	-	1,838
Total included in personnel costs	**155**	**2,143**

The change in liabilities recorded in the balance sheet is as follows:

	31 December 2014	31 December 2013
Opening balance	2,237	3,201
Total expenses charged in the profit and loss statement	155	2,143
Contributions paid	-1	(3,101)
Actuarial Loss/ (Profit)	197	(6)
Closing balance	**2,588**	**2,237**

Remeasurement at accounting assumptions

	31 December 2014	31 December 2013
(profits)/losses from payment of financial assumptions	159	72
(profits)/losses from empirical adjustments	38	(78)
Total	**197**	**(6)**

The main actuarial assumptions used are as follows:

	31 December 2014	31 December 2013
Discount rate	3,25%	3.75%
Future salary increases	0.5%	0.5%
Average remaining working life	13.02 years	13.69 years

The sensitivity analysis of the defined benefit obligation to staff due to retirement to changes in the main weighted assumptions is the following:

		Impact on the liability	
	Change in the assumption	Increase in the assumption	Decrease in the assumption
Discount rate	0.5%	(6.1)%	6.6%
Future salary increases	0.5%	6.7%	(6.3)%

13 Other long-term liabilities

	31 December 2014	31 December 2013
Rent guarantees	2	2
Total	**2**	**2**

14 Employee benefits

	Year ended 31 December 2014	Year ended 31 December 2013
Wages and salaries	5,205	6,381
Payment of social insurance contributions	1,343	1,737
Payment of pension plan costs	171	190
Voluntary redundancy plan benefits	-	2,137
Other employee benefits	104	105
Total	**6,823**	**10,550**

Other benefits include medical benefits and insurance, and provisions for training and further education.

15 Expenses by category

	Year ended 31 December 2014	Year ended 31 December 2013
Personnel fees and expenses	6,823	10,550
Provisions for employee compensation	155	49
Provisions for doubtful debts	20	-
Depreciation of tangible assets - PPE	372	385
Repair and maintenance costs for property, plant and equipment	146	102
Maintenance costs for intangible assets	167	162
Depreciation of intangible assets	17	19
Insurance Premiums	44	80
Operating lease rents	106	143
Travel/transport costs	244	309
Office stationery/printed items	18	25
Conference expenses and advertising	11	90
Other Professionals’ Fees	1,831	2,132
Subcontractors	511	2,168
Recoverable expenses	8	22
Other Taxes/Duties	164	206
Miscellaneous expenses	8	12
Other	132	152
Total	**10,777**	**16,606**
Attributable to:		
Cost of goods sold	8,186	12,720
Administrative expenses	1,898	3,075
Distribution costs	693	811
Total	**10,777**	**16,606**

16 Other income/(expenses)

	Year ended	
	31 December 2014	**31 December 2013**
Income from subsidies	4	26
Income from unused provisions	-	66
Income from leasing/rental	18	18
Other Extraordinary and non-operating expenses	4	139
Total	**26**	**249**

17 Financial expenses (net)

	Year ended	
	31 December 2014	**31 December 2013**
Interest payments on outstanding debt		
Other financial expenses	(59)	(60)
	(59)	**(60)**
Interest receivable		
Interest income	2	6
	2	**6**
Financial operating profits/(losses)	**(57)**	**(54)**

18 Taxes

	Year ended	
	31 December 2014	**31 December 2013**
Income tax	-	-
Total	**-**	**-**

For the years 2011 and afterwards, Greek companies are subject to an annual tax audit by their statutory auditors-accountants to verify their compliance with the provisions of applicable taxation law, the timely and correct filing of the tax returns, as well as the formation of provisions for non-recorded tax liabilities. The outcome of that audit results in the issuance of a tax certificate, which, if relevant conditions are met, substitutes the audit by a public authority and enables the company to finalize its tax liabilities for the relevant accounting period. The Company has been audited for the years 2011 - 2013 and obtained a tax compliance certificate providing for an unqualified opinion.
The Company has tax losses of (1,449) thousand (2013: 3,337 thousand) for which no deferred tax receivable was recognized.

19 Cash flows generated from operating activities

	Note	Year ended 31 December 2014	31 December 2013
Fiscal Period Profits/(Losses)		**(2,425)**	**(3,555)**
Depreciation and amortization of property, plant and equipment and intangible assets	**5.6**	389	404
Financial (income)/expenses	**17**	57	54
Provisions		154	(958)
		(1,825)	**(4,055)**
Changes in working capital			
(Increase) /decrease of trade and other receivables		65	2,072
Increase /(decrease) of payables		2,155	2,531
Other taxes	**18**	-	-
		2.220	**4.603**
Net cash flows from operating activities		**395**	**548**

20 Contingent liabilities and litigation

a) The Company is involved in various legal cases and has various outstanding matters pending in relation to the Company's ordinary course of business. Based on information available to date, Management believes that the outcome of these cases will have no material effect on the Company's results or financial position, and therefore has made no provisions in this respect.

b) ASPROFOS S.A. has been tax audited for the periods up to 2004 inclusive ASPROFOS S.A. has not been subjected to a tax audit for fiscal years 2005 through 2010. Management estimates that there will be no significant tax encumbrances from future audits, and has therefore formed no relevant provision.

c) As of 31 December 2014 the Company has outstanding bank letters of guarantee for good performance of projects undertaken amounting to €1,481 thousand (31 December 2013: €1,310 thousand).

21 Commitments and other contractual obligations

The sole contractual obligation to which the Company is committed is the financial leasing of 20 private passenger cars.

Future total lease payments due under operating leases are as follows:

	31 December 2014	31 December 2013
Up to 1 year	60	69
From 1-5 years	30	168
Over 5 years	-	-
Total	**90**	**237**

The costs of leasing recorded in the income statement for the fiscal period were €77 thousand (€78 thousand for 2013).

22 Transactions with related parties

I. Sales of goods and services

	Year ended	
	31 December 2014	**31 December 2013**
Sales of services		
HELLENIC PETROLEUM SA	5,270	4,238
Other Group Companies	206	100
Other associated companies	1,689	1,479
	7,165	**5,817**

	Year ended	
	31 December 2014	**31 December 2013**
Purchase of services		
HELLENIC PETROLEUM SA	184	182
Other associated companies	17	-
	201	**182**

ii. Other balances for the fiscal periods arising from sales/purchases of goods/services

	Year ended	
	31 December 2014	**31 December 2013**
Receivables from related parties:		
<u>Group companies</u>		
- Client balance	16	50
Other Group Companies		
<u>Other associated companies</u>	605	624
- Balance from related parties		
	621	**674**
Payables to related parties:		
<u>Group companies</u>		
Balances to customers (advance payments)		
HELLENIC PETROLEUM SA	5,147	1,008
- Trade balances		
HELLENIC PETROLEUM SA	347	120
Net balance from related parties	**5,494**	**1,128**
	(4,873)	**(454)**

Transactions with related parties are conducted under normal trading and commercial terms which the Company adopts for corresponding transactions with third parties.

Transactions and balances with related companies concern the following:

a) The Company HELLENIC PETROLEUM S.A. and the subsidiary companies.

b) Associated Companies of the Group which are consolidated under the equity method:

- Public Gas Corporation of Greece S.A. (DEPA)
- Elpedison Energy
- Hellenic Gas Transmission System Operator S.A. (DESFA)

c) Related parties under common control with the parent company due to shareholdings and control rights of the Hellenic State:

- Public Power Corporation S.A. (PPC S.A.)

d) Financial institutions (including their subsidiaries) under common control with the parent company due to shareholdings and control rights of the Hellenic State:

- National Bank of Greece S.A.

iii. Board of Directors' fees

The total fees of the Board of Directors during year 2014 amounted to €349 thousand of which an amount of 251 thousand concerns fees of the employees' representatives and the payroll cost of the Managing Director.

Correspondingly, in year 2013 they amounted to €347 thousand of which an amount of €251 thousand concerns fees of the employees' representatives and the payroll cost of the Managing Director.

23 Post balance sheet events

The Company established in early 2015 a branch in Albania with registered office in Tirana. The branch will engage in the provision of services for the elaboration of establishment permits relating to the installation of the trans-adriatic pipeline (TAP) within the Albanian territory.

There are no other significant events occurring between the balance sheet date 31 December 2014 and the date of submission of this Report.