ANNUAL FINANCIAL STATEMENTS for the year ended 31st December 2015 (1/1/2015-31/12/2015)

in accordance with the International Financial Reporting Standards (I.F.R.S.)

It is certified that the attached Annual Financial Statements are those approved by the Management Board of "***IGI-Poseidon S.A."*** on the February 1st, 2016.

Chairman of the Board of Directors	*Chief Executive Officer*	*The Accounting Advisor*
IGI-Poseidon S.A.	***IGI-Poseidon S.A.***	***ERGO Accounting SA***
Kitsakos Theodoros	Elio Ruggeri	Agis Panagakos

I N D E X

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the shareholders of the « Natural Gas Submarine Interconnector Greece-Italy IGI POSEIDON S.A. »

Report on the separate and consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the « **Natural Gas Submarine Interconnector Greece-Italy IGI POSEIDON S.A.** » and its associated company, which comprise the separate and consolidated statement of financial position as at December 31, 2015, the separate and consolidated statements of comprehensive income, changes in equity and cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the separate and consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate and consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair

presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of « **Natural Gas Submarine Interconnector Greece-Italy IGI POSEIDON S.A.** » and its associated company, as at December 31, 2015, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We confirm that the information given in the Director’s Report is consistent with the separate and consolidated financial statements and complete in the context of the requirements of articles 43a,108 and 37 of Codified Law 2190/1290.

Athens, 1/2/2016
The Certified Auditor Accountant

International Certified and Registered Auditors AE

Patission 81 and Heyden Street, 104 34, Athens

S.O.E.L. Registration Number 111

Gregory El. Koutras

S.O.E.L. Registration Number 13601

BOARD OF DIRECTOR'S REPORT

IGI Poseidon is involved in the development of several pipeline projects in order to increase the security of supply and enhance the diversification of gas sources for Europe (i) Poseidon pipeline; (ii) IGB pipeline; (iii) Eastern Mediterranean(EastMed) Pipeline.

During 2015, the Company has continued the development of all activities related to the pipeline projects and the main results achieved up to the end of the year are listed below:

❖ **Poseidon Project's main facts:**

- **Permitting activities in Italy:** on 15th of January 2015 was concluded the Demesne Concession for the Italian landfall at Otranto that with the formal takeover of the areas. The Poseidon Project has obtained the mandatory authorizations for the construction and operation of the Italian section.

- **Permitting activities in Greece:** following relevant activities and follow up conducted last year, the final Environmental Impact Assessment, submitted by IGI Poseidon has been approved by the Greek Ministry of Environment, Energy and Climate Change (ΥΠΕΚΑ - MEECC) in January 2015 via the Environmental Terms Approval Decision. The Company is now aiming to complete the mandatory authorizations for the Greek section of the Project via the issuance of installation act and installation permit.

- **Financial activities:** The audit on the Final Technical Implementation Report relative to the termination of EEPR (European Energy Plan for Recovery) concluded positively, as the Company has to reimburse 350 k€ to the European Commission, out of which 341 k€ has been already disbursed in June 2015.

- **Institutional support:** with the support of the Greek and Italian Governments, the Poseidon pipeline has been confirmed as Project of Common Interest, being included by the EU Commission in the second PCI list.
  The European Network Transportation System Operators of Gas (ENTSOG), has included in 2015 the Poseidon pipeline in its Ten Years Development Plan (TYNDP).

❖ **EastMed Project's main facts:**

- **Pre-FEED activities award:** following the Feasibility Studies performed in 2012 by DEPA and the conclusion of the International Tender, IGI Poseidon awarded on 11th May 2015 the contract for the Pre-FEED activities of the EastMed project, to the Consortium formed by INTECSEA and C&M Engineering. The Company expects to finalize the contracted activities in spring 2016.

- **Institutional support:** in November 2015**,** with the support of the Cypriot, Greek and Italian Governments, the Eastmed pipeline has been confirmed as Project of Common

Interest, being included by the EU Commission in the second PCI list.
The European Network Transportation System Operators of Gas (ENTSOG), has included in 2015 the EastMed pipeline in its Ten Years Development Plan (TYNDP).

- **Financial activities:** On October 23rd 2015, following the successful application to the Connecting Europe Facility program, IGI Poseidon and INEA (Innovation and Networks Executive Agency), signed a Grant Agreement for the co-financing of the Eastmed pipeline Pre-FEED activities with a total amount of 2 M€, covering 50% of the total eligible costs.

❖ **<u>IGB Project's main facts:</u>**

- **Support of the development activities:** during 2015 the Company supported the development of the IGB Project and ensured consultancies with expert firms: (i) Herbert Smith for the finalization and negotiation of the new Project Development Agreement; (ii) Ernst & Young for the financial structure and business model definition.

- **New Project Development Agreement:** in 2015, IGI Poseidon, as Shareholder of ICGB AD with 50% of shares, negotiated and signed a new Project Development Agreement (PDA) of the IGB Project, with Bulgarian Energy Holding EAD (the other Shareholder) as well as with DEPA and Edison.

- **Final Investment Decision:** on 10 December 2015, IGI Poseidon and Bulgarian Energy Holding EAD, Shareholders of ICGB AD with 50% of shares each, concluded the procedure for taking the Final Investment Decision (FID) in relation to constructing the IGB Pipeline (Gas Interconnector Greece-Bulgaria).

- **New Market Test:** on December 14th 2015, ICGB launched a Market Test procedure as per "Updated Guidelines for management and allocation of capacity on the IGB INTERCONNECTOR according to paragraph 6 of article 36 of Directive 2009/73/EC" (UPDATED GUIDELINES), jointly issued by the Bulgarian and Greek Regulators for Energy (EWRC and RAE respectively).

- **Institutional support**: with the support of the Greek, Bulgarian and Italian Governments, the IGB pipeline has been confirmed as Project of Common Interest, being included by the EU Commission in the second PCI list.
  The European Network Transportation System Operators of Gas (ENTSOG), has included in 2015 the IGB pipeline in its Ten Years Development Plan (TYNDP).
  On July 10th 2015, the IGB Project has been included in top priority projects list for Central and South East Europe Gas Connectivity (CESEC).

<u>Outlook of the Company for the year 2016</u>

During 2016, the Company will continue to employ its efforts in the development of all projects: (i) providing support to start the construction of the IGB project; (ii) securing Poseidon pipeline maturity in view of availability of supply sources; (iii) advancing in the development of the EastMed Pipeline as a potential additional supply route to the Poseidon Pipeline.

(All amounts are expressed in Euro unless differently mentioned)

RATIOS

A. FINANCIAL STRUCTURE RATIOS

No.	Ratio	2015		2015 Ratio	2014		2014 Ratio
1	CURRENT ASSETS / ASSETS	4.232.527,24 / 23.556.613,92	=	17,97%	3.924.193,66 / 23.220.294,54	=	16,90%
2	EQUITY / LIABILITIES	22.263.370,62 / 1.293.243,30	=	1721,51 %	16.622.601,91 / 6.597.692,63	=	251,95%
3	EQUITY / TANGIBLE ASSETS	22.263.370,62 / 10.874.084,68	=	204,74 %	16.622.601,91 / 16.096.098,88	=	103,27%
4	CURRENT ASSETS / CURRENT LIABILITIES	4.232.527,24 / 493.243,30	=	858,10 %	3.924.193,66 / 597.692,63	=	656,56%
5	WORKING CAPITAL / CURRENT ASSETS	3.739.283,94 / 4.232.527,24	=	88,35%	3.326.501,03 / 3.924.193,66	=	84,77%

B. FINANCIAL PERFORMANCE AND EFFICIENCY RATIOS

No.	Ratio	2015		2015 Ratio	2014		2014 Ratio
6	PROFIT/(LOSS) BEFORE TAX / EQUITY	-1.109.231,29 / 22.263.370,62	=	-4,98%	-1.197.184,16 / 16.622.601,91	=	-7,20%
7	SALES / EQUITY	0 / 22.263.370,62	=	0,00%	0 / 16.622.601,91	=	0,00%

C. MANAGEMENT POLICY RATIOS

No.	Ratio	2015		2015 Ratio	2014		2014 Ratio
8	SUPPLIERS / PURCHASE OF STOCKS AND SERVICES IN WITNESS	282.119,28 / 1.111.582,48	X 360	91 DAYS	482.153,50 / 1.157.789,61	X 360	150 DAYS

FINANCIAL STATEMENTS AT DECEMBER 31, 2015

(All amounts are expressed in Euro unless differently mentioned)

		COMPANY		GROUP	
	Note	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
STATEMENT OF COMPREHENSIVE INCOME					
Other operating income	4	7.500,00	0,00	7.500,00	0,00
		7.500,00	0,00	7.500,00	0,00
Administrative expenses	5	(1.111.582,48)	(1.157.789,61)	(1.111.582,48)	(1.157.789,61)
Operating profit/(loss)		(1.104.082,48)	(1.157.789,61)	(1.104.082,48)	(1.157.789,61)
Finance income/expenses	6	(5.148,81)	(39.394,55)	(5.148,81)	(39.394,55)
Profit (Loss) from participation in associated companies		0,00	0,00	(106.836,08)	(46.106,35)
Profit/(Loss) before tax		(1.109.231,29)	(1.197.184,16)	(1.216.067,37)	(1.243.290,51)
Income tax		0,00	0,00	0,00	0,00
Profit/(Loss) after tax		**(1.109.231,29)**	**(1.197.184,16)**	**(1.216.067,37)**	**(1.243.290,51)**
Other comprehensive income :					
Gain / Losses recognized directly in equity :		0,00	0,00	0,00	0,00
Total comprehensive income for the year :		**(1.109.231,29)**	**(1.197.184,16)**	**(1.216.067,37)**	**(1.243.290,51)**
Basic Earnings (losses) per share (in €)	7	(0,0367)	(0,0453)	(0,0403)	(0,0471)

The notes form an integral part of the financial statements

(All amounts are expressed in Euro unless differently mentioned)

		COMPANY		GROUP	
STATEMENT OF FINANCIAL POSITION					
ASSETS	**Note**	**31/12/2015**	**31/12/2014**	**31/12/2015**	**31/12/2014**
Tangible Assets	8	10.874.084,68	16.096.098,88	10.874.084,68	16.096.098,88
Investment in associates	9	8.450.002,00	3.200.002,00	8.109.980,57	2.966.816,65
Total non current assets		***19.324.086,68***	***19.296.100,88***	***18.984.065,25***	***19.062.915,53***
Other receivables	10	1.468.758,14	1.350.685,65	1.468.758,14	1.350.685,65
Cash and cash equivalents	11	2.763.769,10	2.573.508,01	2.763.769,10	2.573.508,01
Total current assets		***4.232.527,24***	***3.924.193,66***	***4.232.527,24***	***3.924.193,66***
TOTAL ASSETS		**23.556.613,92**	**23.220.294,54**	**23.216.592,49**	**22.987.109,19**
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	33.150.000,00	26.400.000,00	33.150.000,00	26.400.000,00
Retained earnings (Loss carry forward)		(10.886.629,38)	(9.777.398,09)	(11.226.650,81)	(10.010.583,44)
Total Equity		**22.263.370,62**	**16.622.601,91**	**21.923.349,19**	**16.389.416,56**
LIABILITIES					
Non Current liabilities					
Grants		800.000,00	6.000.000,00	800.000,00	6.000.000,00
Total non Current liabilities		***800.000,00***	***6.000.000,00***	***800.000,00***	***6.000.000,00***
Current liabilities					
Suppliers and other current liabilities	13	493.243,30	597.692,63	493.243,30	597.692,63
Total current liabilities		***493.243,30***	***597.692,63***	***493.243,30***	***597.692,63***
Total Liabilities		**1.293.243,30**	**6.597.692,63**	**1.293.243,30**	**6.597.692,63**
TOTAL EQUITY AND LIABILITIES		**23.556.613,92**	**23.220.294,54**	**23.216.592,49**	**22.987.109,19**

The notes form an integral part of the financial statements

(All amounts are expressed in Euro unless differently mentioned)

STATEMENT OF CHANGES IN EQUITY	**COMPANY**			**GROUP**		
	Share Capital	Retained earning/(loss)	**Total**	Share Capital	Retained earning/(loss)	**Total**
Balance, January 1st 2014	**26.400.000,00**	**(8.580.213,93)**	**17.819.786,07**	**26.400.000,00**	**(8.767.292,93)**	**17.632.707,07**
Comprehensive income						
Profit/ (loss)	0,00	(1.197.184,16)	**(1.197.184,16)**	0,00	(1.243.290,51)	**(1.243.290,51)**
Other comprehensive income	0,00	0,00	0,00	0,00	0,00	0,00
Total other comprehensive income	0,00	(1.197.184,16)	**(1.197.184,16)**	0,00	(1.243.290,51)	**16.389.416,56**
Transactions with owners						
Share capital increase	**0,00**	0,00	**0,00**	**0,00**		**0,00**
Balance, December 31st 2014	**26.400.000,00**	**(9.777.398,09)**	**16.622.601,91**	**26.400.000,00**	**(10.010.583,44)**	**16.389.416,56**
Balance, January 1st 2015	**26.400.000,00**	**(9.777.398,09)**	**16.622.601,91**	**26.400.000,00**	**(10.010.583,44)**	**16.389.416,56**
Comprehensive income						
Profit/ (loss)	0,00	(1.109.231,29)	**(1.109.231,29)**	0,00	(1.216.067,37)	**(1.216.067,37)**
Other comprehensive income	0,00	0,00	0,00	0,00	0,00	0,00
Total other comprehensive income	0,00	(1.109.231,29)	**(1.109.231,29)**	0,00	(1.216.067,37)	**(1.216.067,37)**
Transactions with owners						
Share capital increase	**6.750.000,00**	0,00	**6.750.000,00**	**6.750.000,00**	0,00	**6.750.000,00**
Share issuance cost		0,00	**0,00**		0,00	**0,00**
Balance, December 31st 2015	**33.150.000,00**	**(10.886.629,38)**	**22.263.370,62**	**33.150.000,00**	**(11.226.650,81)**	**21.923.349,19**

The notes form an integral part of the financial statements

(All amounts are expressed in Euro unless differently mentioned)

CASH FLOW STATEMENT	COMPANY		GROUP	
	1/1-31/12/2015	1/1-31/12/2014	1/1-31/12/2015	1/1-31/12/2014
Cash Flows from operating activities:				
Profit before income taxes	(1.109.231,29)	(1.197.184,16)	(1.216.067,37)	(1.243.290,51)
Plus (minus) adjustments for:				
Depreciation and amortisation expenses	0,00	125,69	0,00	125,69
Profit (loss) from participation in associated companies	0,00	0,00	106.836,08	46.106,35
Interest and other related expenses	5.148,81	39.394,55	5.148,81	39.394,55
	(1.104.082,48)	(1.157.663,92)	(1.104.082,48)	(1.157.663,92)
Plus (less) adjustments for changes in working capital or operating activities accounts:				
(Increase)/Decrease in receivables	(118.072,49)	(97.498,19)	(118.072,49)	(97.498,19)
(Increase)/Decrease in liabilities (except bank loans)	(104.449,33)	47.076,61	(104.449,33)	47.076,61
(Minus):				
Interest and other related expenses paid	(5.148,81)	(48.074,55)	(5.148,81)	(48.074,55)
Tax paid	0,00	0,00	0,00	0,00
Total Cash Flows from operating activities (a)	**(1.331.753,11)**	**(1.256.160,05)**	**(1.331.753,11)**	**(1.256.160,05)**
Cash Flows from Investing Activities:				
Acquisitions of subsidiaries, associates and other investments	(5.250.000,00)	0,00	(5.250.000,00)	0,00
Acquisitions of tangible and intangible assets	(436.960,50)	0,00	(436.960,50)	0,00
Interest received	0,00	8.680,00	0,00	8.680,00
Total Cash Flows from Investing Activities (b)	**(5.686.960,50)**	**8.680,00**	**(5.686.960,50)**	**8.680,00**
Cash Flows from Financing Activities:				
Proceeds from grants	458.974,70	0,00	458.974,70	0,00
Proceeds from share capital increase	6.750.000,00	0,00	6.750.000,00	0,00
Tax for share capital increase	0,00	0,00	0,00	0,00
Total Cash Flows from Financing Activities (c)	**7.208.974,70**	**0,00**	**7.208.974,70**	**0,00**
Net increase / (decrease) in cash and cash equivalents of year (a)+(b)+(c)	190.261,09	(1.247.480,05)	190.261,09	(1.247.480,05)
Cash and cash equivalents at beginning of year	**2.573.508,01**	**3.820.988,06**	**2.573.508,01**	**3.820.988,06**
Cash and cash equivalents at end of year	**2.763.769,10**	**2.573.508,01**	**2.763.769,10**	**2.573.508,01**

The notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AT DECEMBER 31, 2015

1. General information for the Company

The Company was founded as a Societe Anonyme on June 2008. Its registered office is in Iraklio Attikis, 92 Marinou Antipa Str.,Athens, Greece. The purpose of the company is as follows:

1) The development, design, financing, construction, operation, maintenance and expansion of the natural gas submarine interconnector between Greece and Italy (pipeline Poseidon) and of the appropriate or required compression and measuring facilities, as well as any other activity related to the above.
2) The development, design, financing, construction, operation, maintenance and expansion of a natural gas interconnector between Greece and Bulgaria (pipeline IGB) and of the appropriate or required compression and measuring facilities, as well as any other related to the above.
3) The award, development and implementation of all the necessary studies and surveys, such as the technical feasibility assessment, reconnaissance marine survey, preliminary environmental impact assessment, market studies etc. for the development of alternative pipelines which could potentially be connected to IGI-Poseidon allowing the transportation of gas from alternative sources, including a pipeline from offshore Cyprus to Greece mainland via Crete, namely the Eastern Mediterranean Pipeline.
4) The ownership of the Poseidon and IGB pipeline and all associated facilities.
5) Managing the Poseidon and IGB Pipelines transportation capacity and entering into transportation agreements in respect of the Poseidon and IGB Pipelines.
6) Entering into the arrangements for the interconnection of the Poseidon and IGB Pipelines with adjoining facilities.
7) All similar activities of an industrial, commercial or economic nature that relate directly or indirectly to the construction, production, trading and exploitation, and any action, activity and service related to the goods, products and services dealt in or operated by the company being established.
The duration was set at one hundred (100) years from the date of registration in the SA Register of Companies.
On the 5th January of 2011 the company and the “Bulgarian Energy Holding EAD” established the company “ICGB AD” in Sofia with the purpose of implementing and operating IGB pipeline (interconnector between Bulgaria and Greece). The IGI Poseidon SA participates 50% in the share capital of “ ICGB AD”.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and included in the consolidated financial statements of the Groups of Companies PUBLIC GAS CORPORATION SA (Greece) and EDISON INTERNATIONAL HOLDING NV (Netherlands), according to the equity method.

The Financial Statements under IFRS for the year ended 31 December 2015 were authorised for issue by the Board of Directors on January 29th, 2016.

In summary, the basic information about the Company is as follows:

SHAREHOLDERS STRUCTURE AT DECEMBER 31, 2015

BOARD OF DIRECTORS, MANAGEMENT TEAM AND INDEPENDENT AUDITOR

Board of Directors

Chairman	Kitsakos Theodoros
Chief Executive Officer	Ruggeri Elio
Director	Massimo Arculeo
Director	Pierre Vergerio
Director	Spanoudis Georgios
Director	Potì Roberto
Director	Karagiannakos Kostantinos
Director	Fantridaki Maria

Management Team

Chairman of the Board of Directors	Kitsakos Theodoros
CEO	Ruggeri Elio
Technical Director	Kostopoulos Georgios
Development Director	Matteo Restelli
Independent Auditors	International Certified & Registered Auditors S.A.

INFORMATION ABOUT COMPANY'S SECURITIES

Number of shares at December 31, 2015

Ordinary shares	33.150.000

(All amounts are expressed in Euro unless differently mentioned)

Shareholders of the Company at December 31, 2015

Edison International Holding NV	50%
DEPA SA	50%

Supervising Authority

Ministry of Development of Greece

Societe Anonyme Registration Number

66217/01AT/B/08/297
Tax Registration Number
998382239

2. Preparation of financial statements

2.1 Generally

The accompanying corporate and consolidated financial statements as at of 1/1-31/12/2015 have been prepared under the historical cost convention and assuming that the Company will continue as a going concern.

These annual corporate and consolidated financial statements of the year 1/1-31/12/2015 have been prepared in accordance with International Financial Reporting Standards (I.F.R.S.) which have been published by the International Accounting Standards Board (I.A.S.B.) and the Interpretations issued by the International Financial Reporting Interpretations Committee that were in use on 31 December 2015.

2.2 Corporate financial Statements

The Company is obliged to conduct its corporate financial statements according to I.F.R.S. as have been adopted by the E.U.

2.3 Use of estimates

The preparation of the financial statements in conformity with I.F.R.S. requires Management to exercise its judgment in the process of making estimations and assumptions that influence the accounts' balances on the balance sheet and the income statement, as well as the disclosure of contingent assets and liabilities at the date of preparation of the financial statements. These estimates and assumptions are based on the existing experience and on other reasonable factors and data which are revised in regular time intervals. The effect of the revisions of the adopted estimates and assumptions is recognized in the year that they get realized or even in the next one if the revision influences not only the present but also the next years.

The basic estimations and assumptions of the Management are:

- ✓ The estimation of the useful life and residual value of fixed assets

2.4 New standards, amendments to standards and interpretations

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:

<u>Standards and Interpretations effective for the current financial year</u>

IAS 32 (Amendment) "Financial Instruments: Presentation"

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

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) and IAS 28 (amendment).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.

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.

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”

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 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.

IAS 36 (Amendment) “Recoverable amount disclosures for non-financial assets”

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognized or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognized or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment.

IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

Standards and Interpretations effective for subsequent periods

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 the guidance in 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. The Group cannot currently early adopt IFRS 9 as it has not yet been endorsed by the EU.

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. The Group is currently investigating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that 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 could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

IAS 19R (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 July 2014)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

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 EU.

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.

IAS 16 and IAS 41 (Amendments) "Agriculture: Bearer plants" (effective for annual periods beginning on or after 1 January 2016)

These amendments change the financial reporting for bearer plants, such as grape vines and fruit trees. The bearer plants should be accounted for in the same way as self-constructed items of property, plant and equipment. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendments have not yet been endorsed by the EU.

IAS 27 (Amendment) "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 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 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.

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.

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

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

IFRS 2 "Share-based payment"

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

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 also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project.

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 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment property"

The standard is amended to clarify 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 improvements 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'.

3. Principal Accounting Policies

The principal accounting policies that were adopted for the preparation of the accompanying financial statements are as follows:

3.1 Consolidation

Associated companies are those companies that the Group has a strong influence, but they do not fulfill the requirements as to be characterized as subsidiary companies. The consolidated financial statements of the Group include the proportion of the profits and the losses of the Group that correspond to the associates, according to the equity method, from the date that the Group acquires significant influence till the date that it stops.

3.2 Functional and presentation currency and Conversion of Foreign Currencies

The functional and presentation currency of the Company is Euro. Foreign currency transactions are translated into Euro using the exchange rates prevailing at the dates of the transactions. On the balance sheet date, the monetary assets and liabilities that are denominated in foreign currencies are settled at current exchange rates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the accompanying income statement.

3.3 Tangible Assets

The tangible assets are represented in the financial statements at their acquisition cost. These values are decreased by: (a) the accumulated depreciation and (b) any impairment in value.

The original acquisition cost of land-building, machinery or equipment is constituted of the purchase price including import tariffs and non refundable purchase taxes, compensation due to expropriation, as well as any necessary costs for rendering the asset operational and ready for its intended use.

The posterior expenses, that take place in relation to tangible assets, are capitalized only when they increase the future economic benefits that are awaited to emerge from the use of the affected assets. All repairs and maintenance are expensed as they incur.

Upon retirement or sale of an asset, the relevant cost and the accumulated depreciation are eliminated from the corresponding accounts at the time of the retirement or sale and the relevant gains or losses are recognised in the statement of income.

The depreciation charges the income statement, under the straight-line method, throughout the duration of the appreciated useful lives of relative assets. Land is not depreciated. The estimated duration of the useful life, for different asset categories, is as follows:

Furniture and fixtures	3-5 years

The residual values and the useful lives of the tangible assets are subject to reassessment at every year end. When the book values of the tangible assets are in excess of their recoverable amounts, the differences (impairment), are recognized as expenses in the income statement.

The amounts that represent the cost of fixed assets under construction (construction in progress), for which a clear assessment that will yield economic benefits to the company during the year are included in tangible fixed assets in the category Construction in progress.

3.4 Commercial and other receivables

Receivables from customers are initially recognized at their fair value and later on are measured at their amortized cost with the use of the actual interest rate, less impairment losses. The impairment losses (losses from doubtful accounts) are recognized only when there is significant proof that the Company is not in the position of collecting all the amounts owed on the basis of conventional terms. The amount of the impairment loss is the difference between the book value of the receivables and the present value of estimated future cash flows, discounted by the actual interest rate. The amount of the impairment loss is recognized in the income statement as an expense.

3.5 Cash and cash equivalents

Cash also include cash equivalents such as time deposits and short term deposits. Bank overdrafts, payable at first demand, which are inseparable part of the Company’s management of cash and cash equivalents, are included, for the purpose of the preparation of the cash flow statements, as elementary part of cash and cash equivalents.

3.6 Investments in associates companies

The Group’s investments in associate companies are accounted for under the equity method. Associate companies are those in which the Group has essential influence and are neither subsidiaries nor joint ventures. Investments in associate companies are initially recognized in the balance sheet by their acquisition cost and are later readjusted for the change, after the acquisition of the Group’s percentage, in their equity minus any possible value impairment. The income statement reflects the group’s share in the results of the associate company

3.7 Share Capital

(All amounts are expressed in Euro unless differently mentioned)

Common shares are characterized as capital. The related external cost directly attributable to the issuance of new shares is presented in share capital account, deductively from the receivable amount.

3.8 Income taxes (current and deferred)

Current and deferred income taxes are computed according to the respective amounts of the financial statements, in accordance with the tax legislation in force in Greece. Income tax expense refers to taxes attributable to the Company's taxable profits as adjusted according to the requirements of tax legislation and computed by the effective tax rate.

Deferred income taxation is computed, using the liability method, on all temporary differences at the balance sheet date between the tax bases and book values of assets and liabilities.

The expected tax results deriving from the temporary tax differences are recognized and appeared as future (deferred) tax obligations or deferred tax assets.

Deferred tax assets are recognized for all the recognized temporary differences for tax purposes and taxable losses brought forward, at the extend that it is expected to exist available taxable profit against which the recognized temporary tax differences can be utilized.

The book value of the deferred tax assets is reassessed at each balance sheet date and reduced at the extent where it is not considered as possible that enough taxable profits will be presented against which, a part or the total of the deferred tax assets can be utilised.

Current income tax assets and liabilities concerning current and prior years are measured at the amount of the tax payable to the tax authorities (or be recovered by them), with the use of tax rates (and tax laws) that are currently in force, or substantively be in force, at the balance sheet date.

Notes To The Income Statement

4. Administrative expenses

Administrative expenses of the Company are analyzed as follows:

	COMPANY		GROUP	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Third party fees	822.655,41	903.096,64	822.655,41	903.096,64
Third party utilities	1.711,26	2.232,70	1.711,26	2.232,70
Tax and Duties	67.522,70	65.958,02	67.522,70	65.958,02
Other administrative expenses	219.693,11	186.376,56	219.693,11	186.376,56

(All amounts are expressed in Euro unless differently mentioned)

Amortization expenses	0,00	125,69	0,00	125,69
Balance	**1.111.582,48**	**1.157.789,61**	**1.111.582,48**	**1.157.789,61**

Administrative expenses totaled 1.111.582,48 euro and consist mainly of services provided by Edison Spa and DEPA SA (300.466,00 euro), Board of Directors compensation (228.347,29 euro), consultancy services and professional fees (45.579,35 euro), legal services (164.432,77 euro), accounting and tax support services (83.850,00 euro), tax and duties (67.522,70 euro), travelling expenses (59.105,16 euro), promotion expenses and participation in conferences (70.411,53 euro),capital increase issuance cost (78.469,00 euro) and miscellaneous (13.418,68 euro).

5. Finance Income / Expense

The Company's financing costs are analyzed as follows:

	COMPANY		GROUP	
	31/12/2015	**31/12/2014**	**31/12/2015**	**31/12/2014**
Credit interest and relative income	0,00	8.680,00	0,00	8.680,00
Debit interest and other expenses from banking liabilities	(5.148,81)	(48.074,55)	(5.148,81)	(48.074,55)
Balance	**(5.148,81)**	**(39.394,55)**	**(5.148,81)**	**(39.394,55)**

Debit interests and other expenses from banking liabilities refer to bank commissions.

6. Earnings per share

The calculation of the basic earnings per share is analyzed as follows:

	COMPANY	GROUP
	Period 1/1-31/12/2015	**Period 1/1-31/12/2015**
Net profits attributable to common equity holders of the Company	(1.109.231,29)	(1.216.067,37)
Weighted average number of shares outstanding	30.193.151	30.193.151
Less: Weighted average number of treasury shares	0	0
Total weighted average number of shares outstanding	30.193.151	30.193.151
Basic Earnings (losses) per share (in €)	(0,0367)	(0,0403)
	Period 1/1-31/12/2014	**Period 1/1-31/12/2014**
Net profits attributable to common equity holders of the Company	(1.197.184,16)	(1.243.290,51)
Weighted average number of shares outstanding	26.400.000,00	26.400.000,00
Less: Weighted average number of treasury shares	0,00	0,00
Total weighted average number of shares outstanding	26.400.000,00	26.400.000,00
Basic Earnings (losses) per share (in €)	(0,0453)	(0,0471)

(All amounts are expressed in Euro unless differently mentioned)

Notes To The Balance Sheet

7. Tangible fixed assets

The tangible fixed assets of the Company are analyzed as follows:

	Furniture & fixtures	Construction in progress	**Total**
Acquisition cost			
On 1/1/2015	1.751,26	16.096.098,87	**16.097.850,13**
Additions of 2015	0,00	436.960,50	**436.960,50**
Grants received	0,00	-5.658.974,70	**-5.658.974,70**
Total at 31/12/2015	**1.751,26**	**10.874.084,67**	**10.875.835,93**
Accumulated depreciation			
On 1/1/2015	(1.751,25)	0,00	**(1.751,25)**
Additions of 2015	0,00	0,00	**0,00**
Total at 31/12/2015	(1.751,25)	0,00	**(1.751,25)**
Net book value 31/12/2015	**0,01**	**10.874.084,67**	**10.874.084,68**

	Furniture & fixtures	Construction in progress	**Total**
Acquisition cost			
On 1/1/2014	1.751,26	16.096.098,87	**16.097.850,13**
Additions of 2014	0,00	0,00	**0,00**
Grants received	0,00	0,00	**0,00**
Total at 31/12/2014	**1.751,26**	**16.096.098,87**	**16.097.850,13**
Accumulated depreciation			
On 1/1/2014	(1.625,56)	0,00	**(1.625,56)**
Additions of 2014	(125,69)	0,00	**(125,69)**
Total at 31/12/2014	(1.751,25)	0,00	**(1.751,25)**
Net book value 31/12/2014	**0,01**	**16.096.098,87**	**16.096.098,88**

Tangible fixed assets are constituted by engineering and environment assessment studies performed by external suppliers in order to obtain all necessary information to carry on with the development of the IGI Poseidon project.

8. Investment in associates

Summary of financial information on associates:

(All amounts are expressed in Euro unless differently mentioned)

Name	Country of establishment	Assets	Liabilities	Revenue	Profit (loss)	% Participation Percentage
I.C.G.B. AD	Bulgaria	8.298.000,00	188.000,00	0	(106.000,00)	50%

According to the minutes of the General meeting, on December 14th 2010, the incorporation of the Asset Company “ ICGB AD” by Poseidon and Bulgarian Energy Holding EAD was approved. The company was established January 5th 2011. The principal place of business is in Sofia, Bulgaria. The scope of activities of the company is the following:

a. Developing, design, financing, managing, constructing, operating, maintaining and potentially expanding IGB Pipeline,
b. owning the IGB pipeline,
c. managing the IGB Pipeline transportation capacity and entering into transportation agreements in respect of the IGB Pipeline.
d. Entering into the agreements for the interconnection of the IGB Pipeline with adjoining facilities and
e. Engaging in activities ancillary to those set out in paragraph (a) to (d).

The authorized share capital of “ ICGB AD” at 31/12/2015 was 16.900.004,00 euro.IGI Poseidon SA participates 50% in the share capital of “ICGB AD”.

9. Other receivables

The total accounts receivable of the Company are analyzed as follows:

	COMPANY		GROUP	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
V.A.T. receivable	1.445.144,42	1.322.950,07	1.445.144,42	1.322.950,07
Tax withheld at source on interest income	23.598,17	27.557,18	23.598,17	27.557,18
Accrued interest	0,00	0,00	0,00	0,00
Temporary accounts	15,55	178,40	15,55	178,40
Balance	**1.468.758,14**	**1.350.685,65**	**1.468.758,14**	**1.350.685,65**

10. Cash and cash equivalents

Cash and cash equivalents represent cash in hand and bank deposits available on first demand. More specifically:

	COMPANY		GROUP	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash in hand	1.912,17	1.636,97	1.912,17	1.636,97
Time and sight deposits	2.761.856,93	2.571.871,04	2.761.856,93	3.819.351,09
Balance	**2.763.769,10**	**2.573.508,01**	**2.763.769,10**	**3.820.988,06**

Time and sight deposits, which totaled 2.761.856,93 euro, consist of cash deposited in Bank of Piraeus, National Bank of Greece and BNL (BNP Paribas group).

(All amounts are expressed in Euro unless differently mentioned)

11. Share Capital

At December 31, 2015 the share capital of the Company consisted of 33.150.000 common shares, nominal value 1,00 euro. During year 2015 two share capital increases took place according to Shareholders General Meetings decisions as follows:

- Decision 23/10/2014 of € 1.500.000,00. Paid-up € 750.000,00 (DEPA 19/2/2015), € 750.000,00 (EDISON INTERNATIONAL HOLDING N.V. 20/2/2015).
- Decision 12/5/2015 of € 5.250.000,00. Paid-up € 1.312.500,00 (DEPA 25/5/2015), 1.312.500,00 (EDISON INTERNATIONAL HOLDING N.V. 26/5/2015), 1.312.500,00 (DEPA 21/8/2015), 1.312.500,00 (EDISON INTERNATIONAL HOLDING N.V. 25/8/2015).

The shareholders at 31/12/2015 are as follows:

SHAREHOLDER	SHARES	PERCENTAGE 31/12/2015
PUBLIC GAS CORPORATION (DEPA SA)	16.575.000	50,0%
EDISON INTERNATIONAL HOLDING N.V	16.575.000	50,0%
TOTAL	**33.150.000**	**100,0%**

12. Suppliers and other current liabilities

The total obligations of the Company towards suppliers and others creditors are analyzed as follows:

	COMPANY		GROUP	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Suppliers	282.119,28	482.153,50	282.119,28	482.153,50
Other creditors	7.000,00	7.000,00	7.000,00	7.000,00
Other liabilities	204.124,02	108.539,13	204.124,02	108.539,13
Balance	**493.243,30**	**597.692,63**	**493.243,30**	**597.692,63**

Suppliers, which totaled 282.119,28 euro, reflect the balance from the received invoices from DEPA SA (108.913,40 euro), C&M S.A (11.228,79 euro),EDISON SpA (21.000,00 euro), Herbert Smith LLP (27.270,36 euro), Intecsea B.V (72.306,45 euro), CO.S.TE (24.400, 00 euro) and sundry suppliers (17.000,28 euro).

Other liabilities totaled 204.124,02 euro, reflecting mainly the accrued expenses toward Edison Spa (103.247,00 euro) for services and travelling expenses provided during 2015, services from Intecsea B.V (53.875,00 euro), services from C&M S.A (30.003,00 euro).The remaining other liabilities refer withholding taxes (14.475,02 euro).

Financial risk management

The company’s activities expose it to a variety of financial risks mainly market risk including currency risk, fair value interest rate risk, credit risk and liquidity risk. The company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company’s financial performance.

As stated above the main financial instruments of the Company are cash bank deposits, trade and other receivables and payables. Management evaluates and reviews at regular intervals the relative written policies and principles with regard to financial risk management, which are as follows:

I. Market risk

- ***Fair value interest rate risk:*** There is no interest rate risk as the company does not have any loans.

- ***Foreign exchange risk:*** The Company is exposed to limited foreign exchange risk since its assets and liabilities are denominated in Euro.

II. Credit risk

The exposure of the company as regards to credit risk is limited to financial assets (instruments) which at the Statement of financial position date were as follows:

	31/12/2015	**31/12/2014**
Time and sight deposits	2.761.856,83	2.571.894,84

There are no trade debtors as the company is under the construction period.

III. Liquidity risk

Liquidity risk is maintained at low level by maintaining availability of sufficient cash. The table below analyses the company’s financial liabilities and derivative financial instruments according to their contractual maturity dates.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31/12/2015				
Trade and other payables	493.243,30	0	0	0

(All amounts are expressed in Euro unless differently mentioned)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31/12/2014				
Trade and other payables	597.692,63	0	0	0

Related party transactions and balances

The Company considers as related parties the members of the Board of Directors (including their related parties) as well as the shareholders holding a percentage larger than 5% of its share capital. The Company's transactions and balances during the fiscal year 1/1-31/12/2015 and on 31st December 2015, respectively, are the following:

	COMPANY			
	During 1/1-31/12/2015		At 31/12/2015	
RELATED PARTIES	**Sales towards related parties**	**Services received from related parties**	**Claims from related parties**	**Liabilities towards related parties**
A. Related parties				
DEPA S.A.	0,00	169.933,05	0,00	108.913,40
EDISON INT/NAL HOLDING N.V.	0,00	0,00	0,00	0,00
EDISON SpA	0,00	303.201,76	0,00	124.247,00
Total	**0,00**	**473.134,81**	**0,00**	**233.160,40**

	COMPANY			
	During 1/1-31/12/2014		At 31/12/2014	
RELATED PARTIES	**Sales towards related parties**	**Services received from related parties**	**Claims from related parties**	**Liabilities towards related parties**
A. Related parties				
DEPA S.A.	0,00	184.593,66	0,00	271.577,02
EDISON INT/NAL HOLDING N.V.	0,00	22.500,00	0,00	0,00
EDISON SpA	0,00	274.541,88	0,00	219.242,84
Total	**0,00**	**481.635,54**	**0,00**	**490.819,86**

(All amounts are expressed in Euro unless differently mentioned)

The fees and liabilities of any kind of management members and directors of the Company are analyzed as follows:

	31/12/2015	**31/12/2014**
BoD fees	228.347,29	233.527,95
Liabilities	28.000,00	28.000,00

Commitments and contingent liabilities

13. Legal contingencies

There are no legal contingencies concerning company.

14. Other contingent liabilities

The company has not been audited by the tax authorities for the year 2010. The company recognizes the tax obligations which may arise from the audit for the year 2010 from the tax authorities, after the completion of the audit and the finalization of the relative tax amounts. Years 2011 till 2014 were audited according to Minister of Economics Decisions 1159/2011 and 1124/15 and no tax penalties had arisen. The company is now audited for the year 2015 and the tax compliance report has not been finalized.

After balance sheet events

There are no after balance sheet events.