INTERIM CONDENSED FINANCIAL STATEMENTS

(CONSOLIDATED AND SEPARATE)

OF 30TH SEPTEMBER 2014

IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Athens Water Supply and Sewerage Company S.A.

G.E.MI. (Greece's General Electronic Commercial Registry) 121578960000

156 OROPOU ST., GALATSI

INTERIM CONDENSED FINANCIAL STATEMENTS
(CONSOLIDATED AND SEPARATE)
OF 30TH SEPTEMBER 2014

IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The present Interim Financial Statements of the Company and the Group, that are presented in pages 1 – 27, were approved during the meeting of the Board of Directors of the Company on 26 November 2014 and were signed, on mandate by the Board of Directors, from the following:

Athens, 26 November 2014

The Chairman & Chief Executive Officer	The Member of the Board of Directors	The Director of Financial Services	The Head of Accounting Department
Antonios Vartholomaios	Hondrogiannos Ioannis	Spyropoulou Eleni	Skylaki Lemonia
ID No. AK 543580	ID No. AI 094411	ID No. AI 060168	ID No. Ξ 971227
		Economic Chamber of Greece Accounting License Reg. No A/22806	Economic Chamber of Greece Accounting License Reg. No. A/17806

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GENERAL INFORMATION FOR THE COMPANY

Company Name:	Athens Water Supply and Sewerage Company S.A.
Distinctive Title:	EYDAP S.A.
Domiciliation:	156 Oropou St. – Galatsi
Date of Establishment:	25/10/1999
Company Duration:	100 years
Main Activity:	Water Supply - Sewerage
G.E.MI. (Greece's General Electronic Commercial Registry) Number	121578960000
Prefecture:	Athens
Tax Registration Number:	094079101
Members of the Board of Directors:	Ant. Vartholomaios, Evang. Palaiologos, Elefth. Karachaliou, Grig. Zafeiropoulos, Lambros Zografos, Panteleimon Kamas, Anast. Kourtis, Ioannis Hondrogiannos, Epam. Sklavenitis, Panag. Skoularikis, Christ. Mistriotis, Emman. Aggelakis, Evang. Moutafis
Ending Date of the Current Period:	30 September 2014
Duration of the Period:	9 months
Form of Financial Statements (which have been the basis in compiling the condensed financial statements):	Condensed of nine-month period
Date of Approval of Financial Statements (which have been the basis in compiling the condensed financial statements):	26 November 2014
Internet address where the Financial Statements are registered:	www.eydap.gr

EYDAP

INTERIM STATEMENT OF INCOME

GROUP

Amounts in € thousands	NOTES	01.01-30.09.2014	01.01 -30.09.2013	01.07 -30.09.2014	01.07 -30.09.2013
Turnover	5	246,395	264,069	94,601	103,114
Cost of Goods Sold	5	(133,970)	(131,923)	(42,370)	(34,190)
Gross Profit		**112,425**	**132,146**	**52,231**	**68,924**
Other Operating Income		1,421	1,600	458	263
General and Administration Expenses	5	(43,136)	(45,578)	(12,918)	(20,289)
Distribution and Selling Expenses	5	(22,437)	(25,644)	(6,365)	(12,434)
Operating Profit	5	**48,273**	**62,524**	**33,406**	**36,464**
Other Expenses		(1,699)	(2,965)	(391)	(20)
Financial Income		11,894	13,142	2,540	8,399
Financial Expenses		(437)	(8,178)	(138)	(2,362)
Profit before Taxes		**58,031**	**64,523**	**35,417**	**42,481**
Income Tax	6	(17,433)	10,763	(10,409)	(1,063)
Net Profit after Taxes for the period	5	**40,598**	**75,287**	**25,008**	**41,418**
Number of Shares		106,500	106,500	106,500	106,500
Earnings per Share for the Period (in €)	7	**0.38**	**0.71**	**0.23**	**0.39**

COMPANY

Amounts in € thousands	NOTES	01.01-30.09.2014	01.01 -30.09.2013	01.07 -30.09.2014	01.07 -30.09.2013
Turnover	5	246,370	264,069	94,584	103,114
Cost of Goods Sold	5	(133,970)	(131,923)	(42,370)	(34,190)
Gross Profit		**112,400**	**132,146**	**52,214**	**68,924**
Other Operating Income		1,421	1,600	457	263
General and Administration Expenses	5	(43,110)	(45,561)	(12,910)	(20,281)
Distribution and Selling Expenses	5	(22,437)	(25,644)	(6,365)	(12,434)
Operating Profit	5	**48,274**	**62,541**	**33,396**	**36,472**
Other Expenses		(1,699)	(3,453)	(390)	(19)
Financial Income		11,894	13,142	2,540	8,399
Financial Expenses		(437)	(8,178)	(138)	(2,362)
Profit before Taxes		**58,032**	**64,052**	**35,408**	**42,490**
Income Tax	6	(17,433)	10,763	(10,409)	(1,063)
Net Profit after Taxes for the period		**40,599**	**74,815**	**24,999**	**41,427**
Number of Shares		106,500	106,500	106,500	106,500

The accompanying notes on pages 10 to 27 are an integral part of these financial statements

INTERIM STATEMENT OF TOTAL COMPRHENSIVE INCOME

GROUP *Amounts in € thousands*	**01.01- 30.09.2014**	**01-01- 30.09.2013**	**01.07 -30.09.2014**	**01.07 -30.09.2013**
Net Profit for the Year	40,598	75,287	25,008	41,418
Valuation of portfolio's equities available for sale - Other income transferrable to following years' results	(371)	40	(207)	119
Total Comprehensive Income after Taxes	**40,227**	**75,327**	**24,801**	**41,537**

COMPANY *Amounts in € thousands*	**01.01- 30.09.2014**	**01-01- 30.09.2013**	**01.07 -30.09.2014**	**01.07 -30.09.2013**
Net Profit for the Year	40,599	74,815	24,999	41,427
Valuation of portfolio's equities available for sale - Other income transferrable to following years' results	(371)	40	(207)	119
Total Comprehensive Income after Taxes	**40,228**	**74,855**	**24,792**	**41,546**

The accompanying notes on pages 10 to 27 are an integral part of these financial statements

INTERIM STATEMENT OF FINANCIAL POSITION

		GROUP		COMPANY	
Amounts in € thousands	**NOTES**	**30.09.2014**	**31.12.2013**	**30.09.2014**	**31.12.2013**
ASSETS					
NON-CURRENT ASSETS					
Goodwill		3,357	3,357	3,357	3,357
Other Intangible Assets	9	4,261	1,420	4,261	1,420
Tangible Assets	9	956,550	976,641	956,550	976,641
Investments in Subsidiaries	17	0	0	210	60
Investments Available for Sale		999	1,369	999	1,369
Long-term Assets	10	6,334	5,407	6,334	5,407
Deferred Tax Assets	18	77,055	93,593	77,055	93,593
Total Non-Current Assets		**1,048,556**	**1,081,787**	**1,048,766**	**1,081,847**
CURRENT ASSETS					
Materials and Spare Parts	11	15,503	15,798	15,503	15,798
Trade Receivables	12	217,567	203,194	217,556	203,181
Other Receivables	13	18,793	18,359	18,803	18,371
Current tax receivables	14	8,345	0	8,345	0
Cash and Cash Equivalents		229,299	331,967	229,125	331,941
Total Current Assets		**489,507**	**569,318**	**489,332**	**569,291**
Total Assets		**1,538,063**	**1,651,105**	**1,538,098**	**1,651,138**
LIABIITIES					
SHAREHOLDERS' EQUITY					
Share Capital	19	63,900	63,900	63,900	63,900
Share Premium		40,502	40,502	40,502	40,502
Reserves		377,892	380,302	377,892	380,302
Retained Earnings (earnings carried forward)	22	468,078	465,911	468,117	465,949
Total Shareholders' Equity		**950,372**	**950,615**	**950,411**	**950,653**
LONG TERM LIABILITIES					
Liabilities for Employee Benefits	21	257,794	252,609	257,794	252,609
Provisions	23	26,578	25,854	26,578	25,854
Investment Subsidies and Customer Contributions		202,671	204,598	202,671	204,598
Consumers' Guarantees		18,107	18,042	18,107	18,042
Total Long-Term Liabilities		**505,150**	**501,103**	**505,150**	**501,103**
SHORT-TERM LIABILITIES					
Operating Short Term Liabilities	15	44,564	82,490	44,557	82,484
Current Tax Liabilities	14	0	11,935	0	11,935
Short Term Loans	20	0	3,142	0	3,142
Other Short Term Liabilities	16	37,977	101,820	37,980	101,821
Total Short-Term Liabilities		**82,541**	**199,387**	**82,537**	**199,382**
Total Equity & Liabilities		**1,538,063**	**1,651,105**	**1,538,098**	**1,651,138**

The accompanying notes on pages 10 to 27 are an integral part of these financial statements

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

GROUP

2014 *Amounts in € thousands*	**Share Capital**	**Share Premium**	**Legal Reserve**	**Other Reserves**	**Securities' Reserves**	**Results (profit) carried forward**	**Total Equity**
Equity Balance at 1st January 2014	63,900	40,502	21,547	357,805	950	465,911	950,615
Net Profit for the Period						40,598	40,598
Net income recorded directly in Equity					(371)		(371)
Dividends				(2,039)		(38,431)	(40,470)
Equity Balance at 30 SEPTEMBER 2014	**63,900**	**40,502**	**21,547**	**355,766**	**579**	**468,078**	**950,372**

2013 *Amounts in € thousands*	**Share Capital**	**Share Premium**	**Legal Reserve**	**Other Reserves**	**Securities' Reserves**	**Results (profit) carried forward**	**Total Equity**
Equity Balance at 1st January 2013	**63,900**	**40,502**	**21,547**	**358,283**	**1,183**	**358,248**	**843,663**
Net Profit for the Period						75,287	75,287
Net income recorded directly in Equity					40		40
Dividends						(21,300)	(21,300)
Equity Balance at 30 SEPTEMBER 2013	**63,900**	**40,502**	**21,547**	**358,283**	**1,223**	**412,235**	**897,690**

COMPANY

2014 *Amounts in € thousands*	**Share Capital**	**Share Premium**	**Legal Reserve**	**Other Reserves**	**Securities' Reserves**	**Results (profit) carried forward**	**Total Equity**
Equity Balance at 1st January 2014	**63,900**	**40,502**	**21,547**	**357,805**	**950**	**465,949**	**950,653**
Net Profit for the Period						40,599	40,599
Net income recorded directly in Equity					(371)		(371)
Dividends				(2,039)		(38,431)	(40,470)
Equity Balance at 30 SEPTEMBER 2014	**63,900**	**40,502**	**21,547**	**355,766**	**579**	**468,117**	**950,411**

2013 *Amounts in € thousands*	**Share Capital**	**Share Premium**	**Legal Reserve**	**Other Reserves**	**Securities' Reserves**	**Results (profit) carried forward**	**Total Equity**
Equity Balance at 1st January 2013	**63,900**	**40,502**	**21,547**	**358,283**	**1,183**	**358,759**	**844,174**
Net Profit for the Period						74,815	74,815
Net income recorded directly in Equity					40		40
Dividends						(21,300)	(21,300)
Equity Balance at 30 SEPTEMBER 2013	**63,900**	**40,502**	**21,547**	**358,283**	**1,223**	**412,274**	**897,729**

The accompanying notes on pages 10 to 27 are an integral part of these financial statements

INTERIM CASH FLOW STATEMENT

	GROUP		COMPANY	
Amounts in € thousands	**1.1-30.09.2014**	**1.1-30.09.2013**	**1.1-30.09.2014**	**1.1-30.09.2013**
Cash Flows from operating activities				
Profit before tax	58,031	64,523	58,032	64,052
Plus / minus adjustments for:				
Depreciation and amortization	30,815	30,166	30,815	30,166
Amortization of customer contributions and investment subsidies	(3,735)	(6,366)	(3,735)	(6,366)
Income from securities	(75)	(43)	(75)	(43)
Loss due to liquidation of affiliated company	0	5	0	494
Provisions for personnel compensation	3,854	63,490	3,854	63,490
Other provisions	7,651	(38,470)	7,651	(38,470)
Interest and related income	(11,819)	(13,099)	(11,819)	(13,099)
Interest and related expense	437	8,182	437	8,178
Plus / minus adjustments for changes in working capital accounts or related to operating activities:				
(Increase) Decrease				
Trade receivables	(21,375)	99,981	(21,376)	99,986
Materials and spare parts	135	1,685	135	1,685
Increase (Decrease)				
Liabilities	(103,200)	(6,701)	(103,198)	(6,720)
Customers' guarantees	66	87	66	87
Obligations for employees benefits	1,330	681	1,330	681
Minus:				
Interest and related expenses paid	(26)	(9,315)	(26)	(9,315)
Income tax paid	(21,563)	**(24,255)**	(21,563)	**(24,255)**
Net Cash Flows from Operating Activities (a)	(59,474)	170,551	(59,472)	170,551
Cash flows from investing activities				
Purchases of tangible assets	(9,924)	(11,237)	(9,924)	(11,237)
Purchases of intangible assets	(3,642)	(350)	(3,642)	(350)
Proceeds from customer contributions and subsidies	1,808	1,528	1,808	1,528
Interest and related income received	7,468	4,035	7,468	4,035
Dividends received	75	43	75	43
Participation in subsidiaries	0	48	(150)	48
Net Cash Flows from Investing Activities (b)	**(4,215)**	**(5,933)**	**(4,365)**	**(5,933)**
Cash flows from financing activities				
Loan repayments	0	(117,993)	0	(117,993)
Dividends paid	(38,979)	(19,518)	(38,979)	(19,518)
Net Cash Flows from Financing Activities (c)	**(38,979)**	**(137,511)**	**(38,979)**	**(137,511)**
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**(102,668)**	**27,107**	**(102,816)**	**27,107**
Cash and Cash Equivalents at the beginning of period	**331,967**	**43,106**	**331,941**	**43,072**
Cash and Cash Equivalents at the end of period	**229,299**	**70,213**	**229,125**	**70,179**

The accompanying notes on pages 10 to 27 are an integral part of these financial statements

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS OF 30TH SEPTEMBER 2014

1. GENERAL INFORMATION

''Athens Water Supply and Sewerage Company'' (''EYDAP'' or ''Company) was established in 1980 following the merger between the Hellenic Water Company and the Sewerage Organization of Athens.
The Company's Headquarters are located at 156 Oropou Street, Galatsi, pc 111 46, Athens.
The Company operates in the sector of supply and refinement of water, providing as well sewerages services and waste management in region of Attica. In accordance with its Articles of Association, where the operation clauses are referred, EYDAP is responsible for the analysis, construction, establishment, operation, exploitation, maintenance, expansion and renewal of water supply and sewerage installations and networks, within its area of responsibility.

EYDAP has the exclusive right to provide supply and distribution of water and sewerage services in the Attica region for 20 years commencing as of date of which the L 2744/1999 was published in the Government Gazette. This exclusive right is not transferable and it can be renewed following a written agreement between the Greek State and the Company.

By the article 35 par.2 of the law 4053/2012, EYDAP is enabled through its subsidiaries to undertake as well activities outside of its jurisdiction, as effective by the Law 1068/80 as effective through programmatic contracts of the article 100 of the law 3852/2010. At this case the subsidiaries are governed by the same legal and regulatory framework as effective for EYDAP with the exception of the tariffs policy which is defined by the programmatic contracts.

The Company's shares are listed on the Athens Exchange.

2. BASIS OF PREPARATION

The nine-month financial statements are condensed and have been prepared in accordance with the International Accounting Standard (IAS) 34, "Interim Financial Reporting".

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING STANDARDS

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. If not stated differently, the amendments are not expected to have material effect on the consolidated financial statements.

- IAS 32 (Amendment) "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2014). This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

• IAS 36 (Amendment) "Recoverable amount disclosures for non-financial assets" (effective for annual periods beginning on or after 1 January 2014). 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 the 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" (effective for annual periods beginning on or after 1 January 2014). 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.

• IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 “Mandatory Effective Date and Transition Disclosures” and IFRS 9 “Hedge Accounting” and amendments to IFRS 9, IFRS 7 and IAS 39. IFRS 9 replaces part of IAS 39 which deals with the classification and measurement of financial assets and financial liabilities. The IASB has also published IFRS 9 Hedge Accounting, the third phase of its replacement of IAS 39 which establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model of IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Entity cannot currently early adopt IFRS 9 as it has not 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.

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

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS11, 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.

– 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 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.

• 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. These amendments have not yet been endorsed by the EU.

• Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014):

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. The improvements have not yet been endorsed by the EU.

− 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 judgments 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 July 2014):

The amendments set out below describe the key changes to four IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

− 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.

• 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 Amortization” (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 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 standard has not yet been endorsed by the EU.

4. ACCOUNTING PRINCIPLES

The interim condensed nine-month financial statements have been prepared according to the historical cost principle, with the exception of the revaluation of certain financial assets.

The basic accounting principles and the important accounting judgments made by the Management are the same to the ones applied for the annual financial statements of the Company on 31 December 2013.

The interim condensed nine-month financial statements of the Company do not include all the information required in the case of the annual financial statements, and therefore should be examined in conjunction with the annual audited, by the Certified Auditors Accountants, financial statements of 31 December 2013, which are available at the Company’s website www.eydap.gr.

Basis of Consolidation

The interim condensed nine-month financial statements of the current period as well as of the previous period include the Parent Company and its subsidiary company “ISLANDS’ EYDAP SA”.

Subsidiaries are all the companies which are managed and controlled directly or indirectly by the parent company either through the majority holding of the companies’ shares to which the investment has been made or through their dependency on the know-how which is provided to them by the Group. Subsidiaries’ financial statements are included in the consolidated financial statements from the date of control accession until the date that the control ceases to exist.

During the acquisition of the subsidiary the respective receivables, liabilities as well as any potential liabilities are assessed at their fair value. In case that the cost value is greater than the fair value, the respective difference is recognized as goodwill. At the opposite case, where the cost value is lower than the fair value, the respective difference is credited in the financial results of the acquisition year. Minority interests are displayed at the proportion of the minority at the fair value of the assets and liabilities at which they have been recognized.

Subsidiaries' acquisitions are recognized under the purchase method. The subsidiaries' financial results which are either acquired or sold during the fiscal year, they are included in the respective consolidated statements from their acquisition date or the date of their disposal, respectively.

When is deemed necessary, subsidiaries' financial statements are restated in order for the data to be homogeneous and comparable with the respective data of the remaining companies of the Group. During the consolidation all the intra-group transactions and balances as well as the losses and gains between the companies of the Group are eliminated.

In the Company's financial statements, participations in subsidiaries and affiliates are displayed at their cost value deducted by any impairment of their value. The Company examines on a yearly basis or whenever there is any indication for impairment occurrence the accounting value of the aforementioned participations compared to the retrieval value on the basis of the higher value between fair value less cost to sell and the value in use.

5. RESULTS FOR THE PERIOD

REVENUES

Revenues of the Company decreased by € 17.7 million compared to the corresponding comparable period of the previous year. The above was due to the reduction of water consumption in conjunction with price adjustments in the rendered water supply and sewerage services on 16/12/13 (GOV. GAZ. 3188) in the framework of the Company's social policy.

COST OF GOODS SOLD

The cost of goods sold increased by € 2 million approximately compared to the corresponding comparable period of the previous year. This change is mainly due to the following:

The increase of:

- Third party fees and expenses by an amount of € 1.4 million approximately
- Provision due to doubtful customer receivables by amount of € 60.3 million approximately

The decrease of:

- Provision of the one-off indemnity to employees hired until 25 October 1999 by amount of € 42.3 million approximately. The significant change is due to the initial formation of the relevant provision in the nine-month period of 2013.
- Provisions for legal cases by amount of € 13.2 million approximately
- Utility expenses by amount of € 2.2 million approximately
- Taxes and duties by amount of € 1.6 million approximately
- Other expenses by amount of € 0.4 million approximately

GENERAL AND ADMINISTRATION EXPENSES

The general and administration expenses of the Company decreased by € 2.5 million approximately compared to the corresponding comparable period of the previous year. This change is mainly due to the following:

The decrease of:

- Provision of the one-off indemnity to employees hired until 25 October 1999 by amount of € 10 million approximately. The significant change is due to the initial formation of the relevant provision in the nine-month period of 2013.

The increase of:

- Third party fees and expenses by € 4.1 million approximately
- Personnel's benefits by € 0.9 million approximately
- Utility expenses by € 1.3 million approximately
- Various expenses by € 1 million approximately
- Other expenses by € 0.2 million approximately

DISTRIBUTION AND SELLING EXPENSES

The distribution and selling expenses of the Company decreased by € 3.2 million approximately compared to the corresponding comparable period of the previous year. This change is mainly due to the following:

The decrease of:

- Provision of the one-off indemnity to employees hired until 25 October 1999 by amount of € 6.2 million approximately. The significant change is due to the initial formation of the relevant provision in the nine-month period of 2013.

The increase of:

- Third party fees and expenses by € 1 million approximately
- Utility expenses by € 0.4 million approximately
- Other expenses by € 1.6 million approximately

OPERATING PROFIT

The operating profit declined by € 14.3 million approximately, as it is analyzed above.

PROFIT BEFORE TAXES

Due to the positive effect of the financial results, the profit before taxes of the Company decreased by an amount of € 6 million approximately in comparison with the same period of the previous year.

NET PROFIT AFTER TAXES

The net profit after taxes of the Company amounted to € 40.6 million approximately versus € 74.8 million approximately in the corresponding period of the previous year.

The significant change is due to:

a. the income tax effect by amount of € 28.2 million approximately and mainly due to:

- The recognition, during the nine-month period of 2013, of a deferred tax asset of € 19.9 million approximately, due to the change in the applicable tax rates (from 20% to 26% due to Law 4110/2013).
- Moreover in the nine-month period of the previous year, the Company recognized a deferred tax asset of € 15.5 million approximately, due to the formation for the first time of a provision with regard to the one-off indemnity to employees hired until 25 October 1999.
- In the current period, the income tax and the deferred tax posted improvement by amount of € 7.2 million approximately. These changes contributed to the final formation of the income tax.

b. the operating activity of the Company by amount of € 6 million approximately as it was analytically presented above.

BUSINESS SEGMENTS

The major business activities of the Company (water supply services, sewerage services and other services), are not subject to different risks and returns. Therefore, the Company did not proceed with any disclosures concerning the business segments.

6. INCOME TAX (GROUP & COMPANY)

It is analyzed as follows:

Amounts in € thousands	**30.09.2014**	**30.09.2013**
Income Tax	1,366	22,367
Previous year's tax audit differences and provision for unaudited period's tax	(471)	605
Deferred Taxation	16,538	(33,735)
Total	**17,433**	**(10,763)**

The income tax for the current period was derived as follows:

	GROUP		**COMPANY**	
Amounts in € thousands	**30.09.2014**	**30.09.2013**	**30.09.2014**	**30.09.2013**
Profit before taxes	58,031	64,523	58,032	64,051
Income tax calculated with the tax rate in effect	15,088	16,776	15,088	16,653
Previous year's tax audit differences and provision for unaudited period's tax	(433)	605	(433)	605
Tax on non deductible expenses	2,778	(8,212)	2,778	(8,089)
Deferred tax due to change in tax rate	-	(19,932)	-	(19,932)
Total	**17,433**	**(10,763)**	**17,433**	**(10,763)**

7. EARNINGS PER SHARE FOR THE PERIOD

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

	GROUP	
Amounts in € thousands	**30.09.2014**	**30.09.2013**
Net profit for the period	40,598	75,287
Number of shares	106,500	106,500
Earnings per share (in €)	0.38	0.71

8. DIVIDENDS

The Annual General Meeting of Shareholders on 30.4.2014 approved:

a) the distribution of a gross dividend from the profit of the year 2013 amounting to 36 cents (Euro 0.36) per share (or total amount of Euro 38,340 thousands). Correspondingly, during the financial year 2013, the shareholders meeting had approved a gross dividend of 20 cents (Euro 0.20) per share (or total amount of Euro 21,300 thousands).

b) the distribution of a tax free reserve amounting to two cents (Euro 0.02) per share (or total amount of Euro 2,130 thousands).

9. OTHER INTANGIBLE AND TANGIBLE ASSETS

In the context of the strategic development of EYDAP, the Company proceeds each year with investments targeting the modernization of its operation segments and the coverage of the constantly rising water supply and sewerage needs of the capital's broader geographic area, as well as the maintenance of an exceptional quality of the water supplied and the services rendered. In this context, during the period 01.01.2014-30.09.2014, the Company implemented investments of Euro 4.6 million approximately concerning the water supply and sewage network, as well as of Euro 5.3 million approximately for the purchase of other fixed assets (machinery equipment, furniture and other equipment), and Euro 3.6 million approximately for the purchase of software. The total depreciation of tangible assets during the nine-month period of the year amounted to Euro 30.0 million approximately, whereas the total amortization of the intangible assets over the same period amounted to 0.8 million approximately.

10. LONG-TERM ASSETS

The account "long-term assets" includes:

- Receivables (acrued and non-invoiced) from the Greek State concerning expenses for the construction and maintenance of works under state ownership, amounting to Euro 3.0 million approximately (31.12.2013 amount of Euro 2.1 million approximately).

- Loans granted to personnel, amounting to Euro 2.7 million approximately (31.12.2013 amount of Euro 2.2 million approximately).
- Other receivables from the personnel (amounts withheld from payroll), amounting to Euro 0.1 million approximately (31.12.2013 amount of Euro 0.3 million approximately).
- Guarantees granted of Euro 0.6 million (31.12.2013 amount of Euro 0.7 million approximately).

11. SPARE PARTS & CONSUMABLES

The Company utilizes spare parts and consumables in the expansion and maintenance of its networks. Inventories include provisions for inventory impairment of Euro 2.4 million, which are recorded as a deduction from their acquisition value.

12. RECEIVABLES FROM CUSTOMERS

The balance of customers after impairment due to doubtful receivables increased by Euro 14 million during the current period as compared to 31.12.2013. The balance of customers before the impairment due to doubtful receivables increased by Euro 21.14 million approximately.

With regard to its credit risk, the Company created on 30.09.2014 provisions for doubtful receivables of a total amount of Euro 32.5 million approximately. Due to the large number of customers (2,051,257 approximately on 30.09.2014), the credit risk of the Company is relatively limited. At the same time, the terms of the agreement concerning the water supply and sewerage services are such that they ensure to a large extent the collection of the receivables from customers. The provision for doubtful receivables that has been formed is mainly based on statistical evidence concerning the collectability of the water supply and sewerage services accounts per pricing category, as well as on the Management's estimates with regard to the amount which will be probably collected from customer receivables settled at a future time.

13. OTHER RECEIVABLES

The balance of other receivables recorded no significant change (on 30.09.2014, the balance was at Euro 18.8 million and on 31.12.2013 the balance was at Euro 18.4 million approximately). It is noted that in the nine-month period, other receivables include a receivable from the Greek State for withheld tax following the relevant opinion of the Ministry of Finance with protocol number Δ12Α 1090523 ΕΞ2014, amounting to Euro 1.6 million approximately.

14. CURRENT TAX RECEIVABLES (GROUP & COMPANY)

The movement of the income tax payable is depicted as follows:

Amounts in € thousands

Balance at 01.01.2014	(11,935)
Current Income Tax for the nine-month period of the year	(1,366)
Income tax payments and tax advances for the current year	20,871
Withheld taxes	775
Total Current Tax Liabilities 30.09.2014	**8,345**

The following are noted:

Tax unaudited years: The Company has not been tax audited for the financial years 2008, 2009 and 2010. On 3.11.2014 the Company received the tax audit invitation no. 29964 from the Large Corporations Audit Center, according to which there will be an audit for the tax unaudited years 2008, 2009 and 2010. For the years 2011, 2012 and 2013 the Company was audited by its legal auditors, in accordance with the article 82 of L. 2238/1994, and a relevant tax compliance certificate with agreement was issued.

The financial statements include an adequate provision for additional taxes as well as incremental charges of € 5.6 million approximately that may be charged at the time of completion of the audit for the tax unaudited years 2008 – 2010 and for the nine-month period of 2014.

EYDAP ISLANDS' S.A. has not been tax audited since its establishment for the years 2011-2013 and has not formed any provision due to its limited transactions.

15. OPERATING SHORT-TERM LIABILITIES

The Company's operating short-term liabilities in the current period declined by Euro 37.9 million compared to the corresponding level on 31.12.2013. This change was mainly due to:

The decrease of:

- The withheld taxes by Euro 35.1 million approximately, mainly due to an invoice on 30/12/2013 concerning provision of services towards to the Ministry of Infrastructure, Transport and Networks (services rendered to "EYDAP Fixed Assets" L.E.P.L.) and the subsequent payment of the relevant VAT in January 2014,
- The pension contributions by Euro 1.0 million approximately
- The other liabilities by Euro 0.5 million approximately
- The suppliers by Euro 1.3 million approximately

16. OTHER SHORT-TERM LIABILITIES

Other short-term liabilities decreased by Euro 63.8 million. This significant change was mainly due to:

- The execution of the decision no. 18275/22.1.14 of Board of Directors, according to which the historical claims of employees and pensioners that had reached a court of law, amounting to € 134 million, were reduced following a settlement to approximately € 73.2 million on 31.12.2013. During the nine-month period of the year, an amount of € 67.6 million was paid. The outstanding amount of the liability accounted for € 5.6 million on 30.09.2014.

- The increase of other short-term liabilities towards third parties and former employees by € 4.4 million approximately.
- The decrease of the provision concerning the personnel's leave that was not utilized by € 0.3 million approximately.
- The decrease of the unpaid check receivables by € 0.3 million approximately.

17. INVESTMENTS IN SUBSIDIARIES

On 18th July 2011, with the Board of Directors decision 17241/13.05.2011, EYDAP SA established a company under the name “ISLANDS WATER SUPPLY AND SEWERAGE S.A.” with distinctive title “Islands’ EYDAP SA”, which is fully owned (100%) by EYDAP SA. The subsidiary plans to activate in the areas of water supply, sewerage, irrigation, and rain water collection in Greek islands. The subsidiary possesses limited business activity until today.

The Board of Directors of “Islands’ EYDAP SA” unanimously approved on 07.02.2014, the company’s share capital increase by Euro 150 thousands. The payment of the amount had been realized in full until 30.09.2014. Furthermore, with the Board of Directors decision 18460/22.10.2014 of EYDAP SA, a new share capital increase by Euro 1 million was approved.

18. DEFERRED TAX ASSET

The deferred tax asset on 30.09.2014 accounted for Euro 77 million approximately. The corresponding deferred tax asset on 31.12.2013 had accounted for Euro 93.6 million approximately.

The Company utilized a provision concerning labor cases under litigation of a total amount of Euro 67.6 million approximately, which reduced the deferred tax asset by Euro 17.4 million approximately.

19. SHARE CAPITAL

EYDAP was established in 1980 pursuant to Law 1068/1980 and following the merger of the two water and sewerage utilities of Athens at the time, with the company names Hellenic Water Supply Company and the Sewerage Organization of Athens LEPL.

The initial share capital of the Company settled at € 130,502 and was based on the valuation of assets and liabilities of the merged entities according to the clauses of Law 1068/1980.

In 1992, the share capital amounted to € 1,253,507 consisting of 213,566,282 common shares with a nominal value of € 5.87 per share. The share capital increase took place pursuant to Law 1914/1990 following a new valuation of the Company’s net worth in view of significant number installations, which were contributed by the Greek State to the Company at the time, and following the capitalization of liabilities towards the State.

The Shareholders General Meeting on 30 June 1998 approved an additional increase of the Company’s share capital by € 6,845 via the capitalization of investment subsidies that had been collected up to 31 December 1997. Following the above increase, the Company’s share capital amounted to € 1,260,352 consisting of 214,732,544 common shares with a nominal value of €5.87 (two thousands drachmas) per share.

In 1999, due to the Company’s listing on the Athens Exchange and according to Law 2744/1999, its share capital was set at € 58,694 consisting of 100,000,000 common shares with a nominal value of € 0.59 (two hundred drachmas) per share. According to the same Law, the remaining amount of € 1,201,658 of the share capital was converted to a ‘’Special Non Taxable Reserve’’, which was among others decreased by the net amount of fixed assets, which were transferred to «EYDAP Fixed Assets» at no cost. In December 1999, 6,500,000 new ordinary shares were issued at a nominal value of € 0.59 (two hundred drachmas) per share and were allocated through an initial public offering for the Company's listing on the Athens Exchange.

As a result, the Company's share capital as of December 31, 2000 had amounted to € 62,509 thousands consisting of 106,500,000 common shares with a nominal value of € 0.59 (two hundred drachmas) per share.

In May 2001, EYDAP decided to denominate its share capital into Euro, through the increase of the nominal value per share from € 0.59 to € 0.60, and the amount of € 1,391 thousands of the above share capital increase was transferred from the "Share Premium Account". Thus, the share capital of the Company on 31 December 2012 and 31 December 2011 was equivalent to € 63,900 thousands consisting of 106,500,000 common shares with a nominal value of € 0.60 per share.

No change occurred in the Company's share capital during the current as well as the previous period.

20. SHORT-TERM BANK LOANS (GROUP & COMPANY)

The account in the financial statements is analyzed as follows:

Amounts in € thousands	**30/9/2014**	**31/12/2013**
Greek State Loans	-	3,142
Total	**-**	**3,142**

1. The Company fully repaid its debt obligations in 2013.
2. A debt obligation towards the Greek State amounting to Euro 3.1 million approximately was eliminated in benefit of the results of the period and is included in the account "Credit Interest & related income" (Financial income).

21. LIABILITIES FOR EMPLOYEE BENEFITS (GROUP & COMPANY)

The account is analyzed as follows:

Amounts in € thousands	**30.09.2014**	**31.12.2013**
Provision for staff indemnity due to retirement	27,584	26,424
Healthcare coverage of personnel	163,397	161,937
Special one-off indemnity (personnel hired prior to and after 25-10-1999)	66,813	64,248
Total	**257,794**	**252,609**

The change in the account is attributed to the burden on the results of the period amounting to Euro 5.2 million approximately which was based on the estimation of cost up to 30.09.2014 for each plan separately and in accordance with the actuarial study on 31.12.2013.

22. RETAINED EARNINGS

Amounts in € thousands	GROUP	COMPANY
Balance at 01.01.2013	**358,248**	**358,759**
Dividends approved	(15,975)	(15,975)
Previous years' dividends approved	(5,325)	(5,325)
Net profit for the period	75,287	74,815
Balance at 30.09.2013	**412,235**	**412,274**
Balance at 01.01.2014	**465,911**	**465,949**
Dividends approved	(38,431)	(38,431)
Net profit for the period	40,598	40,599
Balance at 30.09.2014	**468,078**	**468,117**

23. PROVISIONS

As of 30.09.2014, the lawsuits for civil cases against the Company accounted for € 88.1 million. The lawsuits concern indemnities for damages from flooding (due to pipeline fractures or rainfalls), as well as cases involving various counterparty suppliers and sub-contractors with regard to violation of contractual terms. Furthermore, there are pending legal cases for labor differences of € 22.6 million approximately.

With regard to contingent losses from the above legal cases, provided that these cases become irrevocably resolved, EYDAP had formed provisions of € 26.6 million on 30.09.2014 (€ 25.9 million on 31.12.2013). The provisions are deemed as adequate.
The provisions concerning the above legal cases are based on the Management's estimates, which are performed in co-operation with the Legal Services Department, with regard to the amount that is likely to be paid.

24. COMMITMENTS AND CONTINGENT LIABILITIES – ASSETS

Contingent liabilities and assets are not recorded in the financial statements but they are disclosed, provided that the possibility of an outflow/inflow of resources incorporating financial benefits is minimal.

24.1 RELATIONS WITH GREEK STATE

The signing of a written agreement - as it is defined in the article 15 of the agreement on 9.12.1999 between the Greek State and the Company - which will determine the price paid to "L.E.P.L. EYDAP Fixed Assets" for the crude water collected from 1.7.2013 is pending from the year 2004 (Note 27). In absence of a written agreement, the Company continues from 25.10.2004 and onwards to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "L.E.P.L. EYDAP Fixed Assets", burdening its financial results.
More analytically, with joint ministerial decision of 3.12.2013 which was issued according to the above law provisions, it was defined that the overdue amounts payable to the Company from the Greek State concerning investment plan's subsidized

expenditures of € 294 million for the decade 2000 – 2010 as stipulated from the agreement of 9.12.1999 between the Greek State and the Company, are offset with equivalent in value non tax related amounts payable to the Greek State from the Company, until 30.6.2013, concerning the cost of the collected crude water for the period 25.10.2004 – 30.6.2013.

With the decision of the Extraordinary General Shareholders' Meeting on 27th December 2013, the above ministerial decision was accepted.

24.2 "EYDAP FIXED ASSETS" L.E.P.L.

The implementation of the Agreement signed on 30.09.2014 between "EYDAP Fixed Assets L.E.P.L." and "EYDAP S.A." in accordance with the decision 18448 / 24.09.2014 of the Board of Directors of "EYDAP S.A." is expected, with regard to the water supply and the pricing offered to the Local Government Authorities and to the other Legal Entities of Public Law (L.E.P.L.) from "EYDAP Fixed Assets L.E.P.L." along the External Water Supply System which concerns geographic areas beyond the jurisdiction of "EYDAP S.A.". It is noted that the corresponding annual income of the financial year 2013 had amounted to Euro 3 million approximately. "EYDAP S.A." will be invoicing "EYDAP Fixed Assets L.E.P.L." with 10% of the value priced (before taxes) plus the cost of materials and energy. According to the estimates of the Management the implementation of the above agreement is not expected to have any material effect on the Company's financial results.

24.3 COMMITMENTS CONCERNING NON-EXECUTED CONTRACTS

The Company's commitments which concern expansions, improvements and maintenance of networks and installations, electrical and thermal energy production unit installations, etc., accounted for € 111 million approximately on 30.09.2014 versus € 118 million approximately on 31.12.2013.

24.4 LETTERS OF GUARANTEE

The Company has issued letters of guarantee for liability insurance of € 384 thousands on 30.09.2014.

25. EVENTS AFTER THE BALANCE SHEET DATE

There is no other event that significantly affects the financial structure or the business course of the Company and the Group from 30.09.2014 until the approval date of the financial statements from the Company's Board of Directors.

OTHER EVENTS

ISLANDS' EYDAP SA

With the decision 18460/22.10.2014, the Board of Directors of "EYDAP S.A." unanimously approved the share capital increase of "ISLANDS' EYDAP SA" by an amount of Euro 1 million via a payment in two installments: a) payment of the first installment of Euro 500,000 on 01.11.2014 and b) payment of the second installment of Euro 500,000 on 01.07.2015.

TAX UNAUDITED FISCAL YEARS

On 3.11.2014 the Company received the tax audit invitation no. 29964 from the Large Corporations Audit Center, according to which there will be an audit for the tax unaudited years 2008, 2009 and 2010.

26. RELATED PARTY TRANSACTIONS (GROUP & COMPANY)

There are no essential changes in the nature of transactions regarding the related parties as compared to the annual financial statements.

A) Transactions and Amounts Outstanding with Members of the Board

Amounts in € thousands	**30.09.2014**	**30.09.2013**
Fees (Chairman & CEO, and Executive Directors)	43	43
Fees & attendance expenses of BoD members	58	60
Total	**101**	**103**

B) Transactions and Amounts Outstanding with Greek State and Municipalities

Amounts in € thousands	**GROUP**		**COMPANY**	
	30.09.2014	**30.09.2013**	**30.09.2014**	**30.09.2013**
1) Transactions				
- Income	48,430	49,851	48,430	49,851
- Cost of Goods Sold (cost of construction works)	779	(1,368)	779	(1,368)
- Various provisions	(832)	(20,992)	(832)	(20,992)
2) Outstanding amounts	**30.09.2014**	**31.12.2013**	**30.09.2014**	**31.12.2013**
Receivables (Projects for third parties)	2,973	2,147	2,973	2,147
Customer receivables (Municipalities, Greek State)	50,496	40,931	50,496	40,931
Receivables from ISLANDS' EYDAP S.A.	-	-	15	-

The transactions with the Greek State and Local Government Authorities concern revenues of water supply, invoiced and accrued, as well as accrued income from the construction cost for the account of Ministry of Infrastructure, Transport and Networks and "EYDAP Fixed Assets L.E.P.L.".

27. EYDAP FIXED ASSETS «EYDAP L.E.P.L.»

"EYDAP Fixed Assets Legal Entity of Public Law L.E.P.L." was established at the time of the Company's public listing (IPO) aiming at transferring the ownership of the water dams and basins of Marathon, Mornos, Yliki and Evinos. Apart from the constructions and the expansions of the facilities which are connected to the above dams and basins, the Greek State through "EYDAP Fixed Assets L.E.P.L." supplies the Company with crude water so that the Company is in position to fulfill its obligations with regard to the provision of water supply services.

It is noted that until the approval date of the financial statements by the Board of Directors, the total ceded assets have not been transferred to EYDAP L.E.P.L., which have a total net book value of € 657 million approximately.

With the decision 18448 / 24.09.2014 of the Board of Directors of “EYDAP S.A.”, the signing of an agreement was approved between “EYDAP Fixed Assets L.E.P.L.” and “EYDAP S.A.” with regard to the water supply and the pricing offered to the Local Government Authorities and to the other Legal Entities of Public Law (L.E.P.L.) from “EYDAP Fixed Assets L.E.P.L.” along the External Water Supply System which concerns geographic areas beyond the jurisdiction of “EYDAP S.A.”. Particularly, the above decision concerned the following Municipalities:

- Delfi
- Levadeon (and of DEYAL)
- Thivaion (and of DEYATH)
- Tanagra
- Chalkida (and of DEYACH)
- Distomo - Arachova

DATA AND INFORMATION FOR THE PERIOD FROM 1ST JANUARY 2014 TO 30TH SEPTEMBER 2014

ATHENS WATER SUPPLY AND SEWERAGE COMPANY S.A. (E.Y.D.A.P.)

G.E.MI. (Greece's General Electronic Commercial Registry) 121578960000
156 Oropou Street, Postal Code1146 Galatsi
DATA AND INFORMATION FOR THE PERIOD FROM 1st January 2014 to 30 September 2014
(In accordance with the Decision 4/507/28.4.2009 of the Hellenic Capital Market Commission)

The information and financial data below provide general information about the financial position and the results of EYDAP S.A.(the Company) and the Group. Therefore, we recommend the reader, before making any investment decision or proceeding to any transaction with the Group or the Company to visit the Company's website where the full year financial statements according to International Financial Reporting Standards together with the auditor's report, are presented.

COMPANY INFORMATION

Company website	www.eydap.gr
Approval Date of the Financial Statements by the Board of Directors:	26 November 2014

STATEMENT OF FINANCIAL POSITION

Amounts in € thousands	GROUP		COMPANY	
	30.09.2014	31.12.2013	30.09.2014	31.12.2013
ASSETS				
Tangible Assets	956.550	976.641	956.550	976.641
Intangible Assets	4.261	1.420	4.261	1.420
Other Non Current Assets	87.745	103.726	87.955	103.786
Inventories	15.503	15.798	15.503	15.798
Customer Receivables	217.567	203.194	217.556	203.181
Other Current Assets	256.437	350.326	256.273	350.312
TOTAL ASSETS	**1.538.063**	**1.651.105**	**1.538.098**	**1.651.138**
SHAREHOLDERS' EQUITY & LIABILITIES				
Share Capital	63.900	63.900	63.900	63.900
Other equity items	886.472	886.715	886.511	886.753
Total Shareholders' Equity	**950.372**	**950.615**	**950.411**	**950.653**
Liabilities for employee benefits	257.794	252.609	257.794	252.609
Investment subsidies and customer contributions	202.671	204.598	202.671	204.598
Provisions / Other long-term liabilities	44.685	43.896	44.685	43.896
Short-term loans	0	3.142	0	3.142
Other short-term liabilities	82.541	196.245	82.537	196.240
Total liabilities	**587.691**	**700.490**	**587.687**	**700.485**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	**1.538.063**	**1.651.105**	**1.538.098**	**1.651.138**

STATEMENT OF TOTAL COMPREHENSIVE INCOME

Amounts in € thousands	GROUP			
	1.01-30.09.2014	1.01-30.09.2013	1.07-30.09.2014	1.07-30.09.2013
Turnover	246.395	264.069	94.601	103.114
Gross profit	112.425	132.146	52.231	68.924
Profit before interest and taxes	46.574	59.563	33.016	36.448
Profit before taxes	**58.031**	**64.523**	**35.417**	**42.481**
Net Profit after taxes (A)	40.598	75.287	25.008	41.418
Other comprehensive income (B)	(371)	40	(207)	119
Total comprehensive income after taxes (A)+(B)	**40.227**	**75.327**	**24.801**	**41.537**
Allocated to:				
Parent company's shareholders	40.598	75.287	25.008	41.418
Earnings after taxes per share - basic (in €)	0,38	0,71	0,23	0,39
Earnings before interest, tax, depreciation and amortization	73.654	83.363	41.083	43.821

STATEMENT OF TOTAL COMPREHENSIVE INCOME

Amounts in € thousands	COMPANY			
	1.01-30.09.2014	1.01-30.09.2013	1.07-30.09.2014	1.07-30.09.2013
Turnover	246.370	264.069	94.584	103.114
Gross profit	112.400	132.146	52.214	68.924
Profit before interest and taxes	46.575	59.088	33.006	36.453
Profit before taxes	**58.032**	**64.052**	**35.408**	**42.490**
Net Profit after taxes (A)	40.599	74.815	24.999	41.427
Other comprehensive income (B)	(371)	40	(207)	119
Total comprehensive income after taxes (A)+(B)	**40.228**	**74.855**	**24.792**	**41.546**
Allocated to:				
Parent company's shareholders	40.599	74.815	24.999	41.427
Earnings before interest, tax, depreciation and amortization	73.655	82.888	41.073	43.826

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Amounts in € thousands	GROUP		COMPANY	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Equity at beginning of period (01/01/2014 and 01/01/2013 respectively)	**950.615**	**843.663**	**950.653**	**844.174**
Profit after tax	40.598	75.287	40.599	74.815
Net income recorded directly in equity	(371)	40	(371)	40
Total comprehensive income after taxes	40.227	75.327	40.228	74.855
Distributed Dividends	(40.470)	(21.300)	(40.470)	(21.300)
Equity at end of period (30/09/2014 and 30/09/2013 respectively)	**950.372**	**897.690**	**950.411**	**897.729**

CASH FLOW STATEMENT

Amounts in € thousands	GROUP		COMPANY	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Cash Flows from operating activities				
Profit before taxes (continuing activities)	58.031	64.523	58.032	64.052
Plus / minus adjustments for:				
Depreciation and amortization	30.815	30.166	30.815	30.166
Amortization of subsidies and third party participations	(3.735)	(6.366)	(3.735)	(6.366)
Investment income	(75)	(43)	(75)	(43)
Impairment of investments	0	5	0	494
Provisions for personnel compensation	3.854	63.490	3.854	63.490
Other provisions	7.651	(38.470)	7.651	(38.470)
Credit interest and related income	(11.819)	(13.099)	(11.819)	(13.099)
Debit interest and related expenses	437	8.182	437	8.178
Plus / minus adjustments for changes in working capital accounts or related to operating activities:				
(Increase) Decrease:				
Trade receivables	(21.375)	99.981	(21.376)	99.986
Materials and spare parts	135	1.685	135	1.685
Increase (Decrease):				
Liabilities	(103.200)	(6.701)	(103.198)	(6.720)
Customers' guarantees	66	87	66	87
Employees' contributions for indemnity	1.330	681	1.330	681
Minus:				
Debit interest and related expenses paid	(26)	(9.315)	(26)	(9.315)
Income tax paid	(21.563)	(24.255)	(21.563)	(24.255)
Total inflows / (outflows) from operating activities (a)	**(59.474)**	**170.551**	**(59.472)**	**170.551**
Investing Activities				
Purchases of tangible assets	(9.924)	(11.237)	(9.924)	(11.237)
Purchases of intangible assets	(3.642)	(350)	(3.642)	(350)
Receipts of subsidies and third party participations	1.808	1.528	1.808	1.528
Interest received	7.468	4.035	7.468	4.035
Dividends received	75	43	75	43
Participation in subsidiaries	0	48	(150)	48
Total inflows / (outflows) from investing activities (b)	**(4.215)**	**(5.933)**	**(4.365)**	**(5.933)**
Financing Activities				
Loan repayments	0	(117.993)	0	(117.993)
Dividends paid	(38.979)	(19.518)	(38.979)	(19.518)
Total inflows / (outflows) from financing activities (c)	**(38.979)**	**(137.511)**	**(38.979)**	**(137.511)**
Net increase / (decrease) in cash	**(102.668)**	**27.107**	**(102.816)**	**27.107**
and cash equivalents for the period (a) + (b) + (c)				
Cash and Cash Equivalents at the beginning of period	**331.967**	**43.106**	**331.941**	**43.072**
Cash and Cash Equivalents at the end of period	**229.299**	**70.123**	**229.125**	**43.072**

ADDITIONAL DATA AND INFORMATION

1. The number of the employed personnel of the Group and the Company accounted on 30 September 2014 for 2,372 persons and on 30 September 2013 for 2,423 persons.

2. The tax unaudited financial years of the Group and the Company are presented analytically in the Note 14 of the condensed financial statements.

3. The provisions which have been recorded by the Company until 30 September 2014 concern: a) Lawsuits for civil cases against the Company amounting to € 88.1 million. The lawsuits concern indemnities for damages from flooding (due to pipeline fractures or rainfalls), as well as cases involving various counterparty suppliers and sub-contractors with regard to violation of contractual terms. b) Furthermore, there are pending legal cases for labor differences of € 22.6 million approximately. With regard to contingent losses from the above legal cases, provided that these cases (a and b) become irrevocably resolved, the Company has formed provisions of € 26.6 million on 30 September 2014 versus € 25.9 million on 31 December 2013. The provisions are deemed as adequate. c) Tax unaudited financial years of € 5.6 million on 30 September 2014 versus € 6.1 million on 31 December 2013, and d) Other provisions for doubtful receivables and obsolete inventories of € 34.9 million on 30 September 2014 versus € 27.9 million on 31 December 2013.

4. In execution of the decision no. 18275/22.1.14 of Board of Directors, a private agreement was signed between the Company and its employees-pensioners, according to which the historical claims of employees and pensioners that had reached a court of law, amounting to € 134 million, were reduced following a settlement to approximately € 64.2 million plus an amount of € 9 million concerning subsequent charges. During the nine-month period of the year (until 30.09.2014), an amount of € 67.6 million was paid. The outstanding amount of the provision accounted for € 73.2 million on 31.12.2013.

5. a) The signing of a written agreement - as it is defined in the article 15 of the agreement on 9.12.1999 between the Greek State and the Company - which will determine the price paid to "L.E.P.L. EYDAP Fixed Assets" for the crude water collected from 1.7.2013 is pending from the year 2004. In absence of a written agreement, the Company continues from 25.10.2004 and onwards to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "L.E.P.L. EYDAP Fixed Assets", burdening its financial results. b) Until the approval date of the financial statements by the Board of Directors, the total ceded property assets have not been transferred to "EYDAP Fixed Assets L.E.P.L.", which have a total net book value of € 657 million approximately.

6. The amounts of sales and purchases cumulatively from the beginning of the present period and the balances of receivables and liabilities of the Group and the Company at the end of the present period, that have resulted from its transactions with related parties, as such are defined by IAS 24, are as follows (amounts in Euro thousands):

	GROUP		COMPANY	
	2014	2013	2014	2013
i) Income	48.430	49.581	48.430	49.851
ii) Expenses	779	(1.368)	779	(1.368)
iii) Receivables	53.469	43.078	53.469	43.078
iv) Fees and remunerations of executive directors and members of the Management	101	103	101	103
v) Demand from EYDAP Islands SA	-	-	15	-

7. During the current period, an expense of € 371 thousand was recorded in the "Other comprehensive income after taxes" concerning a change in the fair value of assets available for sale.

8. From 30.09.2014 and until the approval date of the financial statements by the Board of Directors, there is no significant event which may materially affect the financial structure or the business course of the Company and the Group.

9. The consolidated financial statements, apart from EYDAP, include the company "ISLANDS' EYDAP S.A." based in Athens, which is fully owned (100%) by EYDAP and has been consolidated with the full consolidation method. As result, no minority interests are recorded. With regard to the previous comparative period, the consolidated financial statements do not include a company which was consolidated with the equity method, due to the liquidation of this company.

Athens, November 26, 2014

The Chairman of the Management Board and Chief Executive Officer	The Member of the BoD	The Director of the Economic Department	The Chief Accountant Supervisor
Antonios Vartholomaios	Chondrogiannos Ioannis	Spyropoulou Eleni	Skylaki Lemonia
ID No AK 543580	ID No AI 094411	ID No AI 060168	ID No Ξ 971227
		Economic Chamber of Greece Accounting License Reg.No A/22806	Economic Chamber of Greece Accounting License Reg.No A/17806

The accompanying notes on pages 10 to 27 are an integral part of these financial statements