CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS
for the three-month period

from January 1st to March 31st 2019

Industrial Commercial Technical Societe Anonyme
85 Mesogeion Ave., 115 26 Athens, Greece
Societe Anonyme Reg. No. 318/06/B/86/28
G.E.MI Reg. No. 312701000

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Interim Review Report on Financial Information

To the Board of Directors of "TERNA ENERGY SOCIETE ANONYME COMMERCIAL TECHNICAL COMPANY"

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of TERNA ENERGY SOCIETE ANONYME COMMERCIAL TECHNICAL COMPANY as of 31 March 2019 and the related separate and consolidated condensed statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and the selected explanatory notes that comprise the interim condensed financial information.

Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards as incorporated into the Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Other matter

The comparative financial information pertaining to the three-month period ended 31st March 2018 has not been reviewed by a Certified Auditor Accountant.

Athens, June 5, 2019
The Certified Auditor Accountant

Dimitra Pagoni
SOEL Reg. No 30821

Grant Thornton
An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE TREE-MONTH PERIOD ENDED AS AT MARCH 31st 2019**

**Under the International Financial Reporting Standards (IFRS),
as adopted by the European Union, and, in particular, under IAS 34**

The attached Condensed Interim Three-month Financial Statements of the Group and the Company were approved by the Board of Directors of TERNA ENERGY on 05/06/2019.

The annual financial statements of consolidated subsidiaries in compliance with the Decision of Hellenic Capital Market Commission Board of Directors Num. 8/754/14.4.2016 are posted at www.terna-energy.com.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS OF 31 MARCH 2019

		GROUP		COMPANY	
	Note	**31/03/2019**	**31/12/2018***	**31/03/2019**	**31/12/2018****
ASSETS					
Non-current assets					
Intangible assets	6	23.307	23.483	1.931	1.967
Tangible assets	7	1.244.814	1.189.515	84.430	85.830
Rights on use of tangible assets	2.6.3	6.591	-	1.169	-
Investment property		538	538	538	538
Investment in subsidiaries		-	-	332.595	332.595
Investment in associates		4.233	4.233	4.188	4.188
Investment in joint ventures		-	-	47	47
Other long-term receivables	8	35.246	33.586	95.884	106.531
Receivables from derivatives		7.098	3.929	-	-
Financial Assets – Concessions	9	40.463	36.930	-	-
Investement in equity interests		1.842	1.823	1.837	1.818
Deferred tax assets		6.621	6.666	-	-
Total non-current assets		**1.370.753**	**1.300.703**	**522.619**	**533.514**
Current assets					
Inventories		4.424	4.783	2.985	3.064
Trade receivables		73.219	77.413	35.137	51.298
Receivables from contracts with customers		20.272	16.429	8.397	4.896
Prepayments and other receivables	10	70.868	74.632	41.303	17.139
Income tax receivables		6.014	5.951	5.118	4.843
Cash and cash equivalent	11	135.405	166.359	17.040	39.204
Total current assets		**310.202**	**345.567**	**109.980**	**120.444**
Current assets					
TOTAL ASSETS		**1.680.955**	**1.646.270**	**632.599**	**653.958**
EQUITY AND LIABILITIES					
Share capital	12	34.176	34.176	34.176	34.176
Share premium		191.793	191.793	191.793	191.793
Reserves		43.841	41.429	9.233	10.788
Retained earnings		134.666	112.499	54.431	53.476
Total equity attributable to the owners of the parent		**404.476**	**379.891**	**289.633**	**290.233**
Non-controlling interest		12.209	11.242	-	-
Total equity		**416.685**	**391.133**	**289.633**	**290.233**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS OF 31 MARCH 2019

		GROUP		COMPANY	
	Note	**31/03/2019**	**31/12/2018**	**31/03/2019**	**31/12/2018**
Long-term liabilities					
Long-term loans	14	697.072	668.409	229.680	224.645
Liabilities from lease	2.6.3	5.630	-	931	-
Equity interests having a substance of financial liability	13	140.121	138.103	-	-
Liabilities from derivatives	15	8.272	9.274	1.246	1.041
Other provisions	16	17.524	17.236	3.971	3.925
Provision for staff indemnities	16	492	498	398	408
Grants	17	140.262	141.336	19.860	20.175
Deferred tax liabilities		24.593	23.010	2.325	1.953
Other long-term liabilities		70	89	-	-
Total long-term liabilities		**1.034.036**	**997.955**	**258.411**	**252.147**
Short-term liabilities					
Suppliers		31.209	31.731	10.408	13.373
Short-term loans		50.428	43.989	17.119	17.019
Long-term liabilities carried forward		101.474	100.041	19.947	23.050
Liabilities from lease	2.6.3	1.211	-	478	-
Equity interests having a substance of financial liability		21.743	22.287	-	-
Liabilities from contracts with customers		3.577	3.946	5.285	9.714
Accrued and other short-term liabilities	12	12.523	49.730	31.290	48.423
Income tax payable		8.069	5.459	28	-
Total short-term liabilities		**230.234**	**257.182**	**84.555**	**111.578**
Total liabilities		**1.264.270**	**1.255.137**	**342.966**	**363.725**
TOTAL LIABILITIES AND EQUITY		**1.680.955**	**1.646.270**	**632.599**	**653.958**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM CONSOLIDATED AND SEPARATE STATEMENT OF CONSOLIDATED INCOME

AS OF 01/01-31/03/2019

		GROUP		COMPANY	
	Note	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**
Continuing operations					
Turnover	5,18	82.760	71.694	21.121	21.028
Cost of sales	18	(41.159)	(35.251)	(15.288)	(13.033)
Gross profit		**41.601**	**36.443**	**5.833**	**7.995**
Administrative & distribution expenses		(3.138)	(4.799)	(1.957)	(3.146)
Research & development expenses		(426)	(269)	(366)	(266)
Other income / (expenses)	19	3.911	2.402	199	215
Operating results		**41.948**	**33.777**	**3.709**	**4.798**
Financial income	18	1.261	1.015	1.267	1.247
Financial expenses		(15.479)	(15.871)	(3.454)	(3.957)
Gains / (Losses) from financial instruments measured at fair value	18	2.251	(301)	-	-
Earnings before tax		**29.981**	**18.620**	**1.522**	**2.088**
Income tax expense	21	(5.940)	(5.818)	(461)	(772)
Net earnings for the period		**24.041**	**12.802**	**1.061**	**1.316**
Other comprehensive income					
Other comprehensive income subsequently reclassified in the Income Statement					
Foreign exchange translation differences from incorporation of foreign operation		719	(2.078)	-	-
Cash flows hedges		1.971	(4.307)	(205)	219
Corresponding income tax		327	(67)	51	(63)
Total		**3.017**	**(6.452)**	**(154)**	**156**
Other Comprehensive Results not reclassified in the Income Statement in future periods		-	-	-	-
Other comprehensive income / (losses) for the period (after tax)		**3.017**	**(6.452)**	**(154)**	**156**
Total comprehensive income for the period		**27.058**	**6.350**	**907**	**1.472**

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CONSOLIDATED INCOME

	GROUP	
	1/1 – 31/03 2019	**1/1 – 31/03 2018**
Net profit for the period attributed to :		
Shareholders of the parent from continuing operations	23.080	11.455
Non-controlling interests from continuing operations	961	1.347
	24.041	**12.802**
Total income attributed to:		
Shareholders of the parent from continuing operations	26.095	5.005
Non-controlling interests from continuing operations	963	1.345
	27.058	**6.350**
Earnings per share (in Euro)		
From continuing operation attributed to shareholders of the parent	0,2055	0,1236
Average weighted number of shares		
Basic	112.317.680	92.715.780

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3). Respectively, no adjustments have been made to the amounts of the comparative period due to implementation of IFRS 9 and IFRS 15.

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

		GROUP		COMPANY	
	Note	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**
Cash flows from operating activities					
Earnings for the period before tax		29.981	18.620	1.522	2.088
Adjustments for reconciliation of net flows from operating activities					
Depreciation	6 & 7 & 2.6.3	14.712	13.627	1.880	1.571
Provisions	16	29	-	24	-
Impairment		232	-	(7)	-
Interest and related income		(1.261)	(1.015)	(1.267)	(1.247)
Interest and other financial expenses		15.479	15.871	3.454	3.957
Gains and losses from intangible and tangible assets and investment property		4	(26)	(4)	-
Gains and losses from derivatives	15	(2.248)	301	-	-
Amortization of grants	17	(1.989)	(1.943)	(315)	(315)
Foreign currency exchange differences		(1.002)	264	-	-
Operating profit before changes in working capital		**53.937**	**45.699**	**5.287**	**6.054**
(Increase)/Decrease in:					
Inventories		365	(50)	78	(172)
Trade and non-invoiced receivables from contracts with customers		399	(16.898)	12.646	(3.501)
Prepayments and other short-term receivables		4.026	30.262	(23.656)	11.346
Increase/(Decrease) in:					
Suppliers and liabilities from contracts with customers		(5.112)	3.303	(8.088)	3.155
Accruals and other short-term liabilities	12	(3.105)	(13.599)	16.977	(12.168)
Other long-term receivables and liabilities		(3.076)	(4.889)	47	26
Income tax paid		(1.437)	(830)	(285)	(464)
Net cash flows from operating activities		**45.997**	**42.998**	**3.006**	**4.276**

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

		GROUP		COMPANY	
	Note	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**	**1/1 – 31/03 2019**	**1/1 – 31/03 2018**
Cash flow from investment activities:					
Acquisition/Disposal of tangible and intangible fixed assets	6&7	(54.703)	(17.829)	591	(93)
Grants subsidies collected		-	1.968	-	1.968
Rebated grants (capital)		-	(18.420)	-	(18.420)
Interest and related income collected		39	222	1.163	717
Issued loans		(513)	(136)	-	(136)
Proceeds from issued loans		-	-	10.219	2.063
(Acquisition)/disposal of participating interest and equity interests		(19)	(3.989)	(19)	(3.973)
Cash flows from investment activities		**(55.196)**	**(38.184)**	**11.954**	**(17.874)**
Cash flows from financial activities					
Share capital return	12	(34.141)	-	(34.141)	-
Proceeds from share capital increase		-	41.325	-	41.325
Acquisition of Treasury Shares		(1.506)	-	(1.506)	-
Payments for equity interests having a substance of financial liabilities	13	(5.246)	(3.885)	-	-
Proceeds for long-term loans		48.143	8.270	12.660	-
Payments for long-term loans		(24.673)	(22.577)	(7.988)	(7.988)
Payments for lease liabilities	2.6.3	(271)	-	(116)	
Net change in short-term loans		5.998	7.527	-	-
Dividends paid		-	(800)	-	(800)
Interest paid		(10.257)	(10.913)	(6.033)	(5.643)
Cash inflows / (outflows) from financing activities		**(21.953)**	**18.947**	**(37.124)**	**26.294**
Net increase / (decrease) in cash and cash equivalents		**(31.152)**	**23.761**	**(22.164)**	**12.696**
Effect of exchange rate changes on cash & cash equivalents		198	(612)	-	-
Opening cash and cash equivalents		166.359	201.328	39.204	97.782
Closing cash and cash equivalents		**135.405**	**224.477**	**17.040**	**110.478**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3). Respectively, no adjustments have been made to the amounts of the comparative period due to implementation of IFRS 9 and IFRS 15.

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY OF THE GROUP (01/01-31/03/2018)

	Share Capital	Share Premium	Reserves	Retained Earnings	Total	Non-controlling interests	Total
1st January 2018	**32.794**	**213.781**	**43.550**	**79.247**	**369.372**	**9.377**	**378.750**
Adjustments from changes in accounting policies and application of new standards	**-**	**-**	**-**	**(344)**	**(344)**	**-**	**(344)**
1st January 2018, Re-adjusted Balance	**32.794**	**213.781**	**43.550**	**78.903**	**369.028**	**9.377**	**378.406**
Net profit				11.455	**11.455**	1.347	**12.802**
Foreign currency translation differences from incorporation of foreign operations			(2.078)		**(2.078)**		**(2.078)**
Cash flow risk hedges			(4.374)		**(4.374)**	(2)	**(4.376)**
Other comprehensive losses (after tax)	**-**	**-**	**(6.452)**	**11.455**	**5.003**	**1.345**	**6.348**
Total comprehensive income	**32.794**	**213.781**	**37.098**	**90.358**	**374.031**	**10.722**	**384.754**
Capitalization of Reserves & Retained Earnings	25.062	(25.062)	-	-	**()**	-	**()**
Share capital return	(25.062)	-	-	-	**(25.062)**	-	**(25.062)**
Issue of share capital	2.850	38.475	-	-	**41.325**	-	**41.325**
Formation of reserves	-	-	906	(906)	**-**	-	**-**
Treasury shares	(1.468)	(1.225)	2.694	-	**1**	-	**1**
Transfers and other changes	-	-	1	-	**1**	(1)	**-**
Transactions with Shareholders	**1.382**	**12.188**	**3.601**	**(906)**	**16.265**	**(1)**	**16.264**
31st March 2018	**34.176**	**225.969**	**40.698**	**89.453**	**390.296**	**10.721**	**401.018**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3). Moreover, under the application of IFRS 9, the Group and the Company and recognized its cumulative effect in the item "Retained Earnings Balance" as at 01/01/2018., while no effect has arisen following adoption of IFRS 15 as at 01/01/2018. The effect of IFRS 9 implementation on the financial statements for FY 2018 is analyzed in Note 2.6.3 to the annual financial statements for FY ended as at 31/12/2018 publicized on the Company's and ATHEX websites.

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY OF THE GROUP (01/01-31/03/2019)

	Share Capital	Share premium	Reserves	Retained Earnings	Total	Non-controlling interests	Total
1st January 2019	**34.176**	**191.793**	**41.425**	**112.492**	**379.886**	**11.246**	**391.132**
Net profit				23.080	**23.080**	961	**24.041**
Foreign currency translation differences from incorporation of foreign operations			719		**719**		**719**
Cash flow risk hedges			2.298		**2.298**	2	**2.300**
Other comprehensive losses (after tax)	**-**	**-**	**3.017**	**23.080**	**26.097**	**963**	**27.060**
Total comprehensive income	**34.176**	**191.793**	**44.442**	**135.572**	**405.983**	**12.209**	**418.192**
Formation of reserves	-	-	906	(906)	**-**	-	**-**
Treasury shares	-	-	(1.506)	-	**(1.506)**	-	**(1.506)**
Transfers and other changes	-	-	(1)	-	**(1)**	-	**(1)**
Transactions with Shareholders	**-**	**-**	**(601)**	**(906)**	**(1.507)**	**-**	**(1.507)**
31st March 2019	**34.176**	**191.793**	**43.841**	**134.667**	**404.476**	**12.209**	**416.685**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (01/01-31/03/2018)

	Share Capital	Share premium	Reserves	Retained earnings	Total
1st January 2018	**32.794**	**213.781**	**15.573**	**39.297**	**301.445**
Adjustments from changes in accounting policies and application of new standards	**-**	**-**	**-**	**(219)**	**(219)**
1st January 2018, Re-adjusted Balance	**32.794**	**213.781**	**15.573**	**39.078**	**301.226**
Net profit				1.316	**1.316**
Cash flows risk hedges			156		**156**
Other comprehensive losses (after tax)	**-**	**-**	**156**	**1.316**	**1.472**
Total comprehensive income	**32.794**	**213.781**	**15.729**	**40.394**	**302.698**
Capitalization of reserves & Retained Earnings	25.062	(25.062)	-	-	**-**
Share capital return	(25.062)	-	-	-	**(25.062)**
Issue of share capital	2.850	38.475	-	-	**41.325**
Formation of reserves	-	-	105	(105)	**-**
Treasury shares	(1.469)	(1.225)	2.694	-	**-**
Transactions with Shareholders	**1.381**	**12.188**	**2.799**	**(105)**	**16.263**
31st March 2018	**34.176**	**225.969**	**18.528**	**40.289**	**318.961**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3 Moreover, under the application of IFRS 9, the Group and the Company and recognized its cumulative effect in the item “Retained Earnings Balance” as at 01/01/2018., while no effect has arisen following adoption of IFRS 15 as at 01/01/2018. The effect of IFRS 9 implementation on the financial statements for FY 2018 is analyzed in Note 2.6.3 to the annual financial statements for FY ended as at 31/12/2018 publicized on the Company’s and ATHEX websites.

The accompanying notes form an integral part of these condensed interim financial statements.

(Amounts in thousand Euro, unless otherwise stated)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (01/01-31/03/2019)

	Share Capital	Share premium	Reserves	Retained earnings	Total
1st January 2019	**34.176**	**191.793**	**10.787**	**53.476**	**290.232**
Net profit				1.061	**1.061**
Cash flows risk hedges			(154)		**(154)**
Other comprehensive losses (after tax)	**-**	**-**	**(154)**	**1.061**	**907**
Total comprehensive income	**34.176**	**191.793**	**10.633**	**54.537**	**291.139**
Formation of reserves	-	-	105	(105)	**-**
Treasury shares	-	-	(1.506)	-	**(1.506)**
Transactions with Shareholders	**-**	**-**	**(1.400)**	**(105)**	**(1.506)**
31st March 2019	**34.176**	**191.793**	**9.233**	**54.431**	**289.633**

* Under the first implementation of IFRS 16, the Group and the Company made no adjustments to the comparative amounts recorded in the annual period ended as at 31.12.2018 (see Note 2.6.3).

The accompanying notes form an integral part of these condensed interim financial statements.

NOTES TO CONDENSED INTERIM THREE-MONTH FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE GROUP

TERNA ENERGY S.A. Group of companies (hereinafter “the Group” or “TERNA ENERGY”) is a Greek Group of companies operating in the sectors of renewable energy sources, construction, trading of electric energy and concessions. The key operations of the Group pertain to construction and exploitation of installations of renewable sources of wind and hydroelectric energy, photovoltaic parks as well as other renewable energy sources (RES).

TERNA ENERGY holds Class 6 contractor certificate and its operations within the construction sector include construction of private and public projects as a main contractor or subcontractor or through joint ventures. In full complained with the effective legislation, companies, holding Class 6 certificate, undertake public works at an initial contracting price up to €44.00 million or up to €60.00 million through joint ventures and private or self-financed independently budgeted ventures, either as main contractors or as sub-contractors or through joint ventures.

TERNA ENERGY has succeeded the Technical Constructions Company (ETKA S.A.), established in 1949 (Gov. Gaz. 166/21.06.1949), which TERNA ENERGY S.A. in 1999. The latter had been established in 1997 (Gov. Gaz. 6524/11.09.1997), and is domiciled in Athens, Greece, 85 Mesogeion Ave.

The Company is listed on Athens Stock Exchange. The parent company of TERNA ENERGY, which is also listed on Athens Stock Exchange, is GEK TERNA S.A., which on 31/03/2019 held 37,932% of the Company’s issued share capital. The financial statements of TERNA ENERGY GROUP are consolidated in the financial statements of GEK TERNA S.A. under full consolidation method.

The Group's operations are mainly performed in Greece, while the Group also has a strong presence in the Balkans, Eastern Europe and North America. The Group's operations focus on the following operating segments:

- **Constructions:** almost exclusively, contracts regarding technical works.
- **Electric energy from RES:** production of electricity through wind farms, solar energy and biomass.
- **Trade:** trade in electric energy.
- **Concessions:** construction and operation of public sector works (Unified Automatic Collection System and municipal waste treatment facility) in exchange for their long-term exploitation rendering services to the public.

On 31/03/2019, the total number of the Group's headcount was 293, while on 31/03/2018 it was 245 people. On 31/12/2018, the Company's headcount was 160, while on 31/03/2018 it was 126 people.

The companies of TERNA ENERGY Group companies included in the consolidated financial statements and their unaudited FYs are analytically recorded Note 4 to the Financial Statements.
The attached Condensed Interim Separate and Consolidated Financial Statements for the three-month period ended as at March 31st, 2019, were approved by the Board of Directors on 05/06/2019.

2. FRAMEWORK FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for Financial Statements Presentation

The Company's Condensed Interim Separate and Consolidated Financial Statements as of March 31st, 2019, which cover the there-month period from January 1st to March 31st 2019 have been prepared according to the International Financial Reporting Standards (IFRS), which were published by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union until March 31st, 2019. The Group applies all the International Accounting Standards, International Financial Reporting Standards and their Interpretations, which apply to the Group's operations. The relevant accounting policies, whose summary is presented below in Note 2.6, have been applied consistently in all periods presented.

Going concern

The Group's management estimates that the Company and its subsidiaries hold sufficient resources, which ensure their operation as "Going Concern" in the near future

2.2 Basis of Measurement

The accompanying Condensed Interim Separate and Consolidated Financial Statements as of March 31st, 2019, have been prepared according to the principle of historical cost, apart from investment property, financial derivatives and financial assets measured at fair value through profit or loss, carried at fair value.

2.3 Presentation Currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.4 Comparability

Comparative sizes recorded in the Group's and the Company's Condensed Interim Statement of Financial Position as of 31/12/2018 do not include reclassifications of items.

2.5 Use of estimates

The preparation of the financial statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies.

Opinions, assumptions and Management estimates affect the valuation of several asset and liability items, the amounts recognized during the financial year regarding specific income and expenses as well as the presented estimates on contingent liabilities.

The assumptions and estimates are assessed on a continuous basis according to historic experience and other factors, including expectations on future event outcomes that are considered as reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may deviate from the accounting calculations.

The aspects requiring the highest degree of judgment as well as the aspects mostly affecting the Condensed Interim Consolidated Financial Statements are presented in Note 5 to the Condensed Interim Financial Statements.

2.6 Key accounting policies

Condensed interim financial statements for the three-month period ended as at 31/03/2019 comprise limited scope of information as compared to that presented in the annual financial statements. The accounting policies, based on which the Financial Statements were prepared, are consistent with those used under the preparation of the annual Financial Statements for the year ended as at 31/12/2018, except for changes in Standards and Interpretations effective from 01/01 / 2019 (see Notes 2.6.1 and 2.6.2). Therefore, the attached condensed interim Financial Statements for the three-month period should be read in line with the last publicized annual Financial Statements as of 31/12/2018 that include a full analysis of the accounting policies and valuation methods used.

2.6.1. New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2019.

- **IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. Analytical reference is made in Note 2.6.3.

- **IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty.

IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The new Interpretation does not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. Ehe amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3 - IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

- **Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the consolidated and separate Condensed Interim Financial Statements.

2.6.2. New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements. The above have not been adopted by the European Union.

- **Amendments to IFRS 3: “Definition of a Business” (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its consolidated and separate Condensed Interim Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

2.6.3. Effect of implementation of IFRS 16 "Leases" on the Financial Statement as of 31/03/2019

a) First implementation of IFRS 16 as of 01/01/2019

Following the changes to accounting policies, as described above (Note 2.6.1), as at January 1st , 2019, the Group and the Company adopted IFRS 16, applying the modified retrospective approach. Based on this approach, the Group recognized a liability measured at its present value, as arising from discounting the remaining leases through the incremental borrowing cost effective on the date of the Standard's initial application, i.e. on 01/01/2019. Furthermore, recognized a right to use an asset by measuring that right at an amount equal to the corresponding liability that will be recognized, adjusted for any lease payments immediately effective prior to the date of initial application. Comparative information was not reworded, and no effect has arisen following the application of the new Standard on Equity under the first time adoption, i.e. on 01/01/2019.

Moreover, the Group has applied the exemption provided in the Standard with respect to determination of leases, and, in particular, the applicable practices under IFRS 16, according to which the Entity does not need to reassess whether a contract is or contains a lease at the first transition date.

This practically means that IFRS 16 was applied to contracts that have already been recognized as leases under the application of IAS 17 “Leases” and IFRIC 4 “Determining whether an Arrangement contains a Lease".

Finally, the Group also made use of exemptions to the Standard in respect of short-term leases and low value fixed assets leases. With respect to the discount rate, the Group has decided to apply a single discount rate to every category of leases with similar characteristics and depending on the residual duration of every lease.
Adoption of IFRS 16 has the following significant results for the Group:

- The Group holds operating leases in respect of land, buildings, machinery and vehicles. The Standard has mainly affected the accounting treatment of the Group's operating leases, which, in accordance with IAS 17, should be disclosed in the Notes to the financial statements - are presented as assets (rights to use) and liabilities from leases in the statement of financial position. The increase in the lease obligations has led to a corresponding increase in the Group's net borrowings.
- The nature of the expenses associated with these leases has changed, since following the application of IFRS 16, operating cost of lease is depreciated at amortized cost for the rights-related assets and interest expense on the arising liabilities. This has led to an improvement in "Operating Profit before Financial and Investment Activities, Depreciation and Amortization".
- No effect has arisen on the statement of changes in equity under the first implementation since the Group has decided to recognize an equal liability.
- In the statement of cash flows, the component relating to repayment of lease payments has reduced the cash flows from financing activities and will no longer be included in net cash flows from operating activities. Only interest payments continue to be included in net cash flows from operating activities.

IFRS 16 has not made any significant changes to the accounting for lessors, and therefore the Group does not expect any changes for leases where they are acting as a lessor.

b) New accounting policy regarding leases

Under IFRS 16, leases are no longer classified as operating leases and finance leases, and all leases are accounted for as items in the "Statement of Financial Position", through recognition of a " right-of-use asset" a "lease liability".
Recognition and initial measurement of the right-of-use asset
At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.
The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and

- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Initial measurement of the lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:
(a) fixed payments less any lease incentives receivable,
(b) any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the commencement date
(c) amounts expected to be payable by the Group under residual value guarantees,
(d) the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset
After the commencement date, the Group shall measure the right-of-use asset applying a cost model.

The Group shall measure the right-of-use asset at cost
(a) less any accumulated depreciation and any accumulated impairment losses, and
(b) adjusted for any remeasurement of the lease liability.

The Group applies the depreciation requirements in IAS 16 in depreciating the right-of-use asset, which it examines for potential impairment.

Subsequent measurement of the lease liability
After the commencement date, the Group shall measure the lease liability by:
(a) increasing the carrying amount to reflect interest on the lease liability,
(b) reducing the carrying amount to reflect the lease payments made, and
(c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the commencement date, the Group shall recognize in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

(a) financial cost of the lease liability, and
(b) variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

c) The amounts recognized in the Condensed Interim Three-month Statement of Financial Position and Comprehensive Income

The right-of-use assets and liabilities from leases recognized for the period 01/01/2019-31/03/2019 are presented below as follows:

	Amounts in thousand €			
	Group Rights-of-use			
	Land -Plots	**Buildings and Installations**	**Vehicles**	**Total**
1 January 2019	**4.961**	**1.962**	**86**	**7.009**
Addition	-	-	-	-
Depreciation for the period	(81)	(336)	(10)	(427)
Foreign exchange differences	-	9	-	9
31 March 2019	**4.880**	**1.635**	**76**	**6.591**

	Amounts in thousand €			
	Company Rights-of-use			
	Land -Plots	**Building & Installations**	**Vehicles**	**Total**
1 January 2019	**102**	**1.365**	**40**	**1.507**
Additions	-	-	-	0
Depreciation for the period	(9)	(322)	(7)	(338)
Foreign exchange differences	-	-	-	
31 March 2019	**93**	**1.043**	**33**	**1.169**

	Amounts in thousand €	
	Liabilities from leases	
	Group	**Company**
1 January 2019	**7.009**	**1.507**
Additions	-	-
Financial cost	94	17
Payments	(271)	(116)
Foreign exchange differences	9	0
31 March 2019	**6.841**	**1.408**

(Amounts in thousand Euro, unless otherwise stated)

In respect of the period 01/01/2019 - 31/03/2019, the Group and the Company recognized rental expenses from short-term leases amounting to € 207 k and 157 k respectively, though no low value fixed assets leases are effective.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

Preparation of condensed interim three-month Financial Statements for the period ended as at March 31st 2019 requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures as well as revenue and expenses during the presented periods. Under the preparation of these Financial Statements, significant accounting estimates and judgments adopted by the Management for the application of the Group's accounting policies are consistent with those applied in the annual financial statements as of 31 December 2018.
Moreover, the main sources of uncertainty effective under the preparation of the Financial Statements as of 31 December 2018 remained the same regarding the Interim Financial Statements for the three-month period ended as at March 31, 2019.

4. GROUP STRUCTURE

No changes are effective in the Group structure are effective within the first three-month period of 2019 versus 31/12/2018.

Investments in subsidiaries, associates and joint ventures as at 31/03/2019 are as follows:

A) TERNA ENERGY S.A. subsidiaries

i) Subsidiaries in legal form of Societe Anonyme or Limited Liability Company

The parent Company, TERNA ENERGY S.A., has been audited by the tax authorities until the fiscal year 2012 inclusively. As at the accompanying condensed interim financial statements preparation date, tax unaudited fiscal years of the Group's companies are as follows:

N/N	Title	Participating Interest		Business Activity	Tax non-inspected years
		31/03/2019	31/12/2018		
1	IWECO CHONOS LASITHIOU CRETE SA	100%	100%	Production of Electric Energy from RES	6
2	ENERGIAKI SERVOUNIOU SA	100%	100%	Production of Electric Energy from RES	6
3	TERNA ENERGY EVROU SA	100%	100%	Production of Electric Energy from RES	6
4	PPC RENEWABLES – TERNA ENERGY S.A.	51%	51%	Production of Electric Energy from RES	6
5	AIOLIKI PANORAMATOS DERVENOCHORION S.A.	100%	100%	Production of Electric Energy from RES	6
6	AIOLIKI RACHOULAS DERVENOCHORION S.A.	100%	100%	Production of Electric Energy from RES	6
7	ENERGEIAKI DERVENOHORION S.A.	100%	100%	Production of Electric Energy from RES	6
8	AIOLIKI MALEA LAKONIAS S.A.	100%	100%	Production of Electric Energy from RES	6

(Amounts in thousand Euro, unless otherwise stated)

9	ENERGEIAKI FERRON EVROU S.A.	100%	100%	Production of Electric Energy from RES	6
10	AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	100%	100%	Production of Electric Energy from RES	6
11	ENERGEIAKI PELOPONNISOU S.A.	100%	100%	Production of Electric Energy from RES	6
12	ENERGEIAKI NEAPOLEOS LAKONIAS S.A.	100%	100%	Production of Electric Energy from RES	6
13	AIOLIKI ILIOKASTROU S.A.	100%	100%	Production of Electric Energy from RES	6
14	EUROWIND S.A.	100%	100%	Production of Electric Energy from RES	6
15	ENERGIAKI XIROVOUNIOU S.A.	100%	100%	Production of Electric Energy from RES	6
16	DELTA AXIOU ENERGEIAKI S.A.	66%	66%	Production of Electric Energy from RES	6
17	TERNA ENERGY THALASSIA WIND PARKS S.A.	77%	77%	Production of Electric Energy from RES	6
18	TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	77%	77%	Production of Electric Energy from RES	6
19	VATHYCHORI PERIVALLONTIKI S.A.	100%	100%	Production of Electric Energy from RES	6
20	VATHYCHORI ENA PHOTOVOLTAIC S.A.	100%	100%	Production of Electric Energy from RES	6
21	CHRYSOUPOLI ENERGEIAKI LTD	80%	80%	Production of Electric Energy from RES	6
22	DIRFYS ENERGEIAKI S.A.	51%	51%	Production of Electric Energy from RES	6
23	MALESINA ENERGEIAKI LTD	80%	80%	Production of Electric Energy from RES	6
24	ORHOMENOS ENERGEIAKI LTD	80%	80%	Production of Electric Energy from RES	6
25	ALISTRATI ENERGEIAKI LTD	80%	80%	Production of Electric Energy from RES	6
26	TERNA ENERGY AI-GIORGIS S.A.	100%	100%	Production of Electric Energy from RES	6
27	TERNA AIOLIKI AMARYNTHOU S.A.	100%	100%	Production of Electric Energy from RES	6
28	TERNA AIOLIKI AITOLOAKARNANIAS S.A.	100%	100%	Production of Electric Energy from RES	6
29	TERNA ILIAKI VIOTIAS S.A.	100%	100%	Production of Electric Energy from RES	6
30	VATHYCHORI DYO ENERGIAKI S.A.	100%	100%	Production of Electric Energy from RES	6
31	TERNA AIOLIKI XIROVOUNIOU S.A.	100%	100%	Production of Electric Energy from RES	6
32	TERNA ILIAKI ILIOKASTROU S.A.	100%	100%	Production of Electric Energy from RES	6
33	TERNA ILIAKI PANORAMATOS S.A.	100%	100%	Production of Electric Energy from RES	6
34	AIOLIKI KARYSTIAS EVIAS S.A.	100%	100%	Production of Electric Energy from RES	6

(Amounts in thousand Euro, unless otherwise stated)

35	GEOTHERMAL ENERGY DEVELOPMENT S.A.	50%	50%	Production of Electric Energy from RES	6
36	TERNA ILIAKI PELOPONNISOU S.A.	100%	100%	Production of Electric Energy from RES	6
37	PERIVALLONTIKI PELOPONNISOU S.A.	100%	100%	Waste Management	4
38	HELLAS SMARTICKET S.A.	35%	35%	Electronic Systems Operation	5
39	WASTE SYCLO S.A.	51%	51%	Waste Management	6
40	TERNA ENERGY FINANCE S.A.	100%	100%	Credit Services	3
41	AEIFORIKI IPEIROU MAEES	100%	100%	Waste Management	2
42	OPTIMUS ENERGY S.A.	51%	51%	Trade of Electric Energy	2
43	TERNA ENERGY TRADING EOOD	51%	51%	Trade of Electric Energy	6
44	TERNA ENERGY OVERSEAS LTD	100%	100%	Production of Electric Energy from RES	7
45	EOLOS POLSKA sp.z.o.o.	100%	100%	Production of Electric Energy from RES	6
46	EOLOS NOWOGRODZEC sp.z.o.o.	100%	100%	Production of Electric Energy from RES	6
47	HAOS INVEST 1 EAD	100%	100%	Production of Electric Energy from RES	6
48	VALE PLUS LTD	100%	100%	Trade of Electric Energy Equipment	6
49	GALLETTE LTD	100%	100%	Holding	6
50	ECO ENERGY DOBRICH 2 EOOD	100%	100%	Production of Electric Energy from RES	6
51	ECO ENERGY DOBRICH 3 EOOD	100%	100%	Production of Electric Energy from RES	6
52	ECO ENERGY DOBRICH 4 EOOD	100%	100%	Production of Electric Energy from RES	6
53	COLD SPRINGS WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
54	DESERT MEADOW WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
55	HAMMETT HILL WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
56	MAINLINE WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
57	RYEGRASS WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
58	TWO PONDS WINDFARM, LLC	100%	100%	Production of Electric Energy from RES	8
59	MOUNTAIN AIR WIND, LLC	100%	100%	Production of Electric Energy from RES	8
60	TERNA ENERGY USA HOLDING CORPORATION	100%	100%	Holding	8
61	MOUNTAIN AIR PROJECTS, LLC	100%	100%	Production of Electric Energy from RES	8
62	MOUNTAIN AIR INVESTMENTS, LLC	100%	100%	Production of Electric Energy from RES	8

(Amounts in thousand Euro, unless otherwise stated)

63	MOUNTAIN AIR ALTERNATIVES, LLC	100%	100%	Production of Electric Energy from RES	8
64	MOUNTAIN AIR RESOURCES, LLC	100%	100%	Production of Electric Energy from RES	8
65	MOUNTAIN AIR HOLDINGS, LLC	100%	100%	Production of Electric Energy from RES	8
66	FLUVANNA WIND ENERGY, LLC	100%	100%	Production of Electric Energy from RES	4
67	FLUVANNA HOLDINGS, LLC	100%	100%	Production of Electric Energy from RES	3
68	FLUVANNA INVESTMENTS, LLC	100%	100%	Production of Electric Energy from RES	3
69	TERNA DEN, LLC	100%	100%	Production of Electric Energy from RES	3
70	TERNA HOLDCO INC	100%	100%	Production of Electric Energy from RES	3
71	TERNA RENEWABLE ENERGY PROJECTS, LLC	100%	100%	Production of Electric Energy from RES	3
72	AEGIS RENEWABLES, LLC	100%	100%	Production of Electric Energy from RES	8
73	MOHAVE VALLEY ENERGY, LLC	100%	100%	Production of Electric Energy from RES	3
74	TERNA ENERGY TRANSATLANTIC sp.z.o.o.	100%	100%	Holding	6
75	EOLOS NORTH sp.z.o.o.	100%	100%	Production of Electric Energy from RES	6
76	EOLOS EAST sp.z.o.o.	100%	100%	Production of Electric Energy from RES	6
77	AIOLIKI PASTRA ATTIKIS S.A.	100%	100%	Production of Electric Energy from RES	6
78	TERNA ENERGY TRADING LTD	51%	51%	Holding	4
79	JP GREEN sp.z.o.o.	100%	100%	Production of Electric Energy from RES	4
80	WIRON sp.z.o.o.	100%	100%	Production of Electric Energy from RES	4
81	BALLADYNA sp.z.o.o.	100%	100%	Production of Electric Energy from RES	3
82	TERNA ENERGY UK PLC	100%	100%	Credit Services	-
83	TETRA DOOEL SKOPJE	51%	51%	Trade of Electric Energy	4
84	Terna Energy Trading D.O.O	51%	51%	Trade of Electric Energy	4
85	TERNA ENERGY TRADING SHPK	51%	51%	Trade of Electric Energy	1
86	FLUVANNA I INVESTOR, INC	100%	100%	Production of Electric Energy from RES	1
87	FLUVANNA I HOLDING COMPANY, LLC	100%	100%	Production of Electric Energy from RES	1
88	FLUVANNA HOLDINGS 2, LLC	100%	100%	Production of Electric Energy from RES	-
89	FLUVANNA INVESTMENTS 2, LLC	100%	100%	Production of Electric Energy from RES	-

(Amounts in thousand Euro, unless otherwise stated)

90	FLUVANNA WIND ENERGY 2, LLC	100%	100%	Production of Electric Energy from RES	-

* The Company owns 35% of the share capital of subsidiary HELLAS SMARTICKET SA, which is fully consolidated as a subsidiary of TERNA ENERGY GROUP as control is exercised in accordance with the provisions of IFRS 10. The Company is entitled to appoint the majority of the members of the Board of Directors and the key management executives of the aforementioned subsidiary, since 2017, when it sold off the remaining 35% of its holding to its parent company GEK TERNA. According to the Management assessment, the Company exercises control over that subsidiary as IFRS 10 criteria are met.

ii) Subsidiaries in legal form of General Partnership (G.P.)

N/N	Title	Participating percentage		Business activity	Tax non-inspected years
		31/03/2019	31/12/2018		
1	TERNA ENERGY SA & SIA AIOLIKI POLYKASTROU GP	100%	100%	Production of Electric Energy from RES	6
2	TERNA ENERGY SA & SIA ENERGEIAKI VELANIDION LAKONIA GP	100%	100%	Production of Electric Energy from RES	6
3	TERN ENERGY SA & SIA ENERGEIAKI DYSTION EVIA GP	100%	100%	Production of Electric Energy from RES	6
4	TERNA ENERGY SA & SIA ENERGEIAKI ARI SAPPON GP	100%	100%	Production of Electric Energy from RES	6
5	TERNA ENERGY SA & SIA AIOLIKI EASTERN GREECE GP	100%	100%	Production of Electric Energy from RES	6
6	TERNA ENERGY SA & SIA AIOLIKI EASTERN GREECE GP	100%	100%	Production of Electric Energy from RES	6
7	TERNA ENERGY SA & SIA AIOLIKI MARMARIOU EVIA GP	100%	100%	Production of Electric Energy from RES	6
8	TERNA ENERGY SA & SIA ENERGEIAKI PETRION EVIA GP	100%	100%	Production of Electric Energy from RES	6
9	TERNA ENERGY SA & SIA AIOLIKI ROKANI DERVENOCHORION GP	100%	100%	Production of Electric Energy from RES	6
10	TERNA ENERGY SA & SIA ENERGEIAKI STYRON EVIA GP	100%	100%	Production of Electric Energy from RES	6
11	TERNA ENERGY SA & SIA AIOLIKI PROVATA TRAIANOUPOLEOS	100%	100%	Production of Electric Energy from RES	6
12	TERNA ENERGY SA VECTOR WIND PARKS OF GREECE – WIND PARK TROULOS G.P.	90%	90%	Production of Electric Energy from RES	6

(Amounts in thousand Euro, unless otherwise stated)

B) Joint ventures & Companies of TERNA ENERGY S.A.

i) Joint Ventures

The table, presented below, records technical projects' implementation joint ventures. Joint ventures, in which the Group holds participating interest and which have been completed and, thus, dissolved or are to be shortly dissolved are not consolidated.

N/N	Title	Participating Interest		Tax non-inspected years
		31/03/2019	31/12/2018	
1	J/V EMBEDOS – PANTECHNIKI ENERGEIAKI	50,10%	50,10%	6

ii) Joint Entities

N/N	Title	Participating Interest		Tax non-inspected years
		31/03/2019	31/12/2018	
1	J/V GEK TERNA SA – TERNA ENERGY SA	50%	50%	4

iii) General Partnerships (GP) and Limited Partnerships (LP)

N/N	Title	Establishment	Participating Interest		Business Activity	Tax non-inspected years
			31/03/2019	31/12/2018		
1	TERNA ENERGY SA & SIA LP	24/5/2000	70%	70%	Completion of construction works of section Kakavia - Kalpaki	6

The company TERNA ENERGY S.A. & SIA LP had essentially completed the aforementioned project in 2003.

All the aforementioned subsidiaries and joint ventures have been established in Greece, except for TERNA ENERGY TRADING EOOD, HAOS INVEST 1EAD, ECO ENERGY DOBRICH 2, ECO ENERGY DOBRICH 3 and ECO ENERGY DOBRICH 4 which have been established in Bulgaria, TERNA ENERGY OVERSEAS LTD, VALUE PLUS LTD, TERNA ENERGY TRADING and GALLETTE LTD established in Cyprus, EOLOS POLSKA Spzoo, EOLOS NOWOGRODZEC Spzoo, EOLOS NORTH sp.z.o.o., EOLOS EAST sp.z.o.o., TERNA ENERGY TRANSATLANTIC Spzoo, JP GREEN sp.z.o.o., WIRON sp.z.o.o and BALLADYNA, established in Poland, COLD SPRINGS WINDFARM LLC, DESERT MEADOW WINDFARM LLC, HAMMETT HILL WINDFARM LLC, MAINLINE WINDFARM LLC, RYEGRASS WINDFARM LLC, TWO PONDS WINDFARM LLC, MOUNTAIN AIR WIND LLC, TERNA ENERGY USA HOLDING CORPORATION, MOUNTAIN AIR PROJECTS LLC, MOUNTAIN AIR INVESTMENTS LLC, MOUNTAIN AIR ALTERNATIVES LLC, MOUNTAIN AIR RESOURCES LLC, MOUNTAIN AIR HOLDINGS LLC, FLUVANNA WIND ENERGY LLC, FLUVANNA HOLDINGS LLC, FLUVANNA INVESTMENTS LLC, TERNA DEN LLC, TERNA HOLDCO INC, TERNA RENEWABLE ENERGY PROJECTS LLC, AEGIS RENEWABLES LLC, MOHAVE VALLEY ENERGY LLC, FLUVANNA I INVESTOR INC, FLUVANNA I

(Amounts in thousand Euro, unless otherwise stated)

HOLDING COMPANY LLC, FLUVANNA HOLDINGS 2 LLC, FLUVANNA WIND ENERGY 2 LLC and FLUVANNA INVESTMENTS 2 LLC, established in the USA, TERNA ENERGY UK PLC, established in the UK, TERNA ENERGY TRADING D.O.O established in Serbia, TERNA ENERGY TRADING SHPK, established in Albania and TETRA DOOEL SKOPJE established in FYROM.

C) TERNA ENERGY S.A. associates

N/N	Title	Participating Interest		Consolidation Method	Tax non-inspected years
		31/03/2019	31/12/2018		
1	Renewable Energy Center RES Cyclades SA *	45%	45%	Equity	6
2	EN.ER.MEL. S.A.	49,2%	49,2%	Equity	6

** Investment through IWECO CHONOS LASITHIOU CRETE S.A.*

5. SEGEMENT REPORTING

An operating sector is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance.

The term “chief operating decision maker” defines the function of the Group that is responsible for the allocation of resources and the assessment of the economic entity’s operating segments. For the application of IFRS 8, this function is assigned to the Managing Director (Chief Executive Officer).

An entity presents separately the information on each operating segment that meets certain criteria of characteristics and exceeds certain quantitative limits.

The amount of each presented item of the segment is that presented to the chief operating decision maker with regard to the allocation of resources to the segment and the evaluation of its performance.

The above information is presented in the accompanying consolidated statements of financial position, comprehensive income and cash flows according to the IFRS, whereas previously recorded operating segments –as presented in the financial statements of the previous financial year- require no modifications.

The Group specifically recognizes the following operating segments that must be reported, whereas no other segments exist that could be incorporated in the “other segments” category.

(i) Constructions:

The segment refers to development of wind farms and other units for electricity production from renewable energy sources, and also to the construction of the necessary infrastructure (road works, substations, interconnection with the national electric energy grid). Furthermore, the construction segment of the Group offers services to third parties mainly in small scale infrastructure works under the capacity of the main contractor or subcontractor, or through joint ventures.

(ii) Electricity from RES:

The segment mainly concerns production of electricity through wind energy. The portfolio also includes a number of photovoltaic projects, hydroelectric projects, and related energy projects with the use of biomass in various development stages.

(iii) Trade in electric energy:

The segment refers to trade in electric energy and includes as follows:

- Supply and sale of electric energy from and to the neighboring markets and the markets of Southeastern Europe.
- Development of the network of subsidiaries in the neighboring countries (North Macedonia, Serbia) with the objective to access the respective markets of electric energy.
- Participation in tenders for the purchase of rights for cross-border electric energy transmission. The acquisition of such rights is a requirement for the transmission of electric energy among the neighboring countries.
- Continuing operations and analysis of options offered in the international markets of electric energy (on a daily, monthly and annual basis).

(iv) Concessions

The segments concerns the construction and operation of infrastructure and public sector projects (such as Unified Automatic Collection System and the municipal waste treatment facility in Epirus Region) in exchange for long-term operation of the above projects through provision of services to the public.

In line with the application of the revised standard, the Group allocates - whenever such allocation is not possible to be made directly- all assets and liabilities per segment as well as the corresponding income and expenses for the period, such as financial results and income tax.

Apart from the income tax receivables that can be allocated directly to the corresponding segment, the allocation of the income tax expense, liabilities and other receivables is based on the financial results of each segment for the period.

The description of the Group's financial performance includes ratios and indicators such as:

- *"EBIT"* is an index used by the Management in order to assess the operating performance of an activity. It is defined as Earnings / (losses) before income tax +/- Net Financial Results, +/- Foreign exchange differences, +/- Results from associates, +/- Earnings / (losses) from sale of business interests and equity interests, +/- Provision for impairment of participations and equity interests, +/- Earnings/(losses) from financial instruments valued at fair value.

- *"Net debt / (Surplus)"* is an index used by Management in order to assess the cash flow of an operating segment at every point in time. It is defined as the total liabilities from loans minus Cash and cash equivalents (with the exception of the amounts of grants to be rebated, less restricted deposits (they are included in the item "Prepayments and Other receivables.
- *"EBITDA"* is defined as *EBIT* plus depreciations for the year less the grants' amortization corresponding to the year.

(Amounts in thousand Euro, unless otherwise stated)

Business segment	**Constructions**	**Electricity from RES**	**Trade in electric energy**	**Concessions**	**Consolidation Write-offs**	**Total Consolidated**
01/01 - 31/03/2019						
Income from external customers						
Sales of products	-	65.155	10.488	2.842	-	**78.485**
Income from construction services	620	-	-	3.655	-	**4.275**
Total income from external customers	**620**	**65.155**	**10.488**	**6.497**	**-**	**82.760**
Inter-segment income	6.671	-	-	-	(6.671)	**-**
Total income	**7.291**	**65.155**	**10.488**	**6.497**	**(6.671)**	**82.760**
Net Results per Segment	**(77)**	**22.459**	**650**	**1.009**	**-**	**24.041**
Depreciation	(13)	(14.688)	(4)	(6)	-	**(14.711)**
Amortization of grants	-	1.989	-	0	-	**1.989**
Financial income	-	53	-	1.208	-	**1.261**
Financial expenses	(61)	(10.913)	(6)	(726)	-	**(11.706)**
Finance cost of tax equity investor	-	(3.773)	-	-	-	**(3.773)**
Foreign exchange differences on valuation	-	1.004	(3)	-	-	**1.001**
Profit from financial instruments at fair value	-	2.251	-	-	-	**2.251**
Provision for impairment of participations and equity interests	57	(84)	(60)	(146)	-	**(233)**
Income tax	(87)	(5.278)	(191)	(384)	-	**(5.940)**
EBIT	**14**	**39.198**	**909**	**1.057**	**-**	**41.180**
EBIDTA	**27**	**51.898**	**914**	**1.063**	**-**	**53.902**

(Amounts in thousand Euro, unless otherwise stated)

Business segments	Constructions	Electricity from RES	Trade in electric energy	Concessions	Consolidation Write-offs	Total Consolidated
31/03/2019						
Segment assets	10.552	1.593.138	11.845	61.187	-	**1.676.722**
Investments in associates	-	4.233	-	-	-	**4.233**
Total assets	**10.552**	**1.597.371**	**11.845**	**61.187**	**-**	**1.680.955**
Segment liabilities						
Bank liabilities	-	812.045	33	36.895	-	**848.973**
Liabilities from leases	4	6.774	50	13	-	**6.841**
Cash (apart from grants to be returned)	(892)	(118.395)	(2.344)	(10.750)	-	(132.381)
Restricted deposits	-	(44.211)	-	-		**(44.211)**
Net debt / (surplus)	**(888)**	**656.213**	**(2.261)**	**26.158**	**-**	**679.222**
Equity interests having a substance of financial liability	-	161.864	-	-	-	**161.864**
Capital expenditures	-	60.257	-	4	-	**60.261**

(Amounts in thousand Euro, unless otherwise stated)

Business segment	Constructions	Electricity from RES	Trade in electric energy	Concessions	Consolidation Write-offs	Total Consolidated
01/01 - 31/03/2018						
Income from external customers						
Sales of products	-	55.691	3.228	3.949	-	**62.868**
Income from construction services	4.652	-	-	4.174	-	**8.826**
Total income from external customers	**4.652**	**55.691**	**3.228**	**8.123**	**-**	**71.694**
Inter-segment income	5.172				(5.172)	
Total income	**9.824**	**55.691**	**3.228**	**8.123**	**(5.172)**	**71.694**
Net Results per Segment	**847**	**10.021**	**82**	**1.852**	**-**	**12.802**
Depreciation	(14)	(13.611)	-	(2)	-	**(13.627)**
Amortization of grants	-	1.943	-	-	-	**1.943**
Financial income	16	190	1	808	-	**1.016**
Financial expenses	(42)	(11.500)	(5)	(849)	-	**(12.397)**
Finance cost of tax equity investor	-	(3.475)	-	-	-	**(3.475)**
Foreign exchange differences on valuation	-	(262)	(2)	-	-	**(264)**
Profit from financial instruments at fair value	-	(301)	-	-	-	**(301)**
Income tax	(577)	(4.672)	(6)	(563)	-	**(5.818)**
EBIT	**1.450**	**30.040**	**94**	**2.456**	**-**	**34.041**
EBIDTA	**1.464**	**41.709**	**94**	**2.458**	**-**	**45.725**

(Amounts in thousand Euro, unless otherwise stated)

Business segment	**Constructions**	**Electricity from RES**	**Trade in electric energy**	**Concessions**	**Consolidation Write-offs**	**Total Consolidated**
31/12/2018						
Segment assets	26.942	1.541.534	7.959	65.602	-	**1.642.037**
Investments in associates	-	4.233	-	-	-	**4.233**
Total assets	**26.942**	**1.545.767**	**7.959**	**65.602**	**-**	**1.646.270**
Segment liabilities	**10.928**	**1.190.244**	**3.185**	**50.780**	**-**	**1.255.137**
Bank liabilities	-	768.364	32	44.043	-	**812.439**
Cash (apart from grants to be returned)	(16.918)	(131.989)	(1.663)	(12.765)	-	**(163.335)**
Restricted deposits	-	(42.874)	-	-	-	**(42.874)**
Net debt / (surplus)	**(16.918)**	**593.501**	**(1.631)**	**31.278**	**-**	**606.230**
Equity interests having a substance of financial liability	-	160.390	-	-	-	**160.390**
Capital expenditures	35	108.068	21	1.815	-	**109.939**

(Amounts in thousand Euro, unless otherwise stated)

Geographic segments	Greece	Eastern Europe	USA	Total consolidated
01/01 - 31/03/2019				
Turnover from external customers	53.629	16.592	12.538	**82.759**
31/03/2019				
Non-current assets	682.893	149.722	538.139	**1.370.754**
Capital expenditure	23.873	-	36.388	**60.261**
01/01 - 31/03/2018				
Turnover from external customers	54.507	5.902	11.284	**71.693**
31/12/2018				
Non-current assets	586.204	222.271	492.228	**1.300.703**
Capital expenditure	38.221	46	71.672	**109.939**

In the period 01/01/2019-31/03/2019, an amount of 41 million (49,4 %) of the Group's turnover has arisen from an external customer (Customer A) from electric energy segment.

The turnover in the energy sector, due to its nature, depends on the legislative framework which is locally in effect with regard to the energy administrators, in both the domestic market as well as in Bulgaria, Poland and the USA.

6. INTANGIBLE ASSETS

Changes in the Group and the Company intangible assets are presented below as follows:

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Acquisition value as at 1 January	**23.483**	**22.853**	**1.967**	**2.004**
Additions	55	-	15	-
Amortization	(348)	(223)	(52)	(38)
Foreign exchange differences	117	(172)	-	-
Value as at 31 March	**23.307**	**22.458**	**1.931**	**1.966**

7. PROPERTY, PLANT AND EQUIPMENT

Changes in the Group and the Company property, plant and equipment are presented below as follows:

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Acquisition value as at 1 January	**1.189.516**	**1.122.834**	**85.830**	**93.205**
Additions	58.784	11.795	90	116
Borrowing cost	1.421	98	-	-
Decreases/Write-offs	(63)	-	-	-
Depreciation	(13.937)	(13.404)	(1.490)	(1.533)
Foreign exchange differences	9.093	(11.551)	-	-
Value as at 31 March	**1.244.814**	**1.109.772**	**84.430**	**91.788**

(Amounts in thousand Euro, unless otherwise stated)

In the first quarter of 2019, additions to the item ”Property, plant and equipment” of the Group stand at € 58.784 k, while the highest amount of € 57.442 mainly pertains to “Fixed assets under construction”, a part of it for an amount of € 34.937 arising from the construction of the second wind farm (Fluvanna II) of the Group in Texas, USA and the other part of € 20.878 relates to advance payments on the acquisition of fixed assets for the wind farms in Evia.

As at 31/03/2019, fixed assets under construction stand at € 155.213 k, of which an amount of € 120.152 k pertains to the construction of the aforementioned wind farm in Texas, USA.

As at 31.03.2019, the total book value of the sub-account “Technological and mechanical equipment” stands at € 994.257 k regarding the Group and at € 68.159 k regarding the Company includes Wind Farm generators that have been collateralized at credit institutions as security for long-term loans.

In order to cover financing needs regarding new projects, the Company and the Group issue notional collateral on its current assets as well as liens (usually in the form of mortgages) on its non-current assets as guarantees to the creditors.

8. OTHER LONG-TERM RECEIVABLES

The account Other Long-term Receivables as at 31/03/2019 and 31/12/2018 is analyzed as follows:

	GROUP		COMPANY	
	31.3.2019	**31.12.2018**	**31.3.2019**	**31.12.2018**
Loans to related parties	1.577	1.049	94.425	105.033
Balance from provided guarantees	1.541	1.536	1.263	1.308
Other long-term receivables	32.219	31.043	197	198
Impairment of other long-term receivables	(91)	(42)	(1)	(8)
Total	**35.246**	**33.586**	**95.884**	**106.531**

The Company participated in bond loan issues of subsidiaries. The loans will be repaid either at their maturity date or through premature repayments and carry an interest rate within the range of 3,25% - 5,25%. In the first quarter of 2019, the subsidiaries repaid loans totaling € 10.219 k.

The item “Other Long-Term Receivables” includes an amount of € 4.881 k, which relates to the expenses incurred in order to facilitate the issuance of a long-term loan pertaining to the operation of the second wind farm of the Group in the USA, according to as of 26/09/2018 agreement between the Group’s subsidiary in the USA and Tax Equity Investor (TEI), as at the date of commencement of operation of the wind farm expected in the 4th quarter of 2019, TEI will deposit an amount of approximately $ 140.100 k, which will be used for the full repayment of a construction loan (Note 24).

TEI financing issue expenses include projected fees (commitment fees) as well as the fees of lawyers and consultants, who have performed financial, legal and technical audit to complete the procedures required to sign the contract with TEI. As at 31/03/2019 and till the accompanying three-month financial statements approval date, financing from TEI was not disbursed. Upon disbursement of the long-term financing from TEI, the aforementioned expenses will be deducted from the short-term financing and will be amortized using the effective interest method.

The remaining amount of the item "Other long-term receivables" mainly includes accrued expenses from energy sale contracts revenues, containing lease elements.

9. FINANCIAL ASSETS - CONCESSIONS

The Group constructs and operates two contracts:

a) Unified Automatic Fare Collection System

On 29/12/2014, a partnership agreement (PPP) for the study, financing, installation, maintenance and technical management of a Unified Automatic Fare Collection System was signed between the OASA (Athens Transport) Group and the subsidiary Company "HST SA" for the companies of the OASA Group. The total duration of the contract is 12 years and 6 months.

The construction and installation was completed in the third quarter of 2017, and during the first half of 2017, the operation started, which is expected to last 10 years and 4 months. There is an overlap of construction and operating periods for 6 months.

At the expiration of this PPP, there is an obligation of transfer all the equipment to OASA for zero money. The Partnership Agreement has no terms of extension, only terms of termination. In addition, there is an obligation to Scheduled Lifecycle Replacement of the equipment during the Management period, if necessary.

The Group's Management, considering these contractual terms, considered that in this particular case the recognition of a financial receivable, guaranteed by the concessioner is applicable, by recognizing and accounting for the revenue and costs associated with the construction or upgrading services (over time) in accordance with IFRIC 12, while revenue and costs related to operating services (at a point in time) are recognized and accounted for in accordance with IFRS 15.

b) Urban Waste Treatment Plant of the Region of Epirus

On 21/07/2017 a partnership agreement (PPP) was signed between the EPIRUS REGION and the subsidiary company "AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME", for the implementation of the project for the urban waste treatment plant of the Region of Epirus. The contract is executed in two periods, the period of project and the service period and is of a duration of 27 years. The construction of the project was completed in the first quarter of 2019, with the start of the service period.

(Amounts in thousand Euro, unless otherwise stated)

From the commencement of the construction of the project, the work is carried out within the schedules of the partnership agreement. Under the contract, the Epirus waste treatment plant will process 105.000 tn of conventional waste per year, for which AEIFORIKI EPIRUS will receive from the Region of Epirus a default price per ton as a payment for availability. Other revenues for AEIFORIKI EPIRUS will result from the exploitation of secondary products, i.e. from the sale of recyclable materials and the sale of electricity.

The minimum guaranteed quantity of waste guaranteed by the concessor to deliver to the concessionaire is 80.000 tons per year for the total duration of the contract. If the total quantity of conventional waste is less than the minimum guaranteed quantity, then the charge to be calculated will be determined assuming that the amount of waste is equal to the minimum guaranteed.

During the service period, AEIFORIKI EPIRUS is required to perform maintenance work and programmed replacements of the equipment, based on the conventional life cycle replacement schedule. When the partnership agreement expires, AEIFORIKI EPIRUS will transfer to the Region of Epirus (or to a third party designated by the Region of Epirus), in exchange for one Euro, all rights and titles on its assets. The partnership agreement does not contain any terms of extension but only termination terms.

The Management of the Group, considering these contractual terms, considered that in this particular case, recognition of a receivable-guaranteed financial asset by the concessionaire is applicable, recognizing and accounting for the income and costs associated with the construction or upgrading services (over time) in accordance with IFRIC 12, while income and costs related to operating services are recognized and accounted for (at a point in time) in accordance with IFRS 15. Moreover, a concession intangible asset was recognized, standing at of € 1.801 k in compliance with the provisions of IFRIC 12, pertaining to the right to sell electricity produced from biomass.

The analysis of changes of the generated Financial Assets from Concessions as well as the revenue per category are presented below as follows analyzed as follows:

Financial Assets - Concessions	**Unified Automated System for Ticket Collection**	**Installation of civil waste processing Epirus Region**	**Total**
Opening balance as at 1st January 2018	26.463	0	26.463
Increases/(Decreases) in financial item	(5.673)	12.113	6.440
Effective interest on receivables	4.049	123	4.172
Provisions of expected credit losses (IFRS 9)	(20)	(124)	(144)
Closing balance as at 31st December 2018	**24.820**	**12.112**	**36.930**

(Amounts in thousand Euro, unless otherwise stated)

Opening balance as at 1st January 2019	24.820	12.112	36.930
Increases/(Decreases) in financial item	(1.093)	3.564	2.471
Effective interest on receivables	950	258	1.208
Provisions of expected credit losses (IFRS 9)	(20)	(126)	(146)
Closing balance as at 31st March 2019	**24.657**	**15.807**	**40.464**
01/01 - 31/03/2018			
Income from construction services	45	4.129	4.174
Income from operation services	3.716	0	3.716
Effective interest on receivables	808	0	808
Total	**4.568**	**4.129**	**8.698**
01/01 – 31/03/2019			
Income from construction services	3	3.652	3.655
Income from operation services	2.374	0	2.374
Effective interest on receivables	950	258	1.208
Total	**3.327**	**3.910**	**7.237**

10. PREPAYMENTS AND OTHER RECEIVABLES

The item "Prepayments and other receivables" of the Company as recorded on March 31st 2019 includes an amount of € 23.312 k paid within 2019 intended for the Share Capital Increase of subsidiaries developing new Windfarms (Note 24).
The aforementioned item also includes restricted deposits of the Group and the Company (see Note 11).

11. CASH AVAILABLE

Cash available on March 31st 2019 and December 31st 2018 regarding the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31/03/2019	**31/12/2018**	**31/03/2019**	**31/12/2018**
Cash in hand	12	10	-	-
Sight & Time Deposits	135.393	166.349	17.040	39.204
	135.405	**166.359**	**17.040**	**39.204**

Time deposits usually have a term of up to three months and bear interest rates ranging between 0,60%-0,80% for FY 2019.

The Group's cash and cash equivalents include amounts for repayment amounting to € 3.024 k (2018: € 3.024 k) (for the Company: € 0 k (2018: € 0 k)), relating to grants previously collected, due to cancellation of the construction of certain wind farms or due to the expiration of deadlines regarding the inclusion decisions of others whose construction has not been canceled. The aforementioned amount to be rebated has not been returned until 31/03/2019 inclusively.

Furthermore, as at 31/03/2019, the Group has restricted deposits amounting to € 44.211 k (for the Company: € 4.117 k), which are retained in certain bank accounts for the facilitation of its short-term operating and financial liabilities. These restricted deposits are classified in the item "Prepayments and other receivables" (see Note 10).

12. SHARE CAPITAL

The Company's share capital amounts to thirty four million one hundred and seventy five thousand six hundred eighty euros and eighty cents (€ 34.175.680,80 €), divided into one hundred and thirteen million nine hundred and thirty eight thousand nine hundred and thirty six (113.918.936) common registered shares with voting rights of a nominal value thirty cents (€ 0,30) each.

During the period 01/01/2019 – 31/03/2019, the Company bought back 340.776 treasury shares of nominal value of 102.232,80 euros and market value 1.926.401,26 euros. The total number of treasury shares held by the Company as of 31/03/2019 stood at 1.643.251 shares, i.e. 1,44% of the total share capital, with a total acquisition cost of 9.261.056,30 euros.

In 2018, following the decision of the Extraordinary General Meeting of Shareholders, held on October 18, 2018, the Company's share capital increased by an amount of thirty four million one hundred and seventy five thousand six hundred eighty euros and eighty cents (€ 34.175.680,80 €) by capitalization of part of share premium special reserve with the increase of the nominal value of every share from thirty cents (€ 0,30) to sixty cents (€ 0,60) and a simultaneous share capital decrease by an amount of thirty four million one hundred and seventy five thousand six hundred eighty euros and eighty cents (€ 34.175.680,80 €) with a corresponding decrease in the nominal value of each share from sixty cents (€ 0,60) to thirty cents (€ 0,30) and the repayment of the amount of the decrease in question to the shareholders.
The repayment amount was fully submitted in the first quarter of 2019, resulting in a decrease to the item Other short-term liabilities by an amount of € 34.176 k.

13. EQUITY INSTRUMENTS HAVING A SUBSTANCE OF FINANCIAL LIABILITY

In the USA, the Group has entered into agreements with "Tax Equity Investors" investors (hereinafter "TEI"). According to these agreements, the cash flows and tax benefits generated by wind farms are distributed conventionally amongst TEI investors and the Group. The accounting policy applied in respect of the aforementioned financial liabilities is analytically presented in Note 4.11.5(iii) to the publicized annual consolidated and separate financial statements for FY ended as at 31/12/2018.

- **Financial liability to TEI Met Life:**

The unamortized balance of the Group's liability to TEI Met Life as at 31/03/2019 stands at € 44.668 k.

(Amounts in thousand Euro, unless otherwise stated)

In 2012, in the USA, the Group entered into transaction, in which the company Met Life (TEI) paid the amount of € 49.693 k to acquire the right to receive, mainly cash and tax losses. In FY 2013, the construction was completed and the Wind Farm Mountain Air, of total capacity of 138 MW, located in the state of Idaho, USA, started operating. Following the Group's contractual agreement with MetLife, after the date of the contractual agreement with the TEI, the Group is in position to exercise redemption right regarding the TEI investor versus a consideration deemed reasonable following the agreement signed between them. This redemption right can be exercised until 30/06/2019 and in this context, the Group is in the process of assessing whether or not to exercise the aforementioned right. In case the redemption right is not exercised, the Group shall reassess the relationship between the parties in accordance with the provisions of IFRS 10.

- **Financial liability to TEI Goldman Sachs:**

As at 31/03/2019, the unamortized balance of the Group's liability to TEI Goldman Sachs stands at € 117.196 k (including an amount of € 27.375 k that pertains to unamortized value of tax benefits).
In 2017, construction was completed and the Fluvanna I Wind Farm, of total capacity of 155,4 MW, located in the state of Texas, USA was set in operation. Under the new tax law in the USA, which entered into force on 22/12/2017, this Wind Farm is eligible to depreciate for tax purposes almost all of its construction costs within its operating year, namely in FY 2017. As a result of the aforementioned tax treatment of the construction cost of the project, significant tax losses will be incurred in FY 2017. Furthermore, in addition to the tax losses incurred during the first year of operation, the Wind Farm is eligible to assume additional tax benefits associated with the annual energy production of the Wind Farm (Production Tax Credits - PTCs).
On 28/12/2017, the Group entered into a transaction in which Goldman Sachs Bank paid the amount of € 127.882 k (including issuance fees) to acquire 50% of the membership interests, the contractual rights of which stipulate that the TEI will receive, in the first place, the Tax Benefits (tax losses and Production Tax Credits) of the Fluvanna I Wind Farm, with a limited amount of tax equity investment.
In FY 2017, TEI received 70% of the tax benefits, and from the 2018 year and until it achieves a predetermined return on its initial payment, it will receive 99% of these benefits.

Other Financial Liabilities (long-term and short-term) recorded in the accompanying Three-month Condensed financial statements as at March 31st, 2019 and December 31st, 2018 are analyzed as follows:

	GROUP	
	31/03/2019	**31/12/2018**
Financial liabilities	112.746	111.187
Deferred income	27.375	26.916
Long-term part	**140.121**	**138.103**
Long-term financial liabilities payable in the following year	21.743	22.287
Short-term part	**21743**	**22.287**
Total	**161.864**	**160.390**

(Amounts in thousand Euro, unless otherwise stated)

Changes in equity instruments having a substance of financial liabilities in the Condensed Interim Statement of Financial Position are analyzed as follows:

	GROUP	
	31/03/2019	**31/03/2018**
Balance 1 January	**133.474**	**136.815**
Distribution of cash to TEI	(865)	(55)
Value of tax benefits	(4.325)	(4.603)
Cost for the period	3.668	3.377
Foreign exchange differences	2.538	(3.818)
Balance 31 March	**134.490**	**131.716**

Deferred income	**GROUP**	
	31/03/2019	**31/03/2018**
Balance 1 January	**26.916**	**22.555**
Value of tax benefits	906	1.556
Amortization of benefits	(961)	(784)
Foreign exchange differences	513	(632)
Balance 31 March	**27.374**	**22.695**

Regarding the first quarter of 2019, the value of the tax losses, attributed to TEIs and recognized in Other Income, using the straight-line amortization method during the term of the agreement stands at € 961 k (the first quarter of 2018: € 784 k). The value of PTCs, associated with the Wind Farm energy generation, is recognized for each year based on actual production, benefiting turnover and in the first quarter of 2019 stands at € 3.419 k (first quarter of 2018: € 3.047 k).

14. BORROWINGS

Changes in the Group's and the Company's short-term and loan-term loans as at 31/03/2019 and 31/12/2018 are briefly presented below as follows:

	GROUP		**COMPANY**	
	31.03.2019	**31.12.2018**	**31.03.2019**	**31.12.2018**
Opening balance	**812.439**	**781.960**	**264.714**	**263.360**
New borrowing	77.420	122.077	12.660	17.040
Loan repayment	(47.953)	(103.309)	(7.988)	(17.758)
Capitalization of interest	2.571	4.595	(2.639)	2.072
Foreign exchange differences	4.496	7.115	0	0
Closing balance	**848.973**	**812.439**	**266.746**	**264.714**

The Group's loans mainly concern the financing of its business activities and mainly concern the financing of the construction and operation of installations in relation to renewable energy sources.

To secure all Group loans, Wind Farms generators are collateralized, as well as cash while insurance contracts, receivables from the sale of electric energy to DAPEEP or/and DEDDIE and equity interests (subsidiaries' bonds owned by the parent company and subsidiaries' shares) are pledged to banks.

In the context of this form of financing, the Group's companies maintain a series of blocked bank accounts, which serve the above liabilities. The pledges that have been granted exceed the amount of the Group's debt obligations.

As at 31/03/2019, from the total bank loan liabilities of the Group standing at € 848.973 k, an amount of € 142.895 k corresponds to loan liabilities of the parent Company, an amount of € 181.704 k corresponds to loan liabilities guaranteed by the parent Company and an amount of € 524.374 k corresponds to loan liabilities for which the parent Company has not provided any guarantee.

The Group's New borrowings for 2019 mainly relate to financing the investment in wind farms of subsidiaries, namely Fluvanna II Wind Park in Texas, USA, amounting to € 29.278 k, Eressou – Ipsoma Fourka wind park of the subsidiary "ENERGIAKI PELOPONNISOU" amounting to € 38.527 k and the wind park Lefkes - Kerassia of the subsidiary "ENERGIAKI NEAPOLEOS LAKONIAS" amounting to € 8.591 k.

The Group has the obligation to maintain specific financial ratios relating to bond loans. As at 31 December 2018, the Group was in full compliance with the required limits of these ratios as at, except for bond loans of carrying amount of € 22.445 k. These loans were reclassified to Short-term Liabilities in the item "Long-term liabilities carried forward" since the financial ratios of the relevant loan contracts were not complied with as at 31/12/18. As at March 31st 2019, the loans in question remain in Short-term Liabilities while till the accompanying financial statements approval date no relative waivers have been received from the credit institutions.

It is to be noted that the Group's Management intends to take all the necessary steps in order to facilitate the aforementioned compliance.

15. RECEIVABLES/ LIABILITIES OF DERIVATIVES

In the context of managing and minimizing financial risks, the Group has entered into interest rate swaps. Interest rate swaps aim at hedging the risk of negative fluctuations in future cash outflows arising from interest on loan contracts entered into within the course of operations, mainly in RES electricity generation sector in Greece and the USA. Considering the purpose of these derivatives, ie cash flow hedges, hedge accounting was used and their fair value was measured.

Liabilities and assets from financial derivatives on 31/03/2019 & 31/12/2018 are analyzed as follows:

(Amounts in thousand Euro, unless otherwise stated)

LIABILITY			**GROUP**		**COMPANY**	
	Nominal Value		**Fair Value of Liability**	**Fair Value of Liability**	**Fair Value of Liability**	**Fair Value of Liability**
	31/03/2019	**31/12/2018**	**31/03/2019**	**31/12/2018**	**31/03/2019**	**31/12/2018**
For hedging purposes						
Interest Rate Swaps:	€ 7.537	€ 7.537	222	222	-	-
Interest Rate Swaps:	€ 9.000	€ 9.000	347	347	-	-
Interest Rate Swaps:	€ 5.772	€ 5.772	110	108	-	-
Interest Rate Swaps:	€ 17.000	€ 17.000	1.299	1.183	-	-
Interest Rate Swaps:	€ 11.005	€ 11.005	648	648	-	-
Interest Rate Swaps:	€ 15.400	€ 15.400	926	777	-	-
Interest Rate Swaps:	€ 11.160	€ 11.160	300	147	-	-
Interest Rate Swaps:	€ 103.650	€ 103.650	1.390	824	-	-
Interest Rate Swaps:	€ 6.563	€ 6.563	312	297	312	297
Interest Rate Swaps:	€ 30.000	€ 30.000	572	458	571	458
Interest Rate Swaps:	€ 20.000	€ 20.000	363	286	363	286
			6.489	**5.297**	**1.246**	**1.041**
For hedging purposes						
Options (collar)	-	-	1.241	2.549	-	-
Sale of electric energy forward contract (physical)	-	-	-	900	-	-
			1.241	**3.449**	**-**	**-**
For trade purposes						
Electric energy swap contract (balance of hedge)	-	-	542	528	-	-
			542	**528**	**-**	**-**
			8.272	**9.274**	**1.246**	**1.041**

			GROUP		**COMPANY**	
RECEIVABLE	**Nominal Value**		**Fair Value of Receivable**	**Fair Value of Receivable**	**Fair Value of Receivable**	**Fair Value of Receivable**
	31/03/2019	**31/12/2018**	**31/03/2019**	**31/12/2018**	**31/03/2019**	**31/12/2018**
For hedging purposes						
Interest Rate Swaps	$25.000	$25.000	282	625	-	-
Options (collar)	-	-	2.831	1.908	-	-
Options (swaption)	-	-	2.888	1.396	-	-
Sale of electric energy forward contract (physical)			1.097	-	-	-
			7.098	**3.929**	**-**	**-**

The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA. In particular:

- In September 2016, the Group entered into two derivatives, one collar derivative on the trading date of 23.09.2016 and one swaption derivative. For the collar derivative the effective date will be on 1/1/2018 whereas for the swaption the effective date will be on 31/12/2022. The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through a subsidiary company. This particular subsidiary constructs and will operate a wind park of 155,4 MW-capacity in West Texas of the United States.
- In addition, in September 2018, the Group issued two derivatives, a forward contract for sale of electricity at a predetermined price, physical, and a collar option. Regarding the forward contract, the effective date will be 01/11/2019, while regarding the the collar - 01/11/2024. The Group entered into these derivatives with the ultimate purpose of using them to hedge the risk of cash flow variability in the energy for the Group's investment in a Wind Park in the USA, through a subsidiary company. This particular subsidiary constructs and will operate a wind park of 158 MW-capacity in West Texas of the United States.
- In July 2018, the Group, through a US subsidiary, issued a balance of hedge, through which it will swap variable income from sale of wind farm electricity to the US for a fixed payment. The contract in question is only financially settled and does not include product swap. The Group entered into the aforementioned contracts with the ultimate purpose of using them to hedge the risk of market price changes and, secondary, their effect on revenue from sale of electric energy. The balance changes transaction effective date was 03/07/2018. As at 31.03.2019, the aforementioned contract did not comply with hedging of cash flow risk provisions stated in IFRS 9. Unrealized losses from valuation of balance of hedge, standing at € 512 k, constitute operating losses of the wind farm. As at 31/12/2018 and 31/03/2019, the aforementioned contract did not comply with hedging of cash flow risk provisions stated in IFRS 9. Unrealized losses from valuation of balance of hedge, standing at € 3 k constitute operating losses of the wind farm in question, and, therefore they are recorded as a deduction to Turnover for the three-month period 01/01 – 31/03/2019.

The Group examined all the elements and requirements of IFRS 9 in order to use the cash flow hedging accounting. The provisions of the standard were complied with and, therefore, the Group applies cash flow hedging accounting. Thus, in the first quarter of 2019, profit from changes in fair value attributable to the non-effective cash flow hedging of € 2.251 k (profit) (2018: loss of € 301 k) was recognized in the income statement for the period, in the item "Earnings from financial instruments measured at fair value", while the part of changes in fair value corresponding to the effective hedging of cash flow risk of € 1.971 k (profit) (2018: loss of € 4.307 k) was recognized in the item "Cash flow risk hedging" in the statement of other comprehensive income.

16. PROVISIONS

Changes in the relevant provision regarding the Group and the Company as at 31/03/2019 and 31/03/2018 are briefly recorded as follows:

(Amounts in thousand Euro, unless otherwise stated)

	GROUP		COMPANY	
	2019	**2018**	**2019**	**2018**
Balance 1 January	**17.733**	**15.714**	**4.332**	**4.079**
Additions recognized in the Income Statement	224	200	37	44
Foreign exchange differences	59	(98)	-	-
31 March	**18.016**	**15.816**	**4.369**	**4.123**

The companies of the Group's energy sector are under obligation to proceed with environmental rehabilitation in locations, where they have installed electricity production units following the completion of the operations based on the effective licenses granted by the states where the installations are being implemented. As at 31/03/2019, the aforementioned provision regarding the Group stands at €16.630 k (€ 15.405 k as at 31/03/2018) κand regarding the Company – at € 3.211 k (€ 3.032 k as at 31/03/2018) and reflects the expenses required for the removal of equipment and restoration of the area in which the equipment used to be installed, applying available technology and materials.

The remaining amount of provisions mainly refer to provisions for employee compensation, pending litigations and tax inspection differences.

17. GRANTS

Grants on 31/03/2019 and 31/03/2018 regarding the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	31.3.2019	**31.3.2018**	**31.3.2019**	**31.3.2018**
Balance 1 January	141.336	143.294	20.175	17.552
Approved and collected grants	-	3.882	-	3.882
Amortization recognized in the Income Statement	(1.989)	(1.943)	(315)	(315)
Foreign exchange differences	915	(1.395)	-	-
Balance 31 March	**140.262**	**143.838**	**19.860**	**21.119**

Grants relate to government grants for the development of Wind Farms and are amortized in the Condensed Interim Statement of Comprehensive Income for the period they refer to, according to the depreciation rate of granted fixed assets.

The "Grants" include approved though not collected grants, totaling € 1.479 k , classified as "Prepayments and other receivables". These grants were recognized based on the Group Management's certainty that all the terms and conditions, facilitating their collecting, are complied with and that eventually the amounts will be received following the completion of the relevant investments. The aforementioned grants are amortized in income only to the extent of the component corresponding to fully completed and operating wind farms.

(Amounts in thousand Euro, unless otherwise stated)

18. SIGNIFICANT CHANGES IN THE RESULTS OF THREE-MONTH CONSOLIDATED FINANCIAL STATEMENTS

Significant changes in the consolidated income statement for the three-month period ended 31 March 2019, compared to the corresponding three-month comparative period are as follows:

Consolidated turnover increased by 15.4% in the first quarter of 2019 versus the comparative reporting period of 2018 and stood at € 82.760 k, versus € 71.694 k. This increase is mainly due to the increase in turnover from Electricity from RES segment due to launching new Wind Farms as well as the significant contribution of the trade in electric energy segment.

Cost of sales on a consolidated basis increased by 16.8% versus the comparative reporting period of 2018 and stood at € 41,159 k versus € 35,251 k in the first quarter of 2018. This increase is mainly due to the increase of the cost of consumption of trade in electric energy inventories and follows the corresponding increase in turnover from this segment.

The increase in other operating income/expenses versus the corresponding comparative reporting period by 62.8% is mainly due to the increase in foreign currency translation credit differences.

The increase in financial income of the current period by 24.2% versus the corresponding comparative period is mainly attributable to interest income unwinding from the Group's long-term receivables.

19. OTHER INCOME/(EXPENSES)

The other income/(expenses) as at March 31st, 2019 and 2918, are analyzed as follows:

Other income

	GROUP		COMPANY	
	1/1-31/03/2019	**1/1-31/03/2018**	**1/1-31/03/2019**	**1/1-31/03/2018**
Grants amortization	1.989	1.943	315	315
Income from leases	6	7	16	6
Other services	41	1	-	-
Other income	1.164	818	59	7
Income from insurance indemnities	179	-	15	15
Income from forfeiture of penalties	75	50	-	-
Profit from waste material sale	1	-	8	8
Reversal of impairment of receivables	-	-	8	-
Foreign exchange differences (credit)	988	-	-	-
Total other income	**4.443**	**2.819**	**421**	**351**

(Amounts in thousand Euro, unless otherwise stated)

Other expenses

	GROUP		COMPANY	
	1/1-31/03/2019	**1/1-31/03/2018**	**1/1-31/03/2019**	**1/1-31/03/2018**
Non accounted for fixed assets depreciation	(173)	-	(173)	-
Other expenses	(122)	(118)	(49)	(110)
Tax, duties and insurance contribution of previous years	(5)	(33)	-	(26)
Decreases / write-offs	(233)	-	-	-
Foreign exchange differences	-	(267)	-	-
Total other expenses	**(533)**	**(418)**	**(222)**	**(135)**
Total other income/(expenses)	**3.911**	**2.401**	**199**	**215**

20. NUMBER OF HEADCOUNT

The average headcount of full-time employees in the Group in the first quarter of 2019 was 293, and the Company - 160 (245 and 126 respectively in the first quarter of 2018).

21. INCOME TAX

Income tax expenses are recorded based on the Management's best estimate of the weighted average annual tax rate for the entire year.

Regarding FYs 2011, 2012 and 2013, the Company has been tax audited under the provisions of POL 1159/26/7/2011 and regarding FYs 2014, 2015, 2016 and 2017 – in compliance with Article 65A, paragraph 1, Law 4174/2013, and the finalization of the audit by the Ministry of Finance is pending.

In 2018, regarding the Group's companies operating in Greece that meet the relevant criteria for tax auditing of the Certified Auditors Accountants, the special audit for the purposes of issue of the Tax Compliance Report for FY 2018 is in progress and the relevant tax certificates are to be provided following the publication of the condensed interim financial statements for the period ended as at March 31st 2019.

Upon finalization of the aforementioned tax audits, the Management does not expect that significant tax liabilities will arise apart from those recorded and presented in the financial statements of the Group and the Company. It is to be noted that, according to POL. 1192/2017, the State's right to levy tax until the end of 2012 is time-barred unless the specific provisions on 10-year, 15-year and 20-year limitation periods apply.

The tax non-inspected years as at the accompanying financial statements preparation date (including FY 2018) in respect of the Company and consolidated companies of the Group, are presented in Note 4.

22. TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties for the period 01/01 - 31/03/2019 and 01/01-31/03/2018, as well as the balances of receivables and liabilities arising From the above transactions as of 31/03/2019 and 31/03/2018 are as follows:

(Amounts in thousand Euro, unless otherwise stated)

Period 01/01/2019-31/03/2019	**GROUP**				**COMPANY**			
Related party	**Sales**	**Acquisitions**	**Debit balances**	**Credit balance**	**Sales**	**Acquisitions**	**Debit balances**	**Credit balances**
Subsidiaries	-	-	-	-	4.847	3.069	147.140	153.935
Parent	-	1	-	137	-	1	-	137
Other related parties	1.515	1.589	7.153	1.514	10	159	5.471	472
Key executives	-	243	-	192	-	154	-	68

Period 01/01/2018-31/03/2018	**GROUP**				**COMPANY**			
Related party	**Sales**	**Acquisitions**	**Debit balances**	**Credit balance**	**Sales**	**Acquisitions**	**Debit balances**	**Credit balances**
Subsidiaries	-	-	-	-	2.720	1.840	112.058	113.341
Parent	-	43	2.689	9.522	-	43	2.689	9.522
Other related parties	100	400	10.075	1.394	51	87	9.318	1.060
Key executives	-	255	-	450	-	167	-	28

23. EFFECTIVE LIENS

In order to cover financing needs regarding new projects, the Company and the Group issue notional collateral on its current assets as well as liens (usually in the form of mortgages) on its non-current assets as guarantees to the creditors.

24. SIGNIFICANT EVENTS FOR THE THREE-MONTH PERIOD

On 27/03/2019, Municipal Solid Waste Treatment Plant of Epirus Region (hereafter “MEA Epirus”) commenced commercial operation. The project was implemented by Epirus Region and “Aeiforiki of Epirus”, subsidiary of TERNA ENERGY Group, with the vital contribution of the Public & Private Partnerships (PPP) Special Secretariat. With the commercial commencement of the Waste Processing Plant of Epirus, an important part of the Regional Waste Management Plan has been implemented in line with the National Waste Management and the existing European legislation.

The Waste Processing Plant will be processing 105 thousand tons of wastes on annual basis through the Sewage Treatment Plan (STP), will be recycling at least 17,000 tons of appropriate materials and will be producing green energy of 10,800 KWh per Green Energy year with the capacity to satisfy the needs of 3,000 families and generate savings of 12,000 tons of CO2.

In the first quarter of 2019, the construction of nine (9) Wind Farms with a capacity of 121 MW started in two parallel phases (4 Farms in the first and 5 Farms in the second phase) in 9 locations respectively in Evia. The total project budget is approximately € 150 million and the completion of Wind Farms is expected to take place in the first and second quarters of 2020. Installation licenses have been obtained for the construction of these Wind Farms and electricity sales contracts have been signed with LAGIE. The sales contracts are of 20 year maturity with a guaranteed feed-in-premium sale price (FiP) if the projects are completed by 31/12/2020.

25. POST STATEMENT OF FINANCIAL POSITION REPORTING DATE EVENTS

On 16 April 2019, the Group reached an agreement on acquiring a wind farm in Texas USA, of installed capacity 200 MW. The wind farm commenced commercial operation 15 months ago. The total investment value stands at $ 310 million. Including this new wind farm, the installed capacity of TERNA ENERGY Group in the USA totals 493 MW.

In the context of RAE Decision No. 230/2019, "Conducting a Common Competitive Tender Procedure for Renewable Power Plants" and given the final results of the Electronic Auction held on 15 April 2019, the Wind Farms in the Evritania region (in particular KASTRI - KOKKALIA, TYBANO - TRIPIRI, KARAVI ALOGOVOUNI, PIKROVOUNI), with a capacity of 66,6 MW, have been selected to be eligible for support in the form of operating aid.

At the Regular General Meeting of the Shareholders held on 05/06/2019, it was announced that a by 100% owned subsidiary of "TERNA ENERGY FINANCE SA" is considering the issuance of a new Bond Loan of € 120 million to € 150 million for refinancing the existing Common Bond Loan dated 12/07/2017 which is traded at the Athens Stock Exchange Bond Market through the exercise of the call option right in accordance with the issuing Terms and for the purposes of obtaining liquidity that will contribute to the implementation of the Investment Plan.

26. CONTINGENT ASSETS AND LIABILITIES

26.1 Tax non-inspected years

The Group’s tax liabilities are not finalized due to non-inspected FYs, are analyzed in Notes 4 and 21 to the Financial Statements for the three-month period ended as at 31/03/2019. As fae as the non-inspected FYs are concerned, additional taxes and surcharges can be potentially imposed when the aforementioned FYs are inspected and finalized. The Group makes an annual estimate of the contingent liabilities that are expected to arise from the inspection of past years, making relevant provisions where necessary. The Group has made provisions for non-inspected FYs of € 560 k (31/12/2018: € 560 k).

The Management estimates that, apart from the provisions it has made, any potentially arising tax amounts will have no material impact on the Group’s and Company's equity, income statement and cash flows.

26.2 Commitments from contracts with customers

As at 31/03/2019, the outstanding balance arising from the Group construction contracts amounts to € 6.4 million (31/12/2018: € 6.9 million).

26.3 Litigations

The Company and its consolidated companies are involved (as defendant and plaintiff) in various litigations in the context of their normal operation. The Group makes provisions in the financial statements for outstanding legal cases when it is probable that an outflow of resources will be required to settle the obligation and that amount can be estimated reliably. In this context, the Group has recognized as at 31/03/2019 provisions of € 200 k (31/12/2018: € 200 k).

The Management, as well as legal consultants, consider that outstanding cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company, or the results of their operation apart from the provision already made for litigations.

In particular:

TERNA ENERGY S.A.

- Legal action was taken against Terna Energy S.A. by the residents of the Municipality of Sitia, Lassithi, Crete regarding a total amount of € 2.523 k. for tort law property and moral damage due to the Company's acquisition of a license for a locally established Wind Farm electricity production. According to the Company's legal consultants, the lawsuit will not be settled successfully for the claimant.
- Legal action was taken against Terna Energy S.A., of Terna S.A., and the joint venture under the title Euro Ionia Joint Venture by the Company FERROVIAL AGROMAN S.A.. The claim totals € 1.241 k as compensation for moral damage. In compliance with the estimates of the Company's legal consultants, an amount of € 100 k. has been recognized as a provision in the Company's books and records in the item "Other provisions".

PERIVALLONTIKI PELOPONNISOU S.A.

- Pecuniary claim for moral damage was filed by Argyrios Besos, Margarita Emmanuel Vrentzou, Vasiliki Panayiotis Mousse and Iraklis Besos against the company PERIVALLONTIKI PELOPONNISOU S.A. at the First Instance Court of Tripoli. Damage demanded by every aforementioned claimant amounts to € 50 k. Proposals regarding the litigation were submitted on 3/5/2019 and the case hearing is yet to be defined. According to the Company's legal consultants, the lawsuit will not be settled successfully.

AEIFORIKI EPIRUS S.A.

- The Region of Epirus with the no. 45431/142/1.4.2019, informed the company about a penalty for an amount of 690.000 Euros due to the unavailability of the services of the Epirus Waste Treatment Unit at the Scheduled Date, in accordance with the terms of the 21/07/2017 Partnership Contract. The company considers that the delay in non-availability of services at the Scheduled Date is not due to its own failures and will therefore resort to the arbitration procedure provided for in the Partnership Contract in order to cancel the imposed penalty clause. The Company's management estimates that the imposed penalty will not be applied after all and the Company will not bear financial burdens.

Contingent Assets

TERNA ENERGY AI-GIORGIS S.A.

Lawsuit was filed against Panama domiciled company SILVER SUN SHIPPING S.A., which also operates office premises in Greece, regarding tort law payment of € 18.514 k in compensation of loss and adverse effect of profits suffered by the Company due to damage. On 13/3/2018, decision No. 1291/2018 was issued justifying a part of the lawsuit, and the TERNA ENERGY AI-GIORGIS S.A. is to receive an amount of € 12.034 from the beginning of 2017.

(Amounts in thousand Euro, unless otherwise stated)

Since the aforementioned decision established that the Company was co-responsible for damage at a percentage of 35%, the Company has appealed to the Three-Member Court of Appeal of Piraeus against the decision No. 1291/2018, settled for hearing on 15/11/2018. On the same date, the appeal, made by the opponent against the decision No. 1291/2018 was also to be heard. According to the Company's legal consultants, the appeal filed by the Company is expected to be accepted, though the appeal made by the opponent is expected to be rejected.

At the same time, TERNA ENERGY AI-GIORGIS S.A. has filed a lawsuit against the insurance company under the title UK PROTECTION & INDEMNITY CLUB (UK P & I CLUB), requesting the defendant insurance company to pay to its member Company under the title SILVER SUN SHIPPING SA an amount of € 18.514 k. The lawsuit was heard on 19/10/2017 and the decision No. 1394/2018 was issued rejecting the lawsuit. The Company's legal consultants are examining the actions in respect of potential appeal.

Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officers Operation	Finance	The Head of Accountant
George Peristeris	Emmanuel Maragoudakis	Emmanouel Fafalios	Aristotelis Spiliotis	Artan Tzanari
ID No. AB 560298	ID No. AB 986527	ID No. AK 082011	ID No. AK 127469	ID No. AM 587311 License Reg. No A' CLASS O64937