The

ENEFI Energy Efficiency Plc.

Report for the fourth quarter of 2013.

31.12.2013.

Public notice: 28 February 2014

The ENEFI Energy Efficiency Plc hereby presents its financial results of the period of the fourth quarter of 2013, until 31st December 2013.

The report presents the operations of the Company and the companies consolidated by the Company in the given period on the basis of the consolidated, non-audited financial figures available on 28th February 2014.

ENEFI Energy Efficiency Plc is a corporate group consisting of twenty-eight companies with its registered seat in Budapest operates in Hungary, Poland and Romania, the subsidiaries of which deal with heat production and supply as their main activity and electric energy production and trading as related activity in certain, well-established areas of the three countries mentioned above. Additionally certain companies of the Group deal with the modernisation and operation of street lighting systems in Hungarian projects.

Presentation of the Q4 Business Operations of ENEFI Energiahatékonysági Nyrt. ("Company" or "ENEFI") with Consideration to the Significant Events until the Balance Day

The Board of Directors of the Company decided to change the name of the Company on 9th December 2013. The name of the Company was changed from E-STAR Alternatív Nyrt to ENEFI Energiahatékonysági Nyrt. The change of the company name was registered by the competent Court of Registry on 17th December 2013.

The Q4 business operations of ENEFI were most fundamentally influenced by the events related to the implementation of the finally approved settlement with the creditors concluded between the Company and its creditors.

As the Company had informed its investors in its previous announcements, the Metropolitan Regional Court finally approved the settlement with the creditors concluded between the Company and its creditors and qualified the bankruptcy proceedings as completed in its order dated on 30th August 2013. The Company was informed about the decision of the Metropolitan Regional Court on 6th September 2013 and it commenced the execution thereof without delay.

In accordance with the announcement of the Company published on 20/11/2013 (http://bet.hu/newkibdata/115866714/E_Star_cs_degyezs_g_v_grehajt_sa_m_dos_tott.pdf) all account managers affected by the execution of the settlement with the creditors confirmed to the Company that the allocation of the shares had been competed to the creditors involved in contractual delivery. By transferring the shares to the creditors observing the agreement the Company met its due obligations pursuant to the settlement with the creditors.

The Company announced a grace period for its creditors involved in the settlement with the creditors but not participating in the previous execution thereof, following the expiry of which, only five (5) creditors did not fulfil their liabilities set forth in the settlement with the creditors as the Company informed its investors (http://bet.hu/newkibdata/116140448/E_Star_cs_degyezs_g_v_grehajt_sa_2.pdf), out of whom four creditors have not fulfilled their liabilities till today, therefore the shares due to them could not have been transferred to them. One of the creditors is not available either by the Company or its securities account manager, while in case of one other creditor a probate process is in progress, while in case of two creditors it is assumed that they are interested in the liquidation of the Company, so they do not intend to fulfil their liabilities set forth in the settlement with the creditors.

The Q4 performance of the Company was below the expectations of the management. The reason of the failure is the positive temperature anomaly throughout the heating season, which is continuing till today, so it shall negatively affect the revenues and the margins of the Company and the corporate group in Q1 2014. It can be generally stated that the Company produces 40% of its EBIDTA in Q4 and 70% in Q1. While Q2 has approximately zero balance, Q3 clearly produces losses.

Normal business of the Company

Although the settlement with the creditors coming into force generated such intense one-off events that made the normal business events seem insignificant, the market opinions about the shares of the Company from a fundamental point of view are mostly determined by the remaining long term normal business activity.

Hungary

In Hungary the company has been focusing on the implementation of the arrangement with the creditors during the fourth quarter of 2013, as the Company continuously informed in its announcements the Investors.

The Hungarian operation of the Corporate Group has cumulated approximately HUF 600 million tax arrears by the beginning of 2013. The debt of E-Star ESCO Kft. was HUF 460 million, while the tax arrears of E-Star Management Kft. reached HUF 160 million. In case of both companies, an instalment payment application was submitted to the National Tax and Customs Administration (hereinafter: NAV). While an agreement was concluded between E-Star ESCO Kft. and NAV allowing 15 months instalment payment of the tax arrears, the application for instalment payment submitted by E-Star Management Zrt. was rejected. E-Star Polska Sp. z o.o during June 2013 sold its 72% business share in EC Gorlice Sp. z o.o. at the purchase price of PLN 7.4 million. The purchase price also included the consideration of the transfer of the loan that had been given by EETEK Ltd. to EC Gorlice Sp. z o.o., which had been assigned to EC Mielec Sp. z o.o. in 2012 in order to strengthen the liquidity of the corporate group. Thus approximately the amount equalling HUF 200 million from the above purchase price was due to EC Mielec Sp. z o.o., while the remaining approximately HUF 320 million was used to reduce the debts of the Corporate Group towards NAV. E-Star Management Zrt. E-STAR Management Zrt. paid its tax arrears towards NAV in Summer 2013, thus the threat of commencing liquidation proceedings due to debts towards NAV was eliminated. E-Star ESCO Kft. In June 2013 E-Star ESCO Kft. also fulfilled its payment liabilities for the 6 monthly instalments due till the end of the year, i.e. it fulfilled early repayment to NAV. As the Company had previously notified, E-Star ESCO Kft. will be able to pay the following eight (8) monthly instalments becoming due in 2014 (2013 was incorrectly stated in the previous report). As collateral for the instalment, NAV seized certain assets of E-Star ESCO Kft. Both companies mentioned above are free of outstanding tax liabilities; E-Star ESCO Kft. is even listed in the database of companies free of outstanding tax liabilities, which allowed it to participate in public procurement procedures.

Poland

The three degree Celsius positive temperature anomaly in Q4 caused approximately 25% lower revenues.

The remaining project in Mielec is basically a consolidation circle (capital group), which is engaged in thermal and electric energy production on one hand (EC Mielec) and the distribution and sales of the produced electric energy (trading) on the other hand (Euro-Energetyka and Energia Euro Park). As the Company had informed its investors, the operation of Euro-Energetyka Sp. z o.o. was terminated

in March 2012, so the sales revenue of the Mielec capital group decreased by approximately EUR 15 million due to the loss of low margin electric energy distribution. As the Company had stated in its announcements and business reports several times, the new company, Energia Euro Park Sp. z o.o. established by the Polish state property manager (ARP) fulfils this function. As it was announced by the Company in May 2013 and the Q3 Report, EC Mielec acquired 22% business shares in Energia Euro Park by the cooperation agreement concluded between EC Mielec Sp. z o.o. and ARP, which acquisition of property was registered by the Polish Court of Registration in Q4. As the next step of the consolidation process Euro-Energetyka merges into Energia Euro Park, which merger shall be completed and thus the consolidation of the operation of the involved companies is expected to take place in Q3 2014.

A positive development in Poland is that the Parliament has already approved and the Senate shall decide in a few days to restore the subsidy system of natural gas based cogeneration. The system of the new yellow certificates is expected to enter into effect by 1st April 2014 and will be applicable till the end of 2018. The gas engines of the Company in Mielec were stopped one year ago due to the lack of certificates.

Romania

Unfortunately we can state that in Romania the resources of the Company are still not used for normal business processes. The Company is informing and has informed its investors about the material events and the events significantly affecting the Company, the Corporate Group or the business operations thereof through its announcements published at the website of the Budapest Stock Exchange (http://bet.hu/topmenu/kibocsatok/kibocsatoi_hirek/kibocsatonkenti?issuerid=3191&pagenum=1).

Financial results

Methodology

The Company has published its reports in EUR since the second quarter of 2011.

In the calculation of the financial profits for the fourth quarter of 2013 the Company used the following exchange rates:

- HUF/EUR: 296,91
- PLN/EUR: 4,15
- RON/EUR: 4,48

E-Star conducts the application and supervision of IFRS IFRIC 12 standards on the projects annually.

Annual supervision is also governing in terms of deferred taxes.

Profit and Loss Statement

	2013.	2012.
Countinued Operations		
Revenue	22 897 447	51 748 094
Cost of sales	-13 731 748	-36 688 267
Gross Profit	**9 165 699**	**15 059 827**
Personnel cost	-3 355 433	-6 349 106
Service used	-2 523 292	-5 446 682
Other revenue and expenditures, net	4 247 537	-16 356 538
Depreciation	-1 746 570	-2 962 676
Impairment of Property, plant and equipment	-7 080	-11 117 757
Net profit/loss from financial activities	-246 549	5 754 381
Profit before tax	**5 534 312**	**-21 418 551**
Income tax expense	-272 819	2 261 928
Profit for the year from continuing operations	**5 261 493**	**-19 156 623**
Discountinued operations		
Loss from discontinued operation	0	-3 129 436
Profit for the year	**5 261 493**	**-22 286 059**
Attributable to:		
Ow ners of the Company	5 398 815	-23 925 482
Non-controlling interests	-137 322	1 639 423
Other comprehensive income		
Foreign currency translation differences	876 738	-68 692
Total other comprehensive income	876 738	-68 692
Total comprehensive income	**6 138 231**	**-22 354 751**
Attributable to:		
Ow ners of the Company	6 275 553	-23 994 174
Non-controlling interests	-137 322	1 639 423
Earnings per share (EUR)		
Countinued and discountinued operations		
Basic earning per share	0,57	-9,06
Diluted earnings per share	0,57	-9,06
Countinued operations		
Basic earning per share	0,57	-7,88
Diluted earnings per share	0,57	-7,88

Notes to the Profit and Loss Statement:

The revenue in the first four quarters of 2013 showed dramatic decrease compared with the same period of the previous year especially due to the loss of revenues of the Hungarian affiliated companies terminating their activity or sold. The above processes lead to the change in the division of revenue creation by countries.

The significant decrease of operating expenses is reflected in lines used services and payments to personnel. In addition to the rationalisation of the organisation, the result of the conscious and efficient cost reducing measures can be seen. The lack of new investments has a similar effect by the lack of one-off costs.

The positive value of the financial operations calculated at absolute value and compared to the base period is also material.

Financial statement

Consolidated statement of financial position - Assets	2013.12.31	2012.12.31
Property, plant and equipment	18 440 763	21 746 806
Intangible assets	6 247 869	7 184 243
Investments in affiliated companies	860 907	0
Investments in other companies	9 598	16 937
Financial Asset	4 826 510	5 159 282
Goodw ill	0	62 219
Other long term receivables	1 596	32 982
Deferred tax assets	2 687 222	2 687 222
Total non-current assets	**33 074 465**	**36 889 691**
Inventories	2 528 838	3 378 860
Trade receivables	3 534 523	7 377 254
Other receivables due w ithin a year	1 339 836	3 404 102
Accruals and prepaid expenses	991 749	628 899
Securities	0	47 717
Cash and cash equivalents	1 168 561	3 856 270
Total current assets	**9 563 507**	**18 693 102**
Total assets	**42 637 972**	**55 582 793**

Consolidated balance sheet equity and liabilities	2013.12.31	2012.12.31
Share capital	1 775 293	94 937
Reserves	60 812 191	9 146 866
Treasury shares	-28 949 671	0
Retained earnings	-16 610 367	-21 678 078
Equity attributable to ow ners of the Company	**17 027 446**	**-12 436 275**
Non-controlling interests	1 624 327	3 174 267
Total equity	**18 651 773**	**-9 262 008**
Loans and other long term financial liabiities	8 417 369	9 725 891
Provisions	986 507	1 061 477
Deferred tax liabilities	37 499	171 191
Deferred income	3 272 437	3 249 165
Other long-term liabilities	444 931	1 126 723
Total non-current liabilities	**13 158 743**	**15 334 447**
Trade payables	2 833 054	7 193 111
IC payables	1 941 083	28 582 218
Loans and other short term financial liabilities	1 049 490	1 611 187
Provisionts (current)	1 188 922	4 076 460
Accruals and deferred income	3 814 907	8 047 378
Total current liabilities	**10 827 456**	**49 510 354**
Total liabilities	**23 986 199**	**64 844 801**
Total equity and liabilities	**42 637 972**	**55 582 793**

The Group exclusively presents the shares owned by the Group from the shares generated in the bankruptcy proceedings among the equity elements of the Group as an amount reducing the equity. In the case of the shares not given to the external creditors by 9/30/2013 but due on the basis of the bankruptcy proceedings the Group functions as a consignee on the basis of the IFRS standards and shall not present either assets or liabilities in its consolidated financial reports.

Basic Information of the Company

Company name:	ENEFI Energy Efficiency Plc.
The company's name in English:	ENEFI Energy Efficiency Plc.
Registered seat:	1134 Budapest, Klapka utca 11.
Branch office:	8413 Eplény, Veszprémi u. 66 Building A.
VAT number:	13719069-2-43
Country of registered seat:	Hungary
Telephone:	06-1- 279-3550
Facsimile:	06-1- 279-3551
Prevailing law:	(Hungarian)
Initial Public Offering:	Budapest Stock Exchange
	Warsaw Stock Exchange

The Company operates in the form of public limited corporation.

Predecessors of the Company and Changes in Corporate Form

The Company was founded as a limited liability company then it was converted into a private limited corporation and subsequently into a public limited corporation as follows:

Regionális Fejlesztési Vállalat Korlátolt Felelősségű Társaság (Regional Development Company Limited Liability Company)

Date of foundation: 17/05/2000

Date of registration: 29/06/2000

Date of termination: 12/06/2006

Regionális Fejlesztési Vállalat zártkörűen működő Részvénytársaság (Regional Development Company Private Limited Corporation)

Date of registration: 12/06/2006

RFV Regionális Fejlesztési, Beruházó, Termelő és Szolgáltató Nyilvánosan Működő Részvénytársaság (RFV Regional Development, Investment, Production and Service Public Limited Corporation)

Date of change: 12/03/2007

The Initial Public Offer of the shares took place at the Budapest Stock Exchange on 29th May 2007.

E-STAR Alternative Energy Service Plc.

Date of change: 17/02/2011

Date of registration: 04/03/2011

ENEFI Energy Efficiency Plc.

Date of change: 09/12/2013

Date of registration: 17/12/2013

Registered Capital of the Company

The current registered capital of the company is HUF 525,314,450, i.e. five hundred and twenty-five million three hundred and fourteen thousand four hundred and fifty forints, the complete amount of which is cash.

Shares of the Company

The registered capital consists of 52,531,445 pieces of registered, dematerialised, regulated, publicly offered ordinary shares, the par value of which is HUF 10, each.

Term of the Operation of the Company

The Company was founded for an indefinite period of time.

History and Basic Operations of the Company

The Company (or its predecessor) was founded on 29th June 2000 for purposes to implement - primarily energetic - developments returning from savings for its customers, with the long term operation of which it shall supply power for its customers effectively.

Initially the Company implemented successful heating supply, public lighting and kitchen technology developments in Hungary, primarily in the municipality sector. Due to the changing economic and social requirement in our region, the demand for the solutions offered by the Company increased, which allowed the regional expansion of the Company becoming stronger and obtaining references in Hungary.

Since the municipalities are rather under-financed in our region, the heating technology of public institutions is also obsolete, significant savings may be achieved, therefore the attention of the Company / corporate group has turned towards the surrounding countries, especially Romania and Poland since the beginning of 2010's business year.

Since then the Company has become one of the more and more determining Companies or corporate groups of Central Eastern Europe implementing projects based on the use of renewable energy and aimed at saving energy, meanwhile it has continuously faced stronger and stronger liquidity problems.

The Company is currently the only real, so-called ESCO company (Energy Service Company, i.e. a company implementing energy saving) on the stock exchange in Hungary. The Company developed individual solutions for each project, which are independent from any technology and supplier. The developed projects were implemented with the inclusion of appropriate financing.

The focus of the business operations of the Company today is still on the same efforts as it was at the time of foundation; however the technologies applied are continuously adapted to the forefront of the world.

During the preparation of the projects, the Company first examined/examines the opportunities of rationalising use at the sites of energy consumption of the customers, then it implements developments, through which significant amounts of energy can be saved. A further business value of the projects is that the Company provides innovative energetic services following the implementation of the developments and operates and maintains the energy systems of the partners in long terms.

The Company also operates as the holding centre of a corporate group working in the energetic sector in three Central European countries.

The most important services (branches) of the entire group are the following:

— efficient thermal energy and district heating supply based on sustainable primary energy sources
— providing energy-efficient public lighting services on the basis of modern voltage control
— modernisation and exploitation of efficiency in energy supply and transformation equipment

The list of business operations of the Company has been supplemented with the following primary business operation through the acquisition of the EETEK corporate group:

— energy production, trade and distribution in Poland.

Ownership Structure

The ENEFI Energy Efficiency Plc is a public limited corporation listed at the Budapest and the Warsaw Stock Exchanges. The Company issued a total number of 52,531,445 ordinary shares at the par value of HUF 10 per piece. The shares are traded on the stock exchanges continuously, so the ownership structure is changing day by day. On the basis of the provisions of the Act on Capital Market, any owner obtaining over 5% ownership, shall notify the Company and the Hungarian Financial Supervisory Authority about this fact, which shall announce it through the official communication channels. In accordance with the provisions of the Act the notification liability is also compulsory upon breaking certain ownership rates.

Auditor of the Company:

The responsibility of the selected auditor of the Company is to take care of conducting the audition determined in the Act on Accounting and especially determining whether the balance sheet of the business association in accordance with the Act on Accounting meets the legal regulations, furthermore whether it provides a reliable and real picture of the proprietary and financial situation of the Company as well as the results of its operations.

The Auditor of the Company:

Name:	BDO Magyarország Könyvvizsgáló Kft.
Registered seat:	1103 Budapest, Kőér utca 2/A.,
Company registration nr:	Cg. 01-09-867785

Chamber registration number: 002387

Person personally responsible for audition:

Name: Ferenc Baumgartner auditor

Home address: 1037 Budapest, Kunigunda útja 22.,

Mother's name: Margit Szajki,

Auditor licence number: 002955

Interests of the Company

The following subsidiaries belong to the sphere of consolidation of ENEFI Energy Efficiency Plc:

	Name of the company	Country	Registered Capital	Ownership Ratio (%)	Voting ratio (%)
1	ENEFI Energy Efficiency Plc.	Hungary	525 314 450 HUF	-	-
2	E-Star ESCO Kft.	Hungary	3 000 000 HUF	100%	100%
3	E-Star Geotherm Kft.	Hungary	3 000 000 HUF	100%	100%
4	E-Star Management Zrt.	Hungary	5	100%	100%
5	E-Star Távhőfejlesztési Kft.	Hungary	1	100%	100%
6	Veszprém Megyei Fűtés- és Melegvíz-szolgáltató Non-Profit Kft.	Hungary	510 000 HUF	49%	50%
7	RFV Józsefváros	Hungary	3 000 000 HUF	49%	70%
8	Fejér Megyei Energiaszolgáltató Nonprofit Kft.	Hungary	510 000 HUF	49%	51%
9	RFV Slovak s.r.o.	Slovakia	200 000	100%	100%
10	E-STAR Polska Spółka Z o. o.	Poland	31 965 600 PLN	100%	100%
11	E-STAR Management Polska Spółka z o. o.	Poland	5 250 500 PLN	100%	100%
12	E-Star Elektrocieplownia Gorlice Spółka z o. o.	Poland	9 994 000 PLN	85.37%	85.37%
13	EC-Energetyka Spółka Z o. o.	Poland	300 000 PLN	51.66 %	51.66 %

14	Termoenergy SRL	Romania	6 960 RON	99.50%	99.50%
15	E-Star Centrul de Dezvoltare Regionala SRL	Romania	525 410 RON	100%	100%
16	E-STAR ZA Distriterm SRL[1]	Romania	40 000 RON	51%	51%
17	E-Star Energy Generation SA	Romania	90 000 RON	99.99 %	99.99 %
18	E-STAR Mures Energy SA[2]	Romania	90 000 RON	99.99 %	99.99 %
19	E-STAR Alternative Energy SA	Romania	90 000 RON	99.99 %	99.99 %
20	E-STAR Heat Energy SA from January 2013 as SC Faapritek SA[3]	Romania	90 000 RON	99.99 %	99.99 %
21	E-STAR CL Distriterm SRL[4]	Romania	200 RON	100%	100%
22	E-STAR Investment Management SRL[5] since January 2013 under liquidation	Romania	15 000 RON	99.93%	99.93%
23	EETEK Limited	Cyprus	1 000 000 EUR	100%	100%
24	E-STAR Kockázati Tőkealap-kezelő Zártkörűen Működő Részvénytársaság (E-STAR Venture Capital Management Private Limited Company)	Hungary	5.000.000 HUF	100%	100%
25	E-Star Reorganizáció-01 Kft.	Hungary	500.000 HUF	100%	100%
26	E-Star Transzfer-02 Kft.	Hungary	500.000 HUF	100%	100%
27	E-Star Debt-Equity-03 Kft.	Hungary	500.000 HUF	100%	100%
28	E-Star Capital-Share-04 Kft.	Hungary	500.000 HUF	100%	100%

[1]Since 22nd January 2012 under bankruptcy proceedings then on 21st March 2013 the Court has ordered the liquidation
[2]from 14 February 2013 under bankruptcy proceedings
[3]formerly known as E-STAR Heat Energy SA
[4]the decision has been made on liquidation but the court has not ordered the liquidation yet
[5]Since 22nd January 2013 under bankruptcy proceedings then on 21st March 2013 the Court has ordered the liquidation

Declaration of the Issuer

The issuer hereby declares that the consolidated report of the fourth quarter of 2013 prepared on the basis of the provisions of the IFRS in accordance with its best knowledge, presents a realistic and reliable picture of the assets, debts, financial situation and the profit and loss statement of the issuer and the companies involved in the consolidation.

Budapest, 28th February 2014 .

Soós Csaba Vágány Tamás Szivek Norbert

Board of Directors

ENEFI Energy Efficiency Plc.

The issuer hereby declares that the consolidated management report gives a true and fair view on the situation, development and performance of the Issuer and the companies' involved within the consolidation.

Budapest, 28th February 2014 .

Soós Csaba Vágány Tamás Szivek Norbert

Board of Directors

ENEFI Energy Efficiency Plc.