

PRESS RELEASE
Group Financial Results – FY 2019¹**125% increase in net profits in Renewables and 57% in Concessions**

125% increase in profitability was recorded in Renewable Energy Sources (RES) and 57% in Concessions, compared to 2018, while the financial performance in Construction showed a decrease both in turnover and in results after taxes. The financial results that were announced today, confirm the strategy that was presented by Management, and foresees, among others, focus on Concessions and RES – with ongoing increase of the wind farms' installed capacity - and in parallel focus of Construction on Greece and Romania, as well as interruption of operations (stop loss) in countries or projects that were undertaken in the past and produce negative results.

As a result of this strategy as well as of the limited tendering in new projects in Greece in 2019, Construction's turnover has decreased, leading to a consequential decrease of ELLAKTOR Group's consolidated revenues for the fiscal year 2019, which amounted to € 1,273.6m, compared to € 1,857.3m in 2018. Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA)² were € 80.6m in 2019 (€ 193.9m, if non-recurring losses of € 113.3m arising from photovoltaic projects abroad and mainly in Australia where construction has been completed, are excluded) versus € 142.9m in 2018. With regards to results before taxes, the Group recorded losses of € 84.0m compared to losses of € 25.8 m in 2018 and the results after taxes were losses of € 105.7m compared to losses of € 95.6m in the previous year.

The Group has now significantly reduced its activity abroad, either by completing the projects it had undertaken (e.g. Australia, Albania, Serbia) or by withdrawing from loss-making activities (stop loss), as part of the Construction restructuring. In addition, within the context of rationalizing the balance sheet and better depicting the financial overview of the Group, Management has consciously selected to proceed to a total impairment of goodwill from past acquisitions in Construction, a fact that burdened further the financial results of the specific Segment and subsequently the results of the Group with losses of € 41.8 m.

Commenting on the financial results of FY2019, ELLAKTOR Group CEO, Mr. Anastassios Kallitsantsis, stated:

"The performance of 2019 is the result of the Group's strategy to focus on the segments of RES and Concessions, to reinforce the Environment segment and to restructure the Construction segment. In Construction we took decisive steps, such as the interruption of loss-making projects and the extensive limitation of the operations abroad, focusing on Greece and Romania and on Facility Management services in Qatar. For 2020, the priorities are firstly to utilize all available options to protect the Group and its people from the Covid-19 pandemic, emphasizing in parallel on the minimization of consequences on our segments' operations, secondly to implement the segments' investment plans and thirdly to succeed in restructuring Construction."

The corporate net debt of the Group as of 31.12.2019 stood at € 846.0m compared to € 584.1m as of 31.12.2018. It is reminded that ELLAKTOR completed the issue of two international senior notes, the first of a nominal amount of € 600m in December 2019, and the second of a nominal amount of € 70m in January 2020, expanding the Group's sources of financing and gaining access to the international debt capital markets.

¹ According to International Financial Reporting Standards (IFRS)

² The Alternative Performance Measures (APMs) refer to ELLAKTOR's Annual Report for the FY2019 (B.I Annual Report of the Board of Directors).

Figures per segment:

Construction Segment

In the Construction segment, turnover stood at € 875.2m in 2019, decreased by 40.2%, compared to € 1,463.1m in 2018. At EBITDA level, Construction recorded losses of € 127.0m (negative € 13.8 if non-recurring losses of € 113.3m arising from photovoltaic projects abroad, are excluded) versus losses of € 91.9m in 2018. In terms of results before taxes, in 2019, the Construction segment recorded losses of € 146.4m against losses of € 126.8m in 2018, while in terms of results after taxes, the recorded losses amounted to € 154.9m against losses of € 132.4m in 2018.

It is clarified that the results for 2019 include non-recurring losses of € 113.3m from the construction of photovoltaic projects abroad due to increased cost caused by defective supply materials, delays in the projects' completion that have brought upon penalties, as well as increased demands by the legal and regulatory framework, especially with regards to the case of Australia. Those projects of a total contractual value of € 350m are on the final stage of completion. Furthermore, following the annual Impairment Audit, according to which, the segment's value was less than its accounting value at a consolidated level, the segment's results recorded € 41.8m losses impacted by goodwill impairment related to past acquisitions of companies with construction and quarrying activities.

During 2019, there has been limited tendering of new projects in Greece. In terms of project implementation, emphasis was placed on the progress of the Thessaloniki Metro works, the implementation of the Gold Line Metro project in Qatar and the implementation of roadways and railway projects in Greece and in other Balkan countries.

Construction backlog of AKTOR and its subsidiaries stood at € 1.3bn at 31.12.2019, as in 2019 the value of signed contracts was € 337.4m (Greece, Romania and Facilities Management in Qatar), while also after 31.12.2019 additional contracts of € 235m were signed and new projects of € 570m that AKTOR has secured are currently awaiting to be signed (Greece and Romania). Furthermore, AKTOR is one of the two finalists who have submitted a binding offer for the project of "Metro Line 4-Section A-Alsos Veikou-Goudi" of the Athens Metro, a project of € 1.51 billion, while it takes part in the tender "Operation and maintenance of the Psyttalia Wastewater Treatment Plant" of a € 260m budget.

Finally, an increase in Public Investment projects is expected, resulting from the Greek Government's announcements for a fast track implementation of projects, but also as a consequence of the measures aiming to assist with financial recovery from the Covid-19 pandemic in the Economies of countries where AKTOR is strategically present, creating significant opportunities in Infrastructure projects relevant to the company's activity.

Currently international activities contribute around 48% of the revenues of the construction segment (2019) and represent 58% of the construction backlog (including the contracts to be signed) and focus on Romania. Meanwhile, the Group follows a very selective approach versus the tendering of projects in the State of Qatar, targeting mainly contracts for the provision of Facility Management services.

Concerning the consequences from the Covid-19 pandemic until now, the Construction segment's ability to implement existing projects has been affected up to a point, while it is expected that backlog replenishment through the signing of new projects will be adversely affected.

Concessions Segment

Revenues from the Concessions segment in 2019 stood at € 239.9m compared to € 240.6m in 2018, marking a marginal decrease of 0.3%. The increase in traffic on mature concessions projects continued in 2019, with traffic in Attiki Odos increasing by 4.5%, in the Rio-Antirrio Bridge by 6%, in Olympia Odos by 4.7% and in the Aegean Motorway by 7.6%. This increase, however, in the revenues of the Concessions segment was offset by a) the non-consolidation of the results of EPADYM (revenue of € 3.5m in 2018) arising from the intra-group sale of the 50% share of AKTOR CONCESSIONS to HELECTOR in May 2019; and

b) the decrease in the income of Attikes Diadromes SA from the Egnatia Odos project (€ 5.0m) mainly because of the reduced construction income from new toll stations.

EBITDA of the Concessions segment for 2019 amounted to € 155.1m compared to € 168.6m in 2018. The decrease is mainly due to the recognition in the 2018 results of the retroactive adjustment of the Additional Operating Subsidy of Moreas, which had a positive effect of € 20.3m.

At the level of profits before tax, the segment recorded profits of € 60.4m compared to € 80.9m for 2018, decreased by 25.3%, whereas net profits after tax amounted to € 41,0m compared to € 26.1m in 2018, increased by 57.1%. It is noted that in 2018, the net profit after tax included a negative impact by a deferred tax asset adjustment of € 31.4m.

In April 2019, AKTOR CONCESSIONS was declared as the “Preferred Investor” in the tender for the award of concession rights to use, operate, manage and exploit the Marina of Alimos for a period of 40 years, which was carried out by the Hellenic Republic Asset Development Fund (HRADF). The signing of the concession agreement was scheduled for the end of March 2020, but was postponed due to the Covid-19 pandemic and is now expected to be signed in the coming weeks, paving the way for an investment with a total value of around € 100m.

With regards to new projects, AKTOR CONCESSIONS focuses on projects, whose capex exceeds a total of € 3.5b:

- on Egnatia Odos and its three vertical axes,
- on the Permanent Submarine Link of Salamis Island and
- on the project “Design, Construction, Financing, Operation, Maintenance and Exploitation of the Northern Road Axis of Crete in the section Chania-Heraklion and in the section Hersonissos-Neapoli with PPP”, for which the company has qualified in phase B of the tender.

In addition to the above, AKTOR CONCESSIONS has submitted an Expression of Interest for the below projects:

- Design, Construction, Financing, Operation and Maintenance of School Units and Park of the Municipality of Chania with PPP.
- Design, Construction, Financing, Operation and Maintenance of Student Residence facilities of the University of Crete, with PPP.
- Design, Construction, Financing, Operation and Maintenance of the Southwest Road Axis of Peloponnese, section Kalamata-Rizomilos-Pylos-Methoni, with PPP.

Concerning the impact of the Covid-19 pandemic, so far, traffic volume in concessions has been impacted as a result of the restrictive transport measures taken (daily traffic volume has dropped by ~70% in the period 23.03.2020 – 28.04.2020 vs the same period last year, although overall traffic volume YTD at Attiki Odos has decreased by ~25%)

Concession companies:

- have notified the State for the activation of the relevant provisions of the Concessions Agreements
- take every possible and suitable measure for the limitation of the impact always with the aim of ensuring the health of the employees and the users of toll roads

Environment Segment

The turnover of the Environment segment in 2019 amounted to € 87.1m compared to € 86.3m in 2018, marking a marginal increase of 0.9%. EBITDA of the Environment segment for 2019 amounted to € 6.7m compared to € 26.4m in 2018. It should be noted that operating profit in the corresponding period of 2018 included a non-recurring profit of € 4.2m (due to reversal of an older projection from settlement following the Supplementary Agreement of 21 May 2018 for the project of Larnaca), as well as the aforementioned retroactive compensations of € 5.8m for non-contractualized works performed in previous years, which

were partially offset by the € 2.0m provision for doubtful receivables. Furthermore, it is noted that the results of 2019 were adversely affected due to:

- recognition of losses amounting to € 4.1m in Helector Recycling Center Osnabruck GmbH
- reduced incoming quantities in the Mechanical Recycling Plant (€ 2.5m) and the medical waste management units (€ 0.4m)
- goodwill impairment of Helector GmbH, which went into liquidation amounting to € 1.5m

Results before taxes represented losses of € 0.9m compared to profit of € 21.2m in 2018, while results after taxes represented losses of € 1.8m compared to profit of € 15.2m in 2018.

It is noted that on 28.05.2019 HELECTOR acquired a 75% stake in Urban Solid Recycling SA with the distinctive title "ASA RECYCLE". In addition, on 21.05.2019 the intra-group acquisition of the remaining 50% of EPADYM SA by "AKTOR CONCESSIONS SA" took place.

HELECTOR and its subsidiaries, either exclusively or as members of consortiums, signed a series of project contracts in 2019, with the main ones representing projects with a total budget of around € 40m.

Regarding the impact of the Covid-19 pandemic, the Environment segment has not been significantly affected yet, although there is a risk of delays in collections and decrease in the prices of recyclable materials.

Renewable Energy Sources (RES) Segment

The turnover of the RES segment in 2019 amounted to € 64.0m compared to € 60.2m in 2018, marking an increase by 6.4%. EBITDA for the Segment stood at € 50.1m in 2019 versus € 42.1m in 2018, increased by 19.1%.

Profit before taxes amounted to € 25.4m compared to € 17.5m in 2018, increased by 45.2%, whereas net profit after taxes - taking into consideration the recognition of a deferred tax asset resulting from the absorption of EL.TECH. ANEMOS SA by ELLAKTOR - amounted to € 33.9m compared to € 15.1m in the previous year.

The total installed capacity of the RES segment stood at 401 MW as of 31.12.2019, of which 105.6 MW are currently in trial operation. Until today, an additional 90 MW were put into trial operation, increasing the total installed capacity of the RES segment to 491 MW. Two wind farms with a total installed capacity of 88.2 MW are under construction, for which the original objective was to become operational by the end of 31.12.2020. It is estimated though that due to the impact of the Covid-19 pandemic on the Company's daily operations, the completion of the wind farms would be postponed until 2021. It is noted, however, that due to the pandemic, a four-month extension has been granted for the validity of the terms of RES projects connection (PPAs).

In addition to the aforementioned, ELLAKTOR possesses RES projects (mainly Wind Farms) with a capacity of 454.14 MW, at various stages of the licensing process.

Power generation reached 708 GWh, marking an increase by 6.6% compared to the corresponding period in 2018, due to a respective increase in installed capacity. The average annual capacity factor for 2019 remained virtually unchanged to 26.8% compared to 26.9% in the same period of 2018.

Real Estate Segment

The Group's real estate development segment recorded revenues amounting to € 7.1m for 2019, compared to € 6.9m for 2018, an increase of 3.7%. EBITDA for the Segment stood at € 2.6m in 2019 versus € 4.8m in 2018. It should be noted that the results for 2018 included reversal of impairment in the value of a real estate investment amounting to € 2.8m and write-down of receivables amounting to € 0.4m.

The segment's results before taxes represented losses of € 0.4 m compared to profit of € 2,0 m in 2018, while results after taxes represented losses of € 1.6m compared to profit of € 1.4m in 2018.

The main activity of the segment in 2019 was the operation of the "Smart Park" in Yialou, Spata, Attica. The construction of Phase B of the Smart Park, covering approximately 15,200 sq.m, was completed on time and the commercial operation of the new development began in November 2019 with a total leased surface of approximately 11,000 sq.m, corresponding to 80% of the leased surface in the new building.

The yield of the shopping mall is closely monitored by the Management by use of indicators, the most important of them being the visit and shop sales statistics. According to the above indicators, for the period January – December 2019, visits to the shopping mall were increased by approximately 9% compared to the same period in 2018. The shop sales indicator was also improved, recording an increase by approximately 13% for the same period.

Regarding the effects of the Covid-19 pandemic so far in the Real Estate segment, the suspension of shopping centers' operation and the reduction of commercial lease rents affect the broader planning of the Real Estate sector.

About ELLAKTOR Group

ELLAKTOR Group is the largest infrastructure group in Greece and one of the leading in South-East Europe, with international presence and a diversified portfolio of activities focusing on construction, concessions, waste management, renewable energy and real estate development. With operations in 29 countries and nearly 6,000 employees, the Group generates a € 1.3 billion turnover by combining its 70 years of expertise with the latest of modern technologies to breathe life into projects that accelerate growth and improve the quality of life of communities across the world. Possessing significant experience in the most complex and demanding projects, ELLAKTOR Group is ranked 83rd among the top 100 global manufacturing groups (Global Powers of Construction 2018, Deloitte – July 2019). Find out more at www.ellaktor.com