

PRESS RELEASE
Group Financial Results – 6M 2018

Improved figures in Concessions, Environment, Wind Parks
Provisions in Construction

The decline in the turnover of the Construction segment in the first half of 2018 by 3.9% compared to the respective period of 2017, as well as the negative influence of €56 million of provisions and losses, mainly related to the construction activity in the Balkans and the Middle East, have impacted the financial results of the ELLAKTOR Group of Companies for the first half of 2018, as announced today in accordance with the International Financial Reporting Standards (IFRS) [1]. On the contrary, improved figures are recorded in Concessions, Environment and Wind Parks during the first half of the year.

More specifically, consolidated turnover for the first half of 2018 amounted to €922.3 million, compared to €929.7 million for the same period of 2017, slightly declining by 0.8%. Consolidated earnings before interest & taxes (EBIT) stood at €32.4 million compared to €53.0 million for the same period last year, as they include items with a total negative effect of €56.0 million:

- €18.5 ml losses from Romanian project,
- €18.6 ml provision for exit deal from the ISF project in the State of Qatar,
- €8.9 ml loss from the dissolution of an affiliate company abroad, and
- €10.0 ml provision for non offsettable withheld taxes in Concessions

Respectively, consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) stood at €82.4 million, compared to €105 million for the same period of 2017.

At the level of results before taxes, the Group reported losses of €11.7 million compared to profits of €19.7 million in the same period of 2017 and results after taxes were losses of €31 million compared to profits after taxes of €0.6 million in the same period of 2017.

Consolidated results after taxes per share represented losses of €0.2652, compared to losses of €0.0632, for the same period of 2017.

Figures per segment:

- **The Construction segment** of the Group for the first half of 2018 recorded a turnover of €727.3 million compared to €756.5 million for the same period of 2017, down by 3.9%. The operating results of construction were losses of €32.7 million, as they have been impacted by losses of €46.0 million which include €18.5 ml losses from Romanian project (part of this incorporates losses attributed to partner), €18.6 ml provision for exit deal

from the ISF project in the State of Qatar and €8.9 ml loss from the dissolution of an affiliate company abroad. In the first half of 2017, operating results were profits of €7.5 million. At the level of results before taxes, in the first half of 2018 they were losses of €46.6 million compared to profits before taxes of €1.1 million in the first six months of 2017, while results after taxes at the construction segment stood at losses of €49.0 million compared to losses after taxes of €6.1 million for the same period of 2017.

In the first half of 2018, there has been limited tendering of new construction projects in Greece. Focus was on the progress of the works in the Metro Project in Thessaloniki, on the construction of TAP pipeline, on the implementation of the Gold Line Metro in the State of Qatar, and on the road projects in the Balkans. After 30.06.18, the Construction segment secured €211 million of projects, while AKTOR participates (through a joint venture) in a railway project tender of approximately €700 million in Romania and has been qualified to the second phase of the €1.45 billion tender for “Line 4 of Attiko Metro”.

The Group’s backlog of construction activities stands at €1.9 billion, with 52% corresponding to projects executed abroad.

- **In the Concessions segment**, consolidated turnover amounted to €118.5 million in the first half of 2018, increased by 11.3% compared to €106.5 million for the same period in 2017, mainly due to increased by 4.7% traffic in Attiki Odos, as well as from revenues of Attikes Diadromes as a result of the Egnatia Odos project. Operating results were profits of €35.9 million compared to profits of €38.7 million in the same period last year, because of a €10.0 ml provision in the first half of 2018 for non offsettable withheld taxes in Concessions. Profits before taxes amounted to €20.3 million, compared to €23.6 million, in the first half of 2017, and net profits after taxes amounted to €11.3 million, compared to €16.2 million, in the first half of 2017.

AKTOR CONCESSIONS focuses on the following projects where tenders are pending:

- Salamina submerged tunnel
- Egnatia and the three vertical roads
- Marina Alimou
- **The Environment segment** recorded a turnover of €43.7 million in the first half of 2018, compared to €41.1 million for the same period of 2017, increased by 6.3%. Operating results were profits of €16.2 million compared to losses of €1.1 million, but they include a non-recurring net profit of €4.2 million released from past provisions. Respectively, financial results of 2017 have been impacted by a provision for reparations amounting to €3.9 million. Results before taxes were profits of €16.7 million compared to losses of €0.8 million in the first half of 2017, while results after taxes were profits of €11.9 million compared to losses of €2.9 million in the first half of 2017.
- **The Wind Park segment** recorded consolidated turnover of €29,4 million in the first half of 2018, compared to €22.3 million in the first half of 2017, increased by 31.4%, due to improved wind performance data as well as due to the increase in installed capacity, from 233.90 MW in the first half 2017, to 289.10 MW in the first half of 2018. Operating results amounted to profits of €15.7 million compared to profits of €10.8 million, while earnings after taxes to €7.4 million compared to €4.4 million, during the first half of 2017.

It is noted that six new wind parks with a total installed capacity of 202 MW are currently under construction.

- **The Real Estate Development segment** recorded consolidated turnover of €3.3 million for the first half of 2018, compared to €3.2 million, for the same period of 2017. Operating results amounted to profits of €0.3 million compared to losses of €0.5 million in the respective period of 2017 and results after taxes amounted to losses of €0.5 million compared to losses of €1.5 million for the same period of 2017.

The net borrowings of the Group as at 30.06.2018 stood at €539.1 million, compared to €514.7 million as at 31.12.2017.

Parent company:

At parent company level, there were no sales either in the first half of 2018 or in the same period of 2017. Results before interest & taxes (EBIT) amounted to losses of €2 million compared to losses of €0.8 million; results before taxes amounted to profits of €15 million compared to losses of €7.2 million; and results after taxes amounted to profits of €15 million compared to losses of €7.2 million, in the same period of 2017.

[1] The Alternative Performance Indicators AIP refer to the Semi-Annual Report of the Board of Directors of ELLAKTOR (B.II. of the Semi-Annual Financial Report of 01.01-30.06.2018).