



**NEA ODOS CONCESSION SOCIETE ANONYME  
(NEA ODOS S.A.)**

**Annual Financial Statements**

**According with the Greek Accounting Principles (L.4308/2014) for the year ended  
at 31st of December 2016**

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General Commercial Register No 007349501000

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## A. BOARD OF DIRECTORS REPORT OF NEA ODOS S.A

Dear Shareholders,

Pursuant to the provisions of Article 43a of the Codified Law 2190/1920 and the Articles of Association of the Company, we hereby submit to the General Meeting the financial statements of the Company for the tenth accounting period 2016 (1.1.2016 – 31.12.2016). This report contains an analysis of the financial statements and the additional explanations which are required for their assessment and for the decision-making process of the General Meeting regarding their approval, in line with the proposal of the Board of Directors.

The accompanying financial statements for the year of 2016 prepared by the Company in accordance with the Greek GAAP (L.4308/2014).

### 1. PROGRESS OF BUSINESS

At 10/01/2008, the Company, along with the construction activity, entered into operation period with the commencement of the operation of P.A.T.H.E. Motorway Athens – Maliakos.

The results of the financial year of 2016 analysed as follows:

|  |                       |
|--|-----------------------|
| <b>Revenues</b>                                | <b>354.999.578,03</b> |
| Less: Cost of Sales                            | (317.552.294,57)      |
| <b>Gross Result</b>                            | <b>37.447.283,46</b>  |
| Plus: Other Operational Revenue                | 130.480,59            |
| Other revenue and profits                      | 20.789.144,77         |
| Less: Administrative expenses                  | (6.577.865,54)        |
| Other expense and losses                       | (38.702.168,79)       |
| <b>Earnings before interest and income tax</b> | <b>13.086.874,49</b>  |
| Plus: Financial income                         | 1.203.569,16          |
| Less: Financial expenses                       | (17.338.847,48)       |
| <b>Earnings before income tax</b>              | <b>(3.048.403,83)</b> |
| Plus: Income Tax                               | 7.343.083,97          |
| <b>Earnings after income tax</b>               | <b>4.294.680,14</b>   |

The Revenue for the year ended at 31<sup>st</sup> of December of 2016, is analysed as follows:

|   | <u>01.01 - 31.12.2016</u> |                              |
|---|---------------------------|------------------------------|
| Toll revenue  | 59.513.563,00             |                              |
| ETC Toll revenue  | 16.625.750,06             |                              |
| MSS revenue   | 684.309,00                | 76.823.622,06                |
| Income from the provision of construction services<br>(according to IFRIC 12) |                           | <u>278.175.955,97</u>        |
| <b>Total</b>  |                           | <u><b>354.999.578,03</b></u> |

The cost of sales for the year ended at 31<sup>st</sup> of December 2016, includes also, under IFRIC 12 and among other costs, the construction fees of EUROIONIA J/V amounting euro 262.614.758,53.

The Company carries out depreciations on the Intangible asset “Concessions from the State” , which for the year ending 31 December 2016, amounted to Euro 23.355.583,25, while the overall depreciation of the Intangible Asset, including the previous years is EUR 210.200.249,23.

The construction cost of 2016, amounting 270.073.743,66 euros, is analysed per category as follows:

|                                 |                              |
|---------------------------------|------------------------------|
| EUROIONIA J/V fees              | 262.614.758,53               |
| Independent Engineer's fees     | 3.144.489,07                 |
| Lenders Technical Advisor fees  | 167.293,26                   |
| Technical work Consultants fees | 1.084.171,93                 |
| Topographic work fees           | 108.000,00 0                 |
| Other works fees                | 875.441,21                   |
| Hellas Tolls J/V fees           | 2.079.589,66                 |
| <b>Total</b>                    | <u><b>270.073.743,66</b></u> |

The analysis of the construction works of EUROIONIA J/V, per geographical section of the project is analysed as follows:

|                                       |                              |
|---------------------------------------|------------------------------|
| SECTION - 1 / Antirio – Agrinio       | 131.836.981,45               |
| SECTION - 2 / Agrinio – Arta          | 53.604.516,24                |
| SECTION - 3 / Arta – Ioannina         | 70.381.546,24                |
| P.A.T.H.E Section / Athens – Maliakos | 6.791.714,59                 |
| <b>Total</b>                          | <u><b>262.614.758,53</b></u> |

## 2. FINANCIAL RATIOS

Below we present certain financial ratios in order to better capture the Company's financial performance and position.

### Financial year 2016

|                        |   |                       |   |         |
|------------------------|---|-----------------------|---|---------|
| <u>Turnover</u>        | = | <u>354.999.578,03</u> | = | 52,50%  |
| Total Assets           |   | 675.847.319,36        |   |         |
| <u>Current Assets</u>  | = | <u>162.644.189,22</u> | = | 213,80% |
| Short-term Liabilities |   | 76.071.910,13         |   |         |
| <u>Total Assets</u>    | = | <u>675.847.319,36</u> | = | 269,10% |
| Total Equity           |   | 251.062.324,21        |   |         |
| <u>Total Equity</u>    | = | <u>251.062.324,21</u> | = | 59,70%  |
| Total Liabilities      |   | 419.937.111,32        |   |         |
| <u>Cash</u>            | = | <u>49.870.523,52</u>  | = | 65,50%  |
| Short-term Liabilities |   | 76.071.910,13         |   |         |

### Financial year 2015

|                        |   |                       |   |         |
|------------------------|---|-----------------------|---|---------|
| <u>Turnover</u>        | = | <u>306.624.855,89</u> | = | 34,13%  |
| Total Assets           |   | 898.460.728,21        |   |         |
| <u>Current Assets</u>  | = | <u>369.974.555,85</u> | = | 363,69% |
| Short-term Liabilities |   | 101.728.107,35        |   |         |
| <u>Total Assets</u>    | = | <u>898.460.728,21</u> | = | 437,83% |
| Total Equity           |   | 205.207.138,85        |   |         |
| <u>Total Equity</u>    | = | <u>205.207.138,85</u> | = | 29,70%  |
| Total Liabilities      |   | 690.934.660,50        |   |         |
| <u>Cash</u>            | = | <u>135.508.427,35</u> | = | 133,21% |
| Short-term Liabilities |   | 101.728.107,35        |   |         |

### **3. FINANCIAL POSITION**

The financial position of the Company as at 31/12/2016 is satisfactory and corresponds to that depicted in the financial statements. More specifically:

#### Equity

The Company's Equity reached 251.296.541,99 euros at 31.12.2016 compared to 205.207.138,85 euros at 31.12.2015. The Equity was increased into the fiscal year by euros 46,09 million through the Share Capital Increase of 41.800.980 euros, which, according to the Concessionaire Agreement, has been covered exclusively by GEK TERNA SA.

#### Duration of Constructions – Project Amendment

The economic progress of the project, till December 2016, is 87,6%. Specifically in the area of Klokova, the ongoing construction of the twin tunnel is in progress, which until the end of 2016 is around 84,7 %.

By signing of the Agreement for the Timely Completion of the project, between the Greek State, the Concessionaire and the Constructor J/V on 11/05/2016, the total deadline of the Study - Construction Period of Article 18.1.1 of the Concession Agreement was extended until 31<sup>st</sup> of August 2017, while the deadline for the Functional Operation of the entire project has been defined and agreed for the 31<sup>st</sup> of March 2017, with the exception of the section from k.p. 0-158 to k.p. 10 + 200 (Klocova), of which the deadline for the Operational mode is extended until the end of Study - Construction Period.

#### Bank Loans-Cash

The company has issued bond loans of a total amount of 200.800.00,00 euros out of which the amount of 48.700.000,00 disbursed, leaving a balance of euros 152.100.000,00 at 31.12.2016. Also, the company has issued a recycled VAT bond loan of 40.900.000,00 euros. The available amount of the VAT bond loan was 18.589.148,00 euros, and the amount due was 22.310.852,00 euros.

The Cash of the company at 31.12.2016 stood at 49.870.523,52 euros compared to 135.508.427,35 euros at the previous fiscal year of 2015.

#### Concessionaire Compensation

Under the Agreement for the Timely Completion of the Project which signed on 11<sup>th</sup> of May 2016, the State agreed to pay compensation to the Concessionaire of Euro 24.000.000,00. The amount will be partially paid during 2017.

#### **4. RISKS**

The activities of the Company are exposed to various financial risks including the interest rate risk, credit and other risks.

##### Credit and Liquidity risk

Due to the nature of the company's activities, from which its revenues derive, no significant concentration of credit risks exists, which could question the company's cash flow. Under the loan agreement, the Company's cash (sight and time deposits) amounted to 49.870.523,52 € are deposited at the Piraeus Bank.

##### Foreign currency risk

Foreign currency risk derives from the fluctuations occurring in the values of the financial assets, fixed assets, current assets and liabilities, originating from respective changes in the exchange currencies. In the current year the company did not have any transactions in foreign currency.

##### Cash flow and interest risk

The Company is exposed to cash flow risk due to the floating interest rates on euro denominated loans. In order to offset the risk that derives from possible future interest rates rising, the Company has contracted Interest Rate Swap Agreements, turning indirectly the floating rates to fix.

The fair value of these contracts was estimated by projecting the interest rate curve (euribor), as at 31/12/2016, throughout the term of the said contracts. The fair value of the swaps amounts to 24,75 million euros at the Company's expense. A note about the fair value arising from the valuation of the relevant swaps is depicted in the Note 23.

#### **5. COMPANY AND ENVIRONMENT**

The integration of motorways in the environment and the constant effort to protect and promote every area's wealth is one of the company's commitments.

The company applies effective Environmental Management throughout the entire project, in accordance with the requirements of the Concession Agreement and the relevant legislation.

The Company's policy is to implement its corporate practice and make decisions based on the environmental and social objectives required by the Sustainable Development. For this reason the company's primary goals include the protection of the environment throughout all activities of the Project, the monitoring of the potential implications caused by the construction and operation of the motorway and the application of the necessary protective measures.

The company's obligations for the protection of the environment are set in the Approved Environmental Terms of the project. Some of the measures that ensure environmental protection and integration of the project in the environment are: to obtain the required environmental permits, to install noise barriers, to monitor traffic noise,

to measure air pollution, to construct fauna underpasses, to restore and maintain vegetation, to construct pollution collection tanks, to implement Environmental Management Plans and to monitor traffic volumes. The company's commitment to the protection of the environment is described in its Environmental Policy.

The Environmental Department of the company offers environmental management and implementation of the project's Approved Environmental Terms as specified in the Concession Agreement and described in the Environmental Management Reports compiled on a semi-annual basis as well as in the Annual Environmental Report relevant to the Concession project.

Furthermore, special monitoring programs for Motorway Traffic Noise and Air Pollution are being implemented on an annual basis with the support of the Laboratory of Transportation Environmental Acoustics (L.T.E.A.) of the Faculty of Civil Engineers at the University of Thessalia.

Finally, the effective environmental management and the continuous improvement of the company's environmental performance are achieved through the implementation of an Environmental Management System in every aspect and activity of Nea Odos S.A, which is certified by the international standard ISO 14001:2014.

## **6. HUMAN RESOURCES**

The Company, as at 31/12/2016 was employing 308 persons. The 87,68% of the personnel are mainly employed in the toll stations and in other activities relevant to their operation. In any case, right after the employees' recruitment, there is a training period which aims to maximize the effectiveness of their work and in parallel to avoid mistakes.

Furthermore, the Company aims to create a prosperous environment for its employees by investing in training, depending on their specialization, and the needs that may arise.

## **7. BRANCHES OF THE COMPANY**

- Sorou 13 (Offices)
- Premetis 3 (Offices)
- Sorou 14 (Offices)
- Sximatari (Traffic Control Center)
- Agios Konstantinos (Tunnel Control Center)
- 13 tolls stations along PATHE.

## **8. SUBSEQUENT EVENTS**

On 14<sup>th</sup> of February 2017, the full disbursement of the Loans amounted to Euro 126.600.000,00 was completed. Upon the reception of the Loans and in combination with the cash and the amounts of the Additional State Financial Contribution, the funding of the rest of the Construction cost is fully secured.



For the years 2008 to 2010 the Company has been subject to tax audit by K.E.ME.EP. (Tax Audit Center of Large Enterprises) under from February 21<sup>st</sup> , 2017 document of the specific service, with protocol number 5106 and which tax audit is in progress.

From the end of the closing year 31.12.2016, until the date of the present report, no events with a significant impact on the financial statements, which should be reported herein, took place.

Messrs. Shareholders, this report presented an analysis of the Company's activity and financial position for the year ended at 31.12.2016 and we submit it for your approval.

Attached you may find the Company's Financial Statements for the year 1.1.2016 - 31.12.2016 and we kindly ask you to approve and discharge the BoD members and the Auditor from any civil liability for the said financial year 2016.

Athens, 30/03/2017

On behalf of the Board of Directors

The Chairman

Emmanouil Vrailas

## **B. INDEPENDENT AUDITOR'S REPORT**

**THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK**

### **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of "NEA ODOS CONCESSIONAIRE SA"**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of "NEA ODOS CONCESSIONAIRE SA", which comprise the statement of financial position as of December 31, 2016, the income statement, the statement of changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Greek Generally Accepted Accounting Principles, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing which have been transposed into Greek Law (GG/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Basis for Qualified Opinion**

Our audit revealed that the Company's tax position for the accounting years 2008 to 2010 (inclusive), has not yet been audited by the tax authorities. Hence, the Company's tax liabilities for these tax years have not been finalized. The Company has not assessed for accounting purposes the additional taxes and penalties that might be imposed by the tax authorities upon a future tax audit of the Company's tax returns and thus no provision has been made with regard to this matter. Consequently, from our audit it was not possible to obtain sufficient and appropriate audit evidence in relation with the provision which may be required for the unaudited tax years 2008 to 2010 (inclusive).

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matter discussed in the preceding paragraph "Basis for Qualified Opinion", the above financial statements present fairly, in all material respects, the financial position of the Company "NEA ODOS CONCESSIONAIRE SA" as at 31 December, 2016, its financial performance and its cash flows for the year then ended in accordance with the Greek Generally Accepted Accounting Principles.

## **Report on Other Legal and Regulatory Requirements**

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report according to the provisions of paragraph 5 article 2 of Law 436/2015 (part B), we note the following:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 43a and the content of the Board of Directors' report is consistent with the financial statements for the year ended 31 December 2016.

b) Based on the knowledge we obtained from our audit of "NEA ODOS CONCESSIONAIRE SA" and its environment, we have not identified any material misstatement to the Board of Directors report.

Athens, 30 March 2017

ANDREAS HADJIDAMIANOU  
S.O.E.L. R.N. 61391

ERNST & YOUNG (HELLAS)  
CERTIFIED AUDITORS ACCOUNTANTS S.A.  
CHIMARRAS 8B, MAROUSSI  
151 25 ATTICA  
SOEL REG. No. 107

### C. PROFIT AND LOSS STATEMENT

For the year ended 31st of December 2016

|   | Note | 01.01 - 31.12.2016    | 01.01 - 31.12.2015   |
|---|------|-----------------------|----------------------|
| Revenue   | 3    | 354.999.578,03        | 306.624.855,89       |
| Cost of sales                                   | 4α   | (317.552.294,57)      | (270.880.360,15)     |
| <b>Gross Result</b>                             |      | <b>37.447.283,46</b>  | <b>35.744.495,74</b> |
| Other operational revenue                       |      | 130.480,59            | 323.559,32           |
| Administrative expenses                         | 4β   | (6.577.865,54)        | (8.312.429,02)       |
| Other expenses and losses                       | 5    | (38.702.168,79)       | (502.285,53)         |
| Gains and losses on sales of non-current assets | 6    | (0,00)                | (18.942,35)          |
| Other income and profits                        | 7    | 20.789.144,77         | 279.383,65           |
| <b>Earnings before interest and income tax</b>  |      | <b>13.086.874,49</b>  | <b>27.513.781,81</b> |
| Financial income                                | 8    | 1.203.569,16          | 1.947.094,43         |
| Financial expenses                              | 8    | (17.338.847,48)       | (14.878.156,29)      |
| <b>Earnings before income tax</b>               |      | <b>(3.048.403,83)</b> | <b>14.582.719,95</b> |
| Income Tax                                      | 21   | 7.343.083,97          | 2.485.152,50         |
| <b>Earnings for the year after income tax</b>   |      | <b>4.294.680,14</b>   | <b>17.067.872,45</b> |

The notes on pages 16 to 46 are an integral part of these financial statements.

**D. BALANCE SHEET (as at 31st of December 2016)**

| <b>ASSETS</b>  | <b>Note</b> | <b>31.12.2016</b>     | <b>31.12.2015</b>     |
|--|-------------|-----------------------|-----------------------|
| <b><u>Non-Current Assets</u></b>                         |             |                       |                       |
| <b><u>Tangible assets</u></b>                            |             |                       |                       |
| Lands - Buildings  | 9           | 706.464,21            | 414.421,17            |
| Mechanical equipment                                     | 9           | 29.511,63             | 24.749,72             |
| Furniture and other equipment                            | 9           | 3.393.685,49          | 2.902.540,39          |
| <b>Total</b>   |             | <b>4.129.661,33</b>   | <b>3.341.711,28</b>   |
| <b><u>Intangible assets</u></b>                          |             |                       |                       |
| Concessions from the State                               | 10          | 490.467.248,17        | 513.822.831,42        |
| Other Intangibles  | 10          | 1.202.933,11          | 1.274.561,64          |
| <b>Total</b>   |             | <b>491.670.181,28</b> | <b>515.097.393,06</b> |
| <b><u>Financial Assets</u></b>                           |             |                       |                       |
| Other Long term receivables                              | 11          | 274.449,15            | 261.313,61            |
| <b>Total</b>   |             | <b>274.449,15</b>     | <b>261.313,61</b>     |
| Deferred Taxes   |             | 17.128.838,38         | 9.785.754,41          |
| <b>Total of Non-Current Assets</b>                       |             | <b>513.203.130,14</b> | <b>528.486.172,36</b> |
| <b><u>Current Assets</u></b>                             |             |                       |                       |
| <b><u>Inventories</u></b>                                |             |                       |                       |
| Spare parts  | 12          | 238.667,49            | 242.775,19            |
| <b><u>Financial instruments and advance payments</u></b> |             |                       |                       |
| Trade Receivables  | 13          | 929.873,51            | 1.434.643,19          |
| Other Receivables  | 14          | 84.260.289,28         | 78.775.575,11         |
| Receivable Grant from the State                          | 10          | 18.173.608,60         | 113.008.030,98        |
| Prepaid expenses   | 16          | 9.171.226,82          | 41.005.104,03         |
| Cash and cash equivalents                                | 15          | 49.870.523,52         | 135.508.427,35        |
| <b>Total</b>   |             | <b>162.405.521,73</b> | <b>369.731.780,66</b> |
| <b>Total Current assets</b>                              |             | <b>162.644.189,22</b> | <b>369.974.555,85</b> |
| <b>Total Assets</b>                                      |             | <b>675.847.319,36</b> | <b>898.460.728,21</b> |
| <b><u>EQUITY AND LIABILITIES</u></b>                     |             |                       |                       |
| <b><u>Capital</u></b>                                    |             |                       |                       |
| Share Capital  | 17          | 116.800.980,00        | 75.000.000,00         |
| <b><u>Reserves and Results carried forward</u></b>       |             |                       |                       |
| Results carried forward                                  |             | (281.610.357,46)      | (194.558.818,40)      |
| Tax – exempt reserve L.3555/2007                         |             | 416.105.919,45        | 324.765.957,25        |
| <b>Total</b>   |             | <b>134.495.561,99</b> | <b>130.207.138,85</b> |
| <b>Total Equity</b>                                      |             | <b>251.296.541,99</b> | <b>205.207.138,85</b> |
| <b><u>Provisions</u></b>                                 |             |                       |                       |
| Provisions for staff leaving indemnities                 | 19          | 675.307,00            | 549.642,00            |
| Other provisions   | 18          | 3.938.359,05          | 1.769.286,86          |
| <b>Total</b>   |             | <b>4.613.666,05</b>   | <b>2.318.928,86</b>   |
| <b><u>Liabilities</u></b>                                |             |                       |                       |
| <b><u>Long Term Liabilities</u></b>                      |             |                       |                       |
| Loans  | 23          | 48.363.970,00         | 48.545.160,00         |
| Other long -term liabilities                             | 23          | 102.657.829,71        | 69.633.112,70         |
| Construction Liability under Concession Agreement        |             | 192.816.632,48        | 470.992.588,45        |
| Long-term liability finance leasing                      |             | 26.769,00             | 35.692,00             |
| <b>Total</b>   |             | <b>343.865.201,19</b> | <b>589.206.553,15</b> |
| <b><u>Short - term liabilities</u></b>                   |             |                       |                       |
| Trade Payables   | 22          | 49.925.291,02         | 63.774.739,43         |
| Banks - short term liabilities                           | 23          | 22.310.852,00         | 32.011.181,00         |
| Current instalments for long-term obligations            | 23          | 180.190,00            | 154.840,00            |
| Other taxes and duties payable                           | 24          | 1.515.969,06          | 1.343.138,14          |
| Insurance and pension fund dues                          | 25          | 334.709,47            | 296.121,40            |
| Other liabilities  | 26          | 302.652,73            | 737.231,53            |
| Accrued expenses   | 20          | 1.484.399,85          | 3.401.932,85          |
| Short-term liability finance leasing                     |             | 17.846,00             | 8.923,00              |
| <b>Total</b>   |             | <b>76.071.910,13</b>  | <b>101.728.107,35</b> |
| <b>Total Liabilities</b>                                 |             | <b>419.937.111,32</b> | <b>690.934.660,50</b> |
| <b>Total of Equity and Liabilities</b>                   |             | <b>675.847.319,36</b> | <b>898.460.728,21</b> |

The notes on pages 16 to 46 are an integral part of these financial statements

## E. STATEMENT OF CHANGES IN EQUITY

For the year ended 31st of December 2016

|  | <b>Share Capital</b>  | <b>Results carried forward</b> | <b>Tax – exempt reserve</b> | <b>Total</b>          |
|--|-----------------------|--------------------------------|-----------------------------|-----------------------|
| <b>Balance as at 1st of January 2015</b>   | <b>75.000.000,00</b>  | <b>(116.065.266,89)</b>        | <b>229.156.429,29</b>       | <b>188.091.162,40</b> |
| Earnings for the year after income tax     | 0,00                  | 17.067.872,45                  | 0,00                        | <b>17.067.872,45</b>  |
| Tax depreciation of the State Financial    |                       |                                |                             |                       |
| Contribution                               | 0,00                  | (95.609.527,96)                | 95.609.527,96               | <b>0,00</b>           |
| Actuarial gains / (losses)                 | 0,00                  | 48.104,00                      | 0,00                        | <b>(14.108,00)</b>    |
| <b>Balance as at 31st of December 2015</b> | <b>75.000.000,00</b>  | <b>(194.558.818,40)</b>        | <b>324.765.957,25</b>       | <b>205.207.138,85</b> |
| Earnings for the year after income tax     | 0,00                  | 4.294.680,14                   | 0,00                        | <b>4.294.680,14</b>   |
| Share Capital Increase                     | 41.800.980,00         | 0,00                           | 0,00                        | <b>41.800.980,00</b>  |
| Tax depreciation of the State Financial    |                       |                                |                             |                       |
| Contribution                               | 0,00                  | (91.339.962,20)                | 91.339.962,20               | <b>0,00</b>           |
| Actuarial gains / (losses)                 | 0,00                  | (6.257,00)                     | 0,00                        | <b>(6.257,00)</b>     |
| <b>Balance as at 31st of December 2016</b> | <b>116.800.980,00</b> | <b>(281.610.357,46)</b>        | <b>416.105.919,45</b>       | <b>251.296.541,99</b> |

The notes on pages 16 to 46 are an integral part of these financial statements

## F. CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> of December 2016

|   | <b>Note</b> | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|---|-------------|---------------------------|---------------------------|
| <b>Cash flow from operating activities</b>  |             |                           |                           |
| Gains/(Losses) for the year before income tax   |             | (3.048.403,83)            | 14.582.719,95             |
| <i>Adjustments for profit reconciliation before taxes with net cash flows:</i>  |             |                           |                           |
| Depreciation of tangible and intangible assets  |             | 25.122.707,75             | 24.588.815,96             |
| Impairment / (recovery of impairments) trade receivables  |             | 252.636,60                | 360.224,89                |
| Provisions  |             | 1.114.382,81              | 461.846,00                |
| Attributable amount of the fiscal year for compensation for loss of revenue under 11 <sup>th</sup> of May 2016 Agreement with the State |             | (20.116.109,00)           | 0,00                      |
| Construction profit under IFRIC 12  |             | (8.102.212,31)            | (6.742.474,72)            |
| (Interests and related income)  | 8           | (1.203.569,16)            | (1.947.094,43)            |
| Interests and other financial expenses  | 8           | 17.338.847,48             | 14.878.155,80             |
| (Gains)/Losses from sale of tangible and intangible assets  | 6           | 0,00                      | 24.182,35                 |
| <b>Operating profit before working capital adjustments</b>  |             | <b>11.358.280,34</b>      | <b>46.206.375,80</b>      |
| <b>(Increase)/Decrease in:</b>  |             |                           |                           |
| Inventory   | 12          | 4.107,70                  | 70.836,00                 |
| Trade receivables   | 13          | 252.133,40                | (860.617,00)              |
| Down payments and other receivables   | 14          | 47.248.486,96             | (2.535.413,00)            |
| Other Long term receivables   |             | (13.136,00)               | (113.458,00)              |
| <b>(Increase)/Decrease in:</b>  |             |                           |                           |
| Suppliers   | 22          | (13.849.448,00)           | 45.534.673,00             |
| Accrued and other short term liabilities  |             | (1.701.424,57)            | 348.993,00                |
| <b>Net cash flows used in operating activities</b>  |             | <b>43.298.999,83</b>      | <b>88.651.391,36</b>      |
| <b>Cash flows from investing activities:</b>  |             |                           |                           |
| (Purchase of tangible and intangible assets)  | 10          | (272.557.190,02)          | (259.709.191,22)          |
| Sales of tangible and intangible assets   |             | 0,00                      | 0,00                      |
| Receipt of government grants  |             | 94.834.422,38             | 122.499.196,85            |
| Interest and other related income receipt   |             | 1.203.569,16              | 2.019.028,00              |
| <b>Cash outflows used in investing activities</b>   |             | <b>(176.519.198,48)</b>   | <b>(135.190.966,37)</b>   |
| <b>Cash flows from financing activities :</b>   |             |                           |                           |
| Receipt of Share Capital increase   |             | 41.800.980,00             | 0,00                      |
| Receipt from issued / received long-term loans  |             | 27.007.932,00             | 0,00                      |
| (Repayments of long-term loans)   |             | (155.840,00)              | 0,00                      |
| Net change of the bank short term loans   | 23          | (9.700.329,00)            | (8.888.814,00)            |
| (Interest and related expenses paid)  |             | (11.370.448,20)           | (10.352.618,00)           |
| <b>Cash (outflows)/inflows from financing activities</b>  |             | <b>47.582.294,80</b>      | <b>(19.241.432,00)</b>    |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   |             | <b>(85.637.903,85)</b>    | <b>(65.781.008,57)</b>    |
| <b>Cash and cash equivalents at 1<sup>st</sup> January</b>  |             | 135.508.427,35            | 201.289.434,55            |
| <b>Cash and cash equivalents at 31st January</b>  |             | <b>49.870.523,50</b>      | <b>135.508.427,35</b>     |

The notes on pages 16 to 46 are an integral part of these financial statements

## **G. NOTES TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION**

Nea Odos SA (hereinafter the "Company") is a Societe Anonyme company which conducting the study, design, construction, operation, exploitation and maintenance of the concession project "Ionia Odos". It involves a project with a total length of 380 km and includes the following key sections:

- The namesake highway "Ionia Odos" length of 196 km from Antirio to Ioannina (Interchange with Egnatia Odos).
- Section of PATHE motorway length of about 172.5 km from Interchange of Metamorphosis until Skarfia of Fthiotida.
- The connecting of the PATHE branch Schimatari - Halkida, length of 11 km.

The purpose of the Company is exclusively the exercise of the obligations and the rights that have been agreed in the concession agreement signed between the Company, the Greek Government and the company founders as third parties on the project "Design - Construction - Financing - Operation - Maintenance and Utilization Project "Ionia Odos Motorway from Antirio to Ioannina, Pathe Athens (A / K Metamorphosis) - Maliakos (Skarfia) and connecting branch PATHE Schimatari - Chalkida".

The financial statements of the Company incorporated by the equity method in the consolidated financial statements of the following companies:

- GEK TERNA S.A., 85 Mesogion Ave., Athens, 115 26. (Participation percentage 57,19%, equity method)
- FERROVIAL S.A., Príncipe De Vergana 135, Madrid, Spain (Participation percentage 21,41%, equity method)
- ACS Servicios Y Concesiones SL, Avda. Pio XII 102 Madrid, Spain (Group Participation percentage 21,40%, equity method)

The company was established in 2006 for a period of 40 years, having its legal establishment in Greece, 87 Themistokleous street, Athens. The company is registered at the General Commercial Registry (GE.MI.) with No. 007349501000.

The average number of the Company's personnel during the year 2016 amounted to 295 people (2015: 284). The financial statements of the Company, were approved for publication by the BoD on 30/03/2017 and are subject to approval by the Annual General Assembly of the Shareholders.

### **2. BASIC ACCOUNTING PRINCIPLES**

#### ***2.1 Preparation Basis of the Financial Statements***

The financial statements have been prepared in accordance with Law no. 4308/2014 "Greek GAAP, relevant regulations and other provisions" ("New Greek GAAP" or "Greek GAAP").

The financial statements have been prepared under the principles of the historical cost and the principles of the going concern ( «going concern»).



The financial statements are presented in euro, which is the currency in which the Company operates.

## ***2.2 Summary of the significant accounting policies and estimations***

The preparation of the financial statements requires from the management of the Company to proceed with significant accounting estimations, assumptions and judgments which affect the balances of the assets, the liabilities and the disclosures, the disclosure for the contingent receivables and the liabilities as well as the reported revenues and the expenses. The actual results may differ from the estimated ones. The significant accounting policies, judgments and estimations connected with the events that their development could significantly affect the items of the financial statements during the forthcoming twelve months period are the following:

### ***2.2.1 Judgments and estimations***

#### ***Judgments***

During the application of the accounting policies the Company's management using as a basis all the complete available information available applies its judgment in the light of the knowledge of the Company and the market in which the Company operates. Subsequent possible changes to the existing conditions are taken into account in order to apply the appropriate accounting policy. Judgments regarding the estimations in terms of the accounting policies summarized in the following categories:

#### ***Estimations and assumptions***

Certain amounts which included in or affecting the financial statements as well as the related disclosures are assessed, requiring from the administration to form assumptions about values or conditions which cannot be known with certainty at the time of preparation of the financial statements. An accounting estimation is considered important when it is essential for the financial position of the Company and the financial results and require difficult, subjective or complex judgments, often as a result of the need to make estimations about the effect of the matters that are inherently uncertain. The Company evaluates such estimations on an ongoing basis, based upon the historical results and experience, consultation with experts, trends and other methods which considered reasonable in the particular circumstances, as well as the projections on how these might change in the future.

- Useful life of tangible and intangible fixed assets: Management makes estimations regarding the useful lives of the depreciable assets which are subject to periodic review. The actual lives of these assets can vary depending on various factors such as technological innovation, maintenance programs, legal and economic environment etc.. More information is provided in Note 2.2.2 and 2.2.3 of the Financial Statements.
- Impairment of tangible and intangible assets subject to amortization: These assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Determining whether impairment indicators requires from the management to make judgments regarding external and internal factors and the extent to which they affect the recoverability of these assets. If evaluated that there are indications of impairment, the Company makes an estimation of the recoverable amount. To calculate the value in use, the management estimates future cash flows from the asset or cash-generating unit and chooses a suitable discount rate to calculate the present value of the future cash flows.

Also estimation and judgment is required in determining from the management if a potential impairment is temporary or permanent.

- Employee benefits: the obligation for employee benefits after retirement is calculated using actuarial methods. The actuarial valuation requires the making of significant estimations which may differ from the actual developments in the future. These estimations include the determination of the discount rate, future salary increases, disability rates, mortality and retirements. Due to the complexity of the valuation and the key assumptions involved, the defined benefit obligation is highly sensitive to changes of these assumptions. Actuarial gains and losses arising from the variation in the actuarial assumptions are recognized directly in the equity. Actuarial assumptions are periodically reviewed by management. Further details are provided in Note 2.2.16 of the Financial Statements.
- Provision for doubtful debtors: The management of the company periodically reassess the adequacy of the allowance for doubtful debtors based on the information in its possession, including reports from the legal department, and estimations of the collectability of receivables. Further details are provided in Note 2.2.17 of the Financial Statements.
- Provision for income taxes: According to IAS 12, the provisions for income taxes based on considerations relating to the taxes to be paid to the tax authorities and include the current income tax for each financial year, the provision for additional taxes that might arise in future tax audits and the recognition of future tax benefits. The finalization of income taxes may differ from the amounts included in these financial statements. Further details are provided in Note 2.2.15 of the Financial Statements.
- Deferred tax assets: Deferred tax assets are recognized for all tax losses to the extent that it is probable that there will be sufficient taxable profit which will offset these tax losses. A significant exercise of judgment by the management in determining the amount of deferred tax assets that can be recognized, based on the likely timing and the level of future taxable profits as well as the future tax planning strategies. Further details are provided in Note 2.2.15 of the Financial Statements.
- Provision for restoration or maintenance obligation under the Concession Agreement. In the Concession Agreement with the Greek State is included the contractual obligation of the concessionaire to maintain the infrastructure to a specified level of provision of operation services or to restore the infrastructure to a specified condition before its delivery to the grantor at the end of the concession period. The calculation of the amount which will be deemed as provision for rehabilitation or maintenance obligation is a complex process that involves judgments about the cost and time of execution of this work and actual costs may differ from those provided. Further details are provided in Note 2.2.17 of the Financial Statements.
- Contingent liabilities. The existence of contingent liabilities requires from the management to continuously make assumptions and judgments with respect to the possibility that future events may or may not occur and the potential consequences of these events can have on the company's activity. The definition of contingent liabilities is a complex process that involves judgments about future events, laws, regulations etc. Changes in the judgments or interpretations may result to an increase or to a reduction of the contingent

liabilities of the Company in the future. Further details are provided in Note 2.2.18 of the Financial Statements.

### **2.2.2 Tangible assets**

#### **Initial recognition**

Upon initial recognition, the assets are measured at fair values or at the self-supply cost. Their improvement costs are also been including at the cost of these assets. The repair and maintenance expenditures are been capitalized in case they fall within the definition of an asset (e.g. increase the useful life of the asset or enhance its production capacity), otherwise they recognized as an expense in the period in which incurred.

The cost of a self-supply asset includes all costs required to reach the point in the mode for which it is intended. Specifically it includes the cost of raw materials, consumables, labour and other costs which directly related to that asset. The cost of a self-supply asset also includes a reasonable proportion of fixed and variable costs indirectly associated with that asset, to the extent that these amounts are referred to the construction period. The cost of a long period produced or constructed self-produced fixed asset may be charged with interest bearing liabilities to the extent that they are attributable to it.

#### **Subsequent measurement**

Subsequently, they measured at the amortized cost (cost less accumulated depreciation and any possible impairment in their value).

The assets which have a limited useful life are subject to an annual depreciation of their value, which is been calculated by the straight method and at a rate that reflects their useful lives, as follows:

|  |                         |
|--|-------------------------|
| Buildings and installations (on leased property) : | During the lease period |
| Machinery  | 10 years                |
| Means of transportation                            | 10 years                |
| Furniture and other equipment:                     | 3,5 to 10 years         |
| Hardware:  | 3,5 to 5 years          |

The amortization commences when the asset is ready for use as intended.

Land is not depreciated.

The useful lives, the residual values and the methods of depreciation of the tangible assets are annually reviewed during the preparation of the financial statements and they are been adjusted in future periods, if necessary.

#### **Derecognition of the assets**

The tangible fixed assets which during the period are no longer available or there are no expectations for their future economic benefits from their usage or disposal, are been derecognized in the balance sheet. The gain or the loss from their derecognition is determined as the difference between the net disposal value and the book value of the asset and it is included in the income statement of the year that the item is been derecognized.

### ***2.2.3 Intangible assets***

The other intangible assets, except the right recognized under the Concession Agreement, which acquired separately, upon their initial recognition they are been recognized at cost. Subsequent to the initial recognition, the intangible assets are measured at cost minus the accumulated depreciation and any accumulated impairment losses. The intangible assets which are internally been generated, are not being recognized.

The useful lives of the intangible assets are been assessed as finite or indefinite.

The right acquired under the Concession Agreement which was concluded with the State, is been recognized in the intangible assets of the Company. The fair value of this option is determined on the basis of construction costs plus mark up. The amortization of the right arising from the concession stretches throughout the duration of the concession using the straight line method.

For more information in relation with the concession agreement, see Note 2.2.13.

The intangible assets of the Company also contain the Software. The depreciation of intangible assets is been calculated using the straight line method during their useful life, which is estimated 5 years.

There are no intangible assets with an indefinite life.

### ***2.2.4 Impairment of non-financial assets***

The non-financial assets which are measured at cost or amortized cost are been reviewed for impairment when there are indications, and since it is estimated that the impact of any impairment is important to the financial statements. The impairment losses arise when the recoverable amount of the asset becomes less than its book value. The recoverable amount of an asset is defined as, the greater amount of the fair value minus the disposal cost of the asset and its value in use. The value in use, is the present value of the future cash flows expected to arise from the continuously use of the asset and from its disposal at the end of its useful life. The fair value is the amount for which an asset could be exchanged between two parties by acting knowledgeable and by willing in a transaction at arm's length.

The obligation for an impairment loss recognition, exists only when there is an estimation that the impairment is going to be permanent and it will be significant. If it is been judged that, the impairment is transitory in nature, then it does not count. Any possible impairment loss is been recognized in the income statement as an expense. Impairment losses reversed in the profit and loss statement when the conditions which are causing them cease to exist.

There was no necessity for forming a devaluation forecast in 31st of December 2016 and 2015 respectively.

### ***2.2.5 Financial Instruments***

A financial instrument is a contract that creates a financial asset in one entity and a financial liability or an equity entitled to another entity.

#### ***Financial assets***

##### ***Initial recognition***

Financial assets are initially recognized at the cost required for their acquisition. The acquisition cost includes all the cash (or the cash equivalents) or the fair value of other remuneration which disposed to the acquisition, plus the purchase costs.

### ***Subsequent measurement***

The financial assets, subsequent to the initial recognition, are measured at acquisition cost less any impairment losses.

Specifically, subsequent to the initial recognition, the interest bearing financial assets are measured at the amortized cost using the effective interest rate method or the straight line method instead of the acquisition cost. The measurement at the amortized cost instead of the measurement at the acquisition cost, is applied when the method of the amortized cost has a significant effect on the amounts of the financial statements.

The financial information which has been classified by the Company in this category, are the other long-term receivables as well as the trade and other receivables. For more information in relation with the other long-term receivables, see Note 11.

The trade and the other receivables are interest free. More information in regards with the trade and the other current receivables of the Company are set out in Notes 13 and 14.

### ***Pause of the recognition***

The Company derecognizes (i.e. to remove them from the balance sheet) a financial asset when:

- The contractual rights on the cash flows of the financial asset expire, or
- All the risks and the rewards arising from the ownership of the asset, are substantially transferred

### ***Impairment***

Each financial asset (interest-bearing or not) is been reviewed for impairment when relevant indications occur. An impairment loss occurs when the book value of the asset is greater than the amount that the entity expects to recover from the specific asset.

The indications of impairment are been considered to exist when:

- There are obvious, serious financial difficulties of the issuer or the obligor of a financial asset, or
- The book value is significantly higher than the fair value of these elements (when fair value is available),  
or
- The adverse local, national or international conditions increase the likelihood of default key commitments arising from the financial assets,

The impairment losses are been recognized in the income statement and are been reversed as gains to it, when the circumstances are causing them, cease to exist. The reversal is up to the value that would have the element, if the impairment loss had not been recognized. In particular, for the financial assets of the non-current asset, the impairment losses are been recognized when it is estimated that the impairment is permanent. If the impairment is been considered as transient, then it does not count.

### **Financial liabilities**

#### ***Initial recognition and measurement***

Financial liabilities are initially recognized at their due amount. The amounts related to premiums or discount premiums version, as well as the costs which directly related to the assumption of liabilities, are treated as expenses or income in the period that the liabilities are initially recognized.

The financial liabilities within the scope of this article, mainly consist of liabilities that arise from the commercial activity of the company as well as the long-term and the short-term borrowing. More information on trade and other liabilities of the Company are set out in Notes 22 and 26 respectively. The Company's bank loans are analysed in Note 23. Transactions with related parties are analysed in Note 27.

### ***Subsequent measurement***

Subsequent to the initial recognition, the financial liabilities are measured at the due amounts.

Instead of applying the above, the financial liabilities are initially recognized and subsequently measured at the amortized cost using the effective interest method or the straight-line method, in case that the measurement, according with the rule of this paragraph has a significant effect on the amounts of the financial statements. In particular, for the measurement of the financial liabilities measured at the amortized cost, the initial recognition of the financial liabilities is on the net amount, taking into account the amounts related to premiums or to discount premiums version, interest and costs which directly related with their reception.

The interest from the Company's financial liabilities are been recognized as expenses in the financial results.

After the initial recognition, the Company shall measure all of its loans (bank loans and loans from related parties) at the amortized cost using the effective interest method. The suppliers and the other liabilities from the trading activities are interest free.

### ***Derecognition***

A financial liability (or part thereof) is derecognized when the obligation is extinguished, meaning when the commitment referred in the contract is discharged, cancelled or expires.

An amendment of the existing terms of the financial liability (whether it is due to the financial difficulties of the debtor or not) is been treated as a redemption (derecognition) of the original liability and a recognition of a new financial liability.

### ***2.2.6 Non-financial liabilities***

The non-financial liabilities are initially recognized and subsequently measured at the nominal amount expected to be required for their settlement.

### ***2.2.7 Share capital***

The ordinary shares are recognized as components of the equity. The cost which directly related to the equity component is been monitored subtracted from that item of the equity, if it is important for the financial statements. Otherwise the amount recognized as an expense in the period concerned.

### ***2.2.8 Dividends***

The dividends distributed to shareholders presented as a liability at the time they are approved by the General Meeting of the Shareholders. Also at the same time it is shown in the financial statements the impact of the approval by the General Assembly of the Shareholders of the appropriation and any reserves formation.

### **2.2.9 Inventories**

#### **Initial recognition**

Inventories are initially recognized at the fair value. The cost of the inventories includes all the costs required to reach them to their present location and condition.

#### **Subsequent measurement**

After the initial recognition, inventories are measured at the lower of the value between the cost and the net realizable value. The net realizable value of the inventories is the estimated disposal price during the normal course of the business, minus any costs which are necessary for the completion and the implementation of the sale.

The company for the valuation of the inventories using the FIFO method. There are not stocks which derived from own.

For more information on the stocks of the Company, see Note 12.

### **2.2.10 Cash and cash equivalents**

Cash and cash equivalents include the cash in the Company's cash, the deposits in the banks and the other short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in their value.

### **2.2.11 Government grants**

#### ***Government grants of assets***

Government grants, beyond State Financing Contribution, related to other assets are recognized initially as liabilities in the period received or in the period that their approval becomes definitive and there is a certainty that they will be collected. Government grants are recognized with the amounts received or approved definitively. Subsequent to the initial recognition, the grants are depreciated over their transfer to the earnings as income in the same period and in a manner relevant with the transfer to the results of the book value of the asset that was subsidized.

The government grant of the Company concerns the State financial contribution as a subsidy for the construction of the Project "Ionia Odos Motorway" and it is in the form of a capital grant. The Company presents the entire State Financial Contribution adopted by the Concession Agreement, as a deduction of the intangible asset created under the same agreement and is amortized over the same period and in a manner corresponding to the transfer in the results of the carrying amount of the intangible asset.

#### ***Government grants expenses***

Government grants relating to costs are recognized as liabilities in the period received or in the period that their approval becomes definitive and there is a certainty that they will be collected. Government grants relating to costs are transferred to the earnings as income in the period in which the subsidized expenses included in the results.

### **2.2.12 Revenue recognition**

Revenue is recognized when the inflow of the economic benefit of the transaction to the Company is almost certain and the relevant revenue can be reliably measured.

Revenue is recognized more specifically as follows:

*Sale of goods:* Revenue from sale of goods is recognized when the significant risks and the rewards associated with the ownership are been transferred to the buyer and provided that they are accepted by the buyer.

*Revenue from tolls:* Revenues from tolls are recognized as explained below:

*Provision of services and construction contracts:* Revenues from services and construction contracts are recognized using the percentage of completion (the completion rate method).

*Interest income:* Interest is recognized on a time proportion basis using the effective interest method or the straight-line method

*Dividends:* Dividends or similar nature income from the participation in the equity of other entities, is been recognized when it is been approved by the competent body which decides for their distribution.

*Rental income:* Income from rents regarding operating leases are been recognized in the results on a straight-line basis over the lease period.

Revenue is measured at the net amounts from any refund, discount or sales tax

The majority of the Company's revenues are derived mainly from the concession contract signed by the Company and are as follows:

#### ***Revenue from construction of concession project "Ionia Odos Motorway"***

According to the concession agreement, the Company has undertaken the study, design, construction, operation, management and maintenance of the concession project "IONIA ODOS MOTORWAY FROM ANTIRIO TO IOANINA, PATHE MOTORWAY ATHENS (METAMORFOSSI I/C) – MALIAKOS (SKARFIA) AND PATHE CONNECTING BRANCH SCHIMATARI – CHALKIDA".

As mentioned above and based on the accounting directive of N.4308 / 2014 and IFRIC 12 of IFRS, revenue from construction contracts are recognized based on the method of percentage of completion. Under this method, contract revenue is matched with the contract costs incurred till the specific stage of completion. As a result, the attributable revenue, expenses and profit are reported to the proportion of work completed.

#### ***Conventional construction costs***

The construction cost includes: to) the costs directly related to the contract; b) costs that are attributable to contract activity in general and can be allocated to the contract and c) such other costs as are specifically chargeable to the customer under the terms of the construction contract and d) Interest and the other financial expenses which inextricably linked to the loans that financing the cost of the construction.

#### ***Contract revenue***

Contract revenue is determined based on the construction cost plus the construction margin.

#### ***Revenue from the operation of the concession project "Ionia Odos Motorway"***

The income from the exploitation of Motorway recognized under the intangible asset model and are related to the income from a) toll collections through manual or electronic toll payment systems and b) M.S.S. revenues.



As defined in Note 2.2.13 below, according to the model of the intangible asset, the Company recognizes an income to the extent that acquires the right to charge the users for the utility infrastructure.

The Company recognizes the right of received or receivable by the operator at fair value, which is considered to be the payments received from users of the infrastructure, based on the accrual principle.

In the concession agreement all the rights and obligations with respect to the infrastructure and the services are been provided.

For more information on the the Turnover of the Company see Note 3.

### ***2.2.13 Agreements granting the right to provide services***

Under the terms of the contract, the operator acts as a service provider. The operator constructs or upgrades infrastructure (construction or upgrade services) which is used for the provision of a public service and is engaged in the operation and maintenance of that infrastructure (operation services) for a specified period.

According to the provisions of Law 4308/2014, such infrastructures recognized as financial assets or intangible assets, depending on the agreed contractual terms. Companies may seek guidance on the recognition and measurement of the exchange derived from the concessions in IFRIC 12 of the IFRS.

#### ***Intangible assets***

The Company, as operator, recognizes an intangible asset and income to the extent that acquires the right to charge users for the utility infrastructure. The recognition of revenue is based on the method of percentage of completion. Furthermore, the intangible asset is subject to amortization based on the time of the grant and for an impairment review, while the revenues from the users of the infrastructure are recognized using the accrual principle.

More information on the right of the Concession are disclosed in Note 10.

### ***2.2.14 Leases***

The determination of whether a transaction is or contains a lease is based on the substance of the transaction at the date of the relevant contract agreement, namely whether there is an agreement in which the lessor transfers to the lessee for a specific price, the right to use an asset for an agreed period.

#### ***The Company as lessee***

In cases of assets leases from third parties where the Company does not assume substantially all the risks and the rewards of the asset ownership, these leases are treated as operating leases and the lease payments are recognized as expenses in a straight-line method throughout the lease period unless if another systematic method is more representative in regards with the distribution of the output of the lease during the lease period.

The company has offices and company cars which are treated as operating leases. Lease payments are allocated between administration and production costs in the income statement. For more information see Note 4.

The copiers of the Company are treated as finance leases and recognized in the item "Other equipment" in the balance sheet of the Company.

### ***The Company as lessor***

In cases of assets leases to third parties where the Company does not transfer all the risks and rewards from the ownership of an asset, are treated as operating leases and the lease payments are recognized as revenues on a straight-line method throughout the lease period, unless if another systematic method is more representative in regards with the distribution of lease income over the lease period.

The company subleased a part of the offices to the affiliated company "Central Greece Motorway Concession Societe Anonyme" to HELLAS TOLLS J/V and to TERNA ENERGIAKI SA. The rental income included in the item "Other income and gains (note 7). For more information see Note 27.

### ***2.2.15 Current and deferred taxation***

#### ***Current taxation***

The tax assets and the income tax liabilities for the current period are measured at the amount expected to be recovered from or be paid to, the tax authorities. The tax rates and the tax laws which are used for the calculation, are those that are enacted or substantially enacted till the date of the financial position of the Company, in the country in which the Company operates and generates taxable income.

The provision for the income tax for the current period as well as for the previous periods, is been calculated based on the amounts expected to be paid to the tax authorities, using the enacted tax rates at the balance sheet date. The income tax provision includes the current income tax from the income tax return and the additional tax assessments that may arise during future tax audits regarding the unaudited fiscal years and based on the findings of prior tax audits. Therefore, the final settlement of the income taxes may differ from the amounts recorded in the financial statements.

The current income tax related to the items recognized directly in equity is been recognized in equity and not in the profit and loss statement. The management periodically evaluates the decided position in respect with the tax return which related to cases in which the tax regulations are open to interpretation and makes provision where it is necessary.

#### ***Deferred taxation***

The entities may recognize deferred income taxes in their financial statements. The entities which recognize deferred tax, should recognize all the deferred tax liabilities. On the contrary, the deferred tax assets are recognized to the extent that it is exceedingly unlikely and documented that there will be taxable profits against which the deductible temporary differences can be utilized. The debit and the credit balances of the deferred taxes are subject to offsetting and the corresponding net amounts are been presented in the balance sheet and the income statement.

The deferred tax, either the asset or the liability is initially recognized and subsequently measured at the amount resulting from the application of the current tax rate in each temporary difference.

The changes in the amount of the deferred tax asset or liability in the balance sheet which arising from period to period are recognized as a decrease or an increase depending on the income tax of the income statement. Exceptionally, the differences arising from assets or liabilities whose changes are recognized in the equity are also recognized directly in the equity, as a decrease or an increase depending from the relevant line.

The company made the usage of paragraph 3 of Article 23 of the feature Law regarding the deferred tax recognition. For more information about the deferred tax see note 21.

### ***2.2.16 Provisions for employee benefits after retirement***

Under the provisions of the labour legislation, the Company pays as a compensation to the retired personnel, the amount of the relevant indemnities which depend from the years of service and the level of earnings. The program is been considered as a defined benefit plan. The Company creates a provision based on the actuarial valuation for the personnel redundancy and retirement, by using the method of Projected Unit Credit Method.

The liabilities for the compensation are been calculated on the discounted value of the future benefits, that have been accumulated at the end of the year, based on the recognition of the entitlement of the benefits to the employees during the expected working life.

The net compensation costs of the period, are been recognized in the income statement and are been constituted by the present value of the benefits earned during the year, the interest cost on the benefit obligation, the past service cost, the actuarial gains or losses and any other additional retirement costs . For the discounting the method of Projected Unit Credit Method is been used. Further details are provided in Note 19.

### ***2.2.17 Provisions***

The provisions are initially recognized and subsequently measured at the nominal amount expected to be required for their settlement. The provision represents the best estimation of the amount that it would be needed to cover the relevant liability.

Provisions are initially recognized and subsequently measured at the present value of the amounts expected to be required for their settlement, instead of measuring at the nominal amount, if the measurement based on the present value is been expected to have a significant effect on the amounts in the financial statements, in comparison with the measurement at the nominal amount.

### ***Provision for trade receivables***

The provision for doubtful debtors is formed on specific customer balances when there are signs of weak recovery. The Company's policy is to establish a provision for all of the outstanding balances beyond 12 months respectively for each customer. The Company's management periodically reassess the adequacy of the allowance of the provision for doubtful accounts receivable in conjunction with its credit policy and taking account the data from the legal service of the Company, which arises from processing past data and recent developments of the cases they are handling.

### ***Provision for restoration or maintenance obligation under the Concession Agreement***

The operator may have contractual obligations which must fulfil as a condition for obtaining the its license (a) to maintain the infrastructure to a specified useful level, or (b) to restore the infrastructure to a specified condition before it is handed over to the grantor at the end of the period for the provision of services of the concession agreement . These contractual obligations to maintain or to restore the infrastructure are recognized and measured. Based on the best estimation of the expenditure that would be required to settle the present obligation at the balance sheet date, as long as the maintenance and restoration obligation

arising as a result of the usage during the operating period. The construction or the upgrade services are charged to the contractual revenue and expenses.

The Company has a contractual obligation to maintain the infrastructure every 5 to 10 years.. Moreover, according to the concession agreement, the Company is required to restore the infrastructure to a specified condition before it is handed over to the grantor at the end of the period for the provision of services of the concession agreement. For the recovery provision of the Company see Note 18.

### **2.2.18 Contingencies**

The Company is involved in litigation and claims in the normal course of business. The Company's management, based on previous precedents and that these matters are not heard, believes that their outcome will have no significant impact on the financial position and operations. However, the determination of contingent liabilities relating to the litigation and claims is a complex process that involves judgments as to the outcomes and interpretation of laws and regulations. Changes in the judgments or interpretations may result to an increase or a reduction of contingent liabilities of the Company in the future. The sets of contingent liabilities of the Company are detailed in note 29.

Specifically, the Company discloses contingent liabilities as:

- A possible obligation that arises from the past events, whose existence will be confirmed only if, one or more uncertain future events which are not under the full control of the entity, occur or will not occur.
- A present obligation that arises from the past events for which:
  - a) It is not exceedingly probable that an outflow of resources will be required, embodying economic benefits to settle in, or
  - b) The amount of the obligation cannot be measured with sufficient reliability.

### **2.2.19 Payments to the Greek State - ODOS KENTRIKIS ELLADAS S.A. Operation Support**

Nea Odos S.A., from January 1, 2016, is required to make Payments to the State under certain conditions, while the State undertakes to provide Operation Support to Odos Kentrikis Elladas SA to cover its costs, to the extent that they are not covered by its own revenues. Odos Kentrikis Elladas SA is entitled to receive the said Operation Support through a bank account held in the Attica Bank Banking Company S.A. (Reservoir Account).

In specific terms, pursuant to Article 25 of the Concession Agreement, as from January 1, 2016 and until the end of each Concession Period, Nea Odos SA is obliged to make payments and, respectively, Odos Kentrikis Elladas SA is entitled to withdraw the Operation Support from the Reservoir Account.

"Calculation Period" means each successive six month period (commencing on 1 January and 1 July of each year).

In particular, the State shall submit the E65 Support Notice to Nea Odos SA, provided that it has received it from Odos Kentrikis Elladas SA, twenty (20) days before the end of each Calculation Period. Subsequently, Nea Odos shall deposit to the Reservoir Account, each amount corresponding to the amounts described in the Support Notice or/and the Additional Payment Notice. Nea Odos SA shall deposit the amount of the Payments to the State five (5) days before the end of each Calculation Period, as provided for in Article 25.2.4.

The State is obliged to maintain the Reservoir Account throughout the term of the Concession Agreements.

The Concession Agreement of Nea Odos SA, Article 36.1.3 specifies that “the Payment to the State, as described above, constitutes income for the State subject to V.A.T. and operation cost of the Concessionaire”.

The Operation Support for the first calculation Period (January 1 to June 30, 2016), amounted to EUR 17.602.515,00 (plus VAT), notified to Nea Odos SA by Odos Kentrikis Elladas SA letter dated 08/06/2016, while the Operation Support for the second Calculation Period (July 1 to December 31, 2016 ) amounted to EUR 20.447.581,00 (plus VAT), notified to Nea Odos SA by Odos Kentrikis Elladas SA letter dated 12/12/2016.

### 3. REVENUE

The Revenue in the financial statements for the fiscal years 2016 and 2015 are analysed as follows:

#### *Revenue by Operating Segment*

The Company monitors its activities separately, in terms of sales and service organization and recognizes the following two segments:

- a) Operations Division of the motorway under concession the agreement for the operation of the infrastructure project "Ionia Odos Motorway".
- b) Construction Division of the motorway under Concession Agreement for the construction of the " Ionia Odos Motorway" project.

Net turnover per operating segment is analysed as follows:

|                  | <b>Operation Segment of<br/>Ionia Odos Motorway-<br/>PATHE</b> | <b>Construction Segment<br/>of Ionia Odos Motorway</b> | <b>Total</b>          |
|------------------|--|--|-----------------------|
| <b>31-Dec-16</b> | 76.823.622,06  | 278.175.955,97   | <b>354.999.578,03</b> |
| <b>31-Dec-15</b> | 75.133.223,76  | 231.491.632,13   | <b>306.624.855,89</b> |

#### 4. COST OF SALES AND ADMINISTRATIVE EXPENSES

| Category                | 01.01 - 31.12.2016    | 01.01 - 31.12.2015    |
|-------------------------|-----------------------|-----------------------|
| Cost of Sales           | 317.552.294,57        | 270.880.360,15        |
| Administrative expenses | 6.577.865,54          | 8.312.429,02          |
| <b>Total</b>            | <b>324.130.160,11</b> | <b>279.192.789,17</b> |

  

| (a) Cost of Sales                               | 01.01 - 31.12.2016    | 01.01 - 31.12.2015    |
|---|-----------------------|-----------------------|
| Employee Compensation and Expenses<br>(note 4c) | 5.592.850,14          | 5.427.775,38          |
| Professional Fees and expenses                  | 279.684.543,64        | 234.011.991,01        |
| Administrative expenses                         | 5.503.936,99          | 5.464.119,14          |
| Operating Lease expenses                        | 186.873,96            | 250.959,47            |
| Taxes - Duties                                  | 119.310,76            | 72.491,32             |
| Transportation Expenses                         | 418.129,86            | 416.673,80            |
| Travelling Expenses                             | 12.300,11             | 10.333,68             |
| Promotion and Advertisement Expenses            | 15.190,01             | 12.062,66             |
| Subscriptions-contributions                     | 7.721,21              | 15.052,92             |
| Printed material and office supply expenses     | 101.671,66            | 101.742,15            |
| Supplies of immediate consumption               | 196.297,66            | 212.519,69            |
| Other Expenses                                  | 468.090,39            | 233.032,08            |
| Assets Depreciation (note 4d)                   | 24.733.714,02         | 24.051.054,64         |
| Provisions                                      | 361.051,60            | 432.426,89            |
| Consumables                                     | 150.612,56            | 168.125,32            |
| <b>Total</b>                                    | <b>317.552.294,57</b> | <b>270.880.360,15</b> |

The item " Professional Fees and expenses " for the year ended 31<sup>st</sup> of December 2016, includes, among other costs, the construction J/V EUROIONIA fees of € 262.614.758,53. The relevant item for the year ended 31<sup>st</sup> of December 2015, amounted to € 215,221,944.54.

| <b>(b) Administrative Expenses</b>           | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|--|---------------------------|---------------------------|
| Employee Compensation and Expenses (note 4c) | 1.595.120,48              | 1.452.494,29              |
| Professional Fees and expenses               | 2.623.663,32              | 5.320.780,63              |
| Administrative expenses                      | 269.051,32                | 281.211,00                |
| Operating lease expenses                     | 330.862,24                | 150.136,14                |
| Taxes - Duties                               | 627.940,57                | 156.540,58                |
| Transportation Expenses                      | 73.034,25                 | 62.541,92                 |
| Travelling Expenses                          | 26.237,08                 | 16.930,16                 |
| Promotion and Advertisement Expenses         | 291.816,93                | 132.130,10                |
| Subscriptions-contributions                  | 46.097,67                 | 33.695,12                 |
| Grants - Subsidies                           | 87.673,00                 | 38.760,00                 |
| Printed material and office supply expenses  | 31.195,69                 | 25.901,77                 |
| Supplies of immediate consumption            | 73.020,56                 | 9.824,59                  |
| Publications Expenses                        | 5.812,62                  | 477,60                    |
| Other Expenses                               | 107.346,08                | 93.243,80                 |
| Assets Depreciation (note 4d)                | 388.993,73                | 537.761,32                |
| <b>Total</b>                                 | <b>6.577.865,54</b>       | <b>8.312.429,02</b>       |

#### **Employee Compensation and Expenses**

|  | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|--|---------------------------|---------------------------|
| Salaries - Wages                               | 5.431.083,85              | 5.193.901,96              |
| Employer contributions and incidental levies   | 1.342.606,96              | 1.271.809,71              |
| Employee related other expenses and allowances | 414.279,81                | 414.558,00                |
| Provisions for personnel redundancy (note 19)  | 119.408,00                | 161.070,00                |
| <b>Total</b>                                   | <b>7.307.378,62</b>       | <b>7.041.339,67</b>       |

The number of employees in the Company as at 31<sup>st</sup> of December 2016 and 2015 respectively are analysed as follows:

|                    | <b>31 December 2016</b> | <b>31 December 2015</b> |
|--------------------|-------------------------|-------------------------|
| Salaried employees | 294                     | 271                     |
| Wage employees     | 14                      | 13                      |
| <b>Total</b>       | <b>308</b>              | <b>284</b>              |

#### **(c) Payroll cost per operation**

|                                   | <b>Note</b> | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|-----------------------------------|-------------|---------------------------|---------------------------|
| Cost of Sales (Note 4a)           |             | 5.592.850,14              | 5.427.775,38              |
| Administrative Expenses (Note 4b) |             | 1.595.120,48              | 1.452.494,29              |
| <b>Total</b>                      |             | <b>7.187.970,62</b>       | <b>6.880.269,67</b>       |

**(d) Depreciation**

|                                   | Note | <u>01.01 - 31.12.2016</u>   | <u>01.01 - 31.12.2015</u>   |
|-----------------------------------|------|-----------------------------|-----------------------------|
| Cost of Sales (Note 4a)           |      | 24.733.714,02               | 24.051.054,64               |
| Administrative Expenses (Note 4b) |      | 388.993,73                  | 537.761,32                  |
| <b>Total</b>                      |      | <b><u>25.122.707,75</u></b> | <b><u>24.588.815,96</u></b> |

**5. OTHER EXPENSES AND LOSSES**

The other expenses and losses analyzed as follows:

|                                   | <u>01.01 - 31.12.2016</u>   | <u>01.01 - 31.12.2015</u> |
|-----------------------------------|-----------------------------|---------------------------|
| Other prior period expenses       | 135.802,66                  | 294.655,79                |
| Accidents compensations           | 28.485,66                   | 27.390,22                 |
| Other expenses                    | 38.334.504,80               | 180.239,52                |
| Losses from not susceptible debts | 203.375,67                  | 0,00                      |
| <b>Total</b>                      | <b><u>38.702.168,79</u></b> | <b><u>502.285,53</u></b>  |

The item “Other expenses” contains the payments to the State/ E65 Operation Support for the fiscal year of 2016 amounted to 38.050.096,00 euros.

**6. GAINS AND LOSSES ON DISPOSAL OF NON-CURRENT ELEMENTS**

The gains and losses from sales of non-current elements analyzed as follows:

|                           | <u>01.01 - 31.12.2016</u> | <u>01.01 - 31.12.2015</u> |
|---------------------------|---------------------------|---------------------------|
| Losses from vehicles sale | 0,00                      | (18.942,35)               |
| <b>Total</b>              | <b><u>0,00</u></b>        | <b><u>(18.942,35)</u></b> |

**7. OTHER INCOME AND PROFITS**

The other income and profits analyzed as follows:

|   | <u>01.01 - 31.12.2016</u>   | <u>01.01 - 31.12.2015</u> |
|---|-----------------------------|---------------------------|
| Income from unused provisions   | 26.493,31                   | 10.773,30                 |
| Prior period income   | 127.609,08                  | 37.766,85                 |
| Attributable amount of the fiscal year for<br>compensation for loss of revenue under 11th of May<br>2016 Agreement with the State | 20.116.109,00               | 0,00                      |
| Other income  | 518.932,78                  | 230.843,50                |
| <b>Total</b>  | <b><u>20.789.144,17</u></b> | <b><u>279.383,65</u></b>  |



## 8. FINANCIAL INCOME AND EXPENSES

The financial income and expenses analyzed as follows:

### a) Interest & other related expenses

|  | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|--|---------------------------|---------------------------|
| Loan interests   | 13.145.121,63             | 11.726.529,12             |
| Losses from SWAPS  | 4.007.473,23              | 3.019.101,37              |
| Commissions and bank expenses                            | 175.259,62                | 119.707,80                |
| Financial costs for the provision of the staff indemnity | 10.993,00                 | 12.818,00                 |
| <b>Total</b>   | <b>17.338.847,48</b>      | <b>14.878.156,29</b>      |

### (b) Interest & related income

|                               | <b>01.01 - 31.12.2016</b> | <b>01.01 - 31.12.2015</b> |
|-------------------------------|---------------------------|---------------------------|
| Interest income from deposits | 1.203.569,16              | 1.947.094,43              |
| Other financial income        | 0,00                      | 0,00                      |
| <b>Total</b>                  | <b>1.203.569,16</b>       | <b>1.947.094,43</b>       |

The losses from the swaps, for the year 2016 amounting to € 4.007.473,23 (2015: 3.019.101,37) resulting from the valuation of interest rate swaps. The Company has entered into these interest rate swaps to minimize its exposure to interest rate risk with respect to the loans of the Company (Note 23).

## 9. TANGIBLE ASSETS

Tangible assets for the year ended 31st of December 2016 and 2015, are analysed as follows:

|  | <b>Buildings and<br/>installations<br/>(on leased<br/>property)</b> | <b>Mechanical<br/>equipment</b> | <b>Furniture &amp;<br/>other<br/>equipment</b> | <b>Total</b>          |
|--|---|---------------------------------|--|-----------------------|
| <b>Acquisition value</b>                       |   |                                 |  |                       |
| <b>01.01.2015</b>                              | <b>731.840,27</b>   | <b>69.569,90</b>                | <b>8.422.575,99</b>                            | <b>9.223.986,16</b>   |
| Additions                                      | 97.363,07   | 18.749,00                       | 1.387.919,16                                   | 1.504.031,23          |
| Reductions                                     | 0,00  | 0,00                            | (70.315,06)                                    | (70.315,06)           |
| <b>31.12.2015</b>                              | <b>829.203,34</b>   | <b>88.318,90</b>                | <b>9.740.180,09</b>                            | <b>10.657.702,33</b>  |
| Additions                                      | 335.908,61  | 19.034,12                       | 1.766.693,41                                   | 2.121.636,14          |
| Reductions                                     | 0,00  | 0,00                            | 0,00   | 0,00                  |
| <b>31.12.2016</b>                              | <b>1.165.111,95</b>   | <b>107.353,02</b>               | <b>11.506.873,50</b>                           | <b>12.779.338,47</b>  |
| <b>Accumulated depreciation and impairment</b> |   |                                 |  |                       |
| <b>01.01.2015</b>                              | <b>(378.629,87)</b>   | <b>(52.931,75)</b>              | <b>(5.993.392,94)</b>                          | <b>(6.424.954,56)</b> |
| Depreciation for the year                      | (36.152,30)   | (10.637,43)                     | (890.379,47)                                   | (937.169,20)          |
| Depreciation reductions                        | 0,00  | 0,00                            | 46.132,71                                      | 46.132,71             |
| <b>31.12.2015</b>                              | <b>(414.782,17)</b>   | <b>(63.569,18)</b>              | <b>(6.837.639,70)</b>                          | <b>(7.315.991,05)</b> |
| Depreciation for the year                      | (43.865,57)   | (14.272,21)                     | (1.275.548,31)                                 | (1.333.686,09)        |
| Depreciation reductions                        | 0,00  | 0,00                            | 0,00   | 0,00                  |
| <b>31.12.2016</b>                              | <b>(458.647,74)</b>   | <b>(77.841,39)</b>              | <b>(8.113.188,01)</b>                          | <b>(8.649.677,14)</b> |
| <b>Net Value</b>                               |   |                                 |  |                       |
| <b>31.12.2016</b>                              | <b>706.464,21</b>   | <b>29.511,63</b>                | <b>3.393.685,49</b>                            | <b>4.129.661,33</b>   |
| <b>31.12.2015</b>                              | <b>414.421,17</b>   | <b>24.749,72</b>                | <b>2.902.540,39</b>                            | <b>3.341.711,28</b>   |
| <b>01.01.2015</b>                              | <b>353.210,40</b>   | <b>16.638,15</b>                | <b>2.429.183,05</b>                            | <b>2.799.031,60</b>   |

On the Company's tangible assets there are no encumbrances or other commitments. Also, the Company's Management believes that during the 31st of December 2016 there are no indications of impairment of the value of its tangible assets.

## 10. INTANGIBLE ASSETS

Intangible assets for the year ended 31st of December 2015 and 2016, are analysed as follows

|  | <b>Other intangible<br/>assets</b> | <b>Concessions<br/>from the State</b> | <b>Total</b>            |
|--|------------------------------------|---------------------------------------|-------------------------|
| <b>Acquisition value</b>                           |                                    |                                       |                         |
| <b>01.01.2015</b>                                  | <b>1.551.375,96</b>                | <b>700.667.497,40</b>                 | <b>702.218.873,36</b>   |
| Additions  | 951.547,99                         | 0,00                                  | 951.547,99              |
| Reductions   | 0,00                               | 0,00                                  | 0,00                    |
| <b>31.12.2015</b>                                  | <b>2.502.923,95</b>                | <b>700.667.497,40</b>                 | <b>703.170.421,35</b>   |
| Additions  | 361.809,88                         | 0,00                                  | 361.809,88              |
| Reductions   | 0,00                               | 0,00                                  | 0,00                    |
| <b>31.12.2016</b>                                  | <b>2.864.733,83</b>                | <b>700.667.497,40</b>                 | <b>703.532.231,23</b>   |
| <b>Accumulated depreciation and<br/>impairment</b> |                                    |                                       |                         |
| <b>01.01.2015</b>                                  | <b>(932.298,80)</b>                | <b>(163.489.082,73)</b>               | <b>(164.421.381,53)</b> |
| Depreciation for the year                          | (296.063,51)                       | (23.355.583,25)                       | (23.651.646,76)         |
| Depreciation reductions                            | 0,00                               | 0,00                                  | 0,00                    |
| <b>31.12.2015</b>                                  | <b>(1.228.362,31)</b>              | <b>(186.844.665,98)</b>               | <b>(188.073.028,29)</b> |
| Depreciation for the year                          | (433.438,41)                       | (23.355.583,25)                       | (23.789.021,66)         |
| Depreciation reductions                            | 0,00                               | 0,00                                  | 0,00                    |
| <b>31.12.2016</b>                                  | <b>(1.661.800,72)</b>              | <b>(210.200.249,23)</b>               | <b>(211.862.049,95)</b> |
| <b>Net Value</b>                                   |                                    |                                       |                         |
| <b>31.12.2016</b>                                  | <b>1.202.933,11</b>                | <b>490.467.248,17</b>                 | <b>491.670.181,28</b>   |
| <b>31.12.2015</b>                                  | <b>1.274.561,64</b>                | <b>513.822.831,42</b>                 | <b>515.097.393,06</b>   |
| <b>01.01.2015</b>                                  | <b>619.077,16</b>                  | <b>537.178.414,67</b>                 | <b>537.797.491,83</b>   |

The Company's management assessed that at 31<sup>st</sup> of December 2016 there are no indications of impairment of the value of intangible assets.

The total acquisition value of the intangible right deriving from the Concession Agreement, determined in the amount of € 1.339.534.497,40. The total agreed State Financial Contribution amounts to € 638.867.000 and recognized as a deduction to the intangible asset. As the Project "Ionia Odos Motorway" has not yet completed at the closing date of the Financial Statements, the Company identified an obligation for the construction completion € 192.816.632 (31.12.2016) and € 470.992.588 (31.12.2015) .

### Significant terms of the concession agreement

- ▶ Concession Period: 2007-2037 (30 years)
- ▶ Contractual Fee: Collection of tolls from users and right of commercial exploitation of MSS
- ▶ State Financial Contribution: Yes
- ▶ Option for renewal and termination of the agreement:

Renewal up to 3 years if Base IRR is not achieved.

Termination of the agreement due to termination by the State or the Concessionaire due to Event of Default

▶ Maintenance costs: Obligation for maintenance (heavy maintenance and other ordinary and extraordinary maintenance) and restore the infrastructure to a specified condition before it is handed over to the grantor at the end of the concession agreement

▶ Changes in the agreement occurred during the period: No

| <b>Agreement Type</b> | <b>Value</b>          |
|-----------------------|-----------------------|
| Intangible Asset      | 490.467.248,18        |
| Financial Asset       | 0,00 (Not applicable) |
| <b>Total</b>          | <b>490.467.248,18</b> |

### 11. LONG-TERM RECEIVABLES

Long-term receivables are analysed as follows:

|                  | <b>31.12.2016</b> | <b>31.12.2015</b> |
|------------------|-------------------|-------------------|
| Given Guarantees | 274.449,15        | 261.313,61        |
| <b>Total</b>     | <b>274.449,15</b> | <b>261.313,61</b> |

### 12. INVENTORY

Inventory is analysed as follows:

|                             | <b>31.12.2016</b> | <b>31.12.2015</b> |
|-----------------------------|-------------------|-------------------|
| Spare parts of fixed assets | 238.667,49        | 242.775,19        |
| <b>Total</b>                | <b>238.667,49</b> | <b>242.775,19</b> |

The inventories of the Company are relating to spare parts and equipment coming from the market.

The Company's management assessed that at 31<sup>st</sup> of December 2016 there are no indications of impairment of inventories.

### 13. TRADE RECEIVABLES

The trade receivables of the Company are analysed as follows:

|                                       | <u>31.12.2016</u>               | <u>31.12.2015</u>                 |
|---------------------------------------|---------------------------------|-----------------------------------|
| Customers                             | 1.934.844,73                    | 2.281.373,70                      |
| Public Entities and Public Companies  | 75.413,08                       | 75.413,08                         |
| Doubtful debtors                      | 5.462.931,87                    | 5.368.535,98                      |
| <b>Total</b>                          | <b><u>7.473.189,68</u></b>      | <b><u>7.725.322,76</u></b>        |
| Less: Provision for doubtful debtors  | (6.543.316,17)                  | (6.290.679,57)                    |
| <b>Net value of trade receivables</b> | <b><u><u>929.873,51</u></u></b> | <b><u><u>1.434.643,19</u></u></b> |

The provision of the doubtful debtors is analysed as follows:

|                                  |                            |
|----------------------------------|----------------------------|
| <b>Balance 01.01.2015</b>        | <b>5.930.454,68</b>        |
| Additional provision in the year | 360.224,89                 |
| <b>Balance 31.12.2015</b>        | <b><u>6.290.679,57</u></b> |
| Additional provision in the year | 252.636,60                 |
| <b>Balance 31.12.2016</b>        | <b><u>6.543.316,17</u></b> |

Trade receivables are been stated at their nominal value after the provisions for the non-collectible balances. At each reporting date, all the potentially uncollectible accounts are assessed to determine the necessity for a provision for doubtful debtors.

During 2016, the Company has a provision for doubtful receivables amounting to € 6.543.316 (2015: € 6.290.679) and for these amount the Company considers that there is a very small possibility for recovery.

### 14. OTHER RECEIVABLES

The other receivables of the Company are analysed as follows:

|   | <u>31.12.2016</u>                  | <u>31.12.2015</u>                  |
|---|------------------------------------|------------------------------------|
| Attributable amount of the fiscal year for compensation for loss of revenue under 11th of May 2016 Agreement with the State | 20.116.109,00                      | 0,00                               |
| Greek State compensation  | 0,00                               | 5.389.876,43                       |
| Income taxes and VAT receivables  | 56.863.999,65                      | 69.451.640,16                      |
| Other debtors   | 7.280.180,63                       | 3.934.058,52                       |
| <b>Total</b>  | <b><u><u>84.260.289,28</u></u></b> | <b><u><u>78.775.575,11</u></u></b> |

## 15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analysed as follows:

|                     | <b>31.12.2016</b>    | <b>31.12.2015</b>     |
|---------------------|----------------------|-----------------------|
| Cash on hand        | 744.459,94           | 1.314.148,63          |
| Bank sight deposits | 49.126.063,58        | 134.194.278,72        |
| <b>Total</b>        | <b>49.870.523,52</b> | <b>135.508.427,35</b> |

## 16. PREPAID EXPENSES

The prepaid expenses are analyzed as follows:

|   | <b>31.12.2016</b>   | <b>31.12.2015</b>    |
|---|---------------------|----------------------|
| Prepaid utilities expenses              | 377.651,72          | 337.255,24           |
| Prepaid third parties fees and expenses | 287.238,33          | 232.278,06           |
| Prepaid Interest and Commissions        | 0,00                | 16.208,56            |
| Construction advance payment            | 8.506.336,77        | 40.419.362,17        |
| <b>Total</b>                            | <b>9.171.226,82</b> | <b>41.005.104,03</b> |

## 17. SHARE CAPITAL

The share capital of NEA ODOS SA is analysed as follows:

|  | <b>31.12.2016</b>     | <b>31.12.2015</b>    |
|--|-----------------------|----------------------|
| Paid up capital stock 116.800.980 registered shares at 1,00 € each | 116.800.980,00        | 75.000.000,00        |
| <b>Total</b>   | <b>116.800.980,00</b> | <b>75.000.000,00</b> |

The Company pursuant to Article 7.1.4 and 7.1.4 A of the Concession Agreement, has increased its share capital by Euro 41.800.980,00 on 31.05.2016. The coverage of the share capital held entirely by the shareholder GEK TERNA SA and the payment was completed in June 2016.

## 18. OTHER PROVISIONS

Other provisions are analyzed as follows:

|  | <b>31.12.2016</b>   | <b>31.12.2015</b>   |
|--|---------------------|---------------------|
| Litigation provision                       | 149.056,86          | 149.056,86          |
| Heavy maintenance provision                | 2.626.198,00        | 1.620.230,00        |
| Provisions for extraordinary contingencies | 1.163.104,19        | 0,00                |
| <b>Total</b>                               | <b>3.938.359,05</b> | <b>1.769.286,86</b> |

## 19. PROVISIONS FOR EMPLOYEE BENEFITS

The specific account in the accompanying financial statements is analysed as follows:

|                                    | <u>31.12.2016</u> | <u>31.12.2015</u> |
|------------------------------------|-------------------|-------------------|
| Provision for personnel allowances | 675.307,00        | 549.642,00        |

The liabilities for the staff compensation are determined through an actuarial valuation, which was prepared by a certified actuary.

The relevant provisions for the fiscal years ended at 31<sup>st</sup> of December 2016 and 2015 are analysed as follows:

|  | <u>31.12.2016</u>        | <u>31.12.2015</u>        |
|--|--------------------------|--------------------------|
| <b>Net liability at 1st of January</b>   | 549.642,00               | 512.726,00               |
| Current service cost                     | 108.415,00               | 102.622,00               |
| Termination benefit cost                 | 0,00                     | 45.630,00                |
| Financial cost                           | 10.993,00                | 12.818,00                |
| Benefits paid                            | 0,00                     | (76.050,00)              |
| Actuarial (gain) / loss                  | 6.257,00                 | (48.104,00)              |
| <b>Net liability at 31st of December</b> | <b><u>675.307,00</u></b> | <b><u>549.642,00</u></b> |

The main used actuarial assumptions are analysed as follows:

|                              | <u>31.12.2015</u> | <u>31.12.2015</u> |
|------------------------------|-------------------|-------------------|
|                              | %                 | %                 |
| Future salary increases      | 1,25%             | 1,75%             |
| Discount Rate                | 1,50%             | 2,00%             |
| Rate of voluntary departures | 6,00%             | 8,00%             |

Quantitative sensitivity analysis for the significant actuarial assumptions:

|                       | <b>Impact on staff compensation provision</b> |
|-----------------------|---|
| <b>Discount Rate:</b> |   |
| 0,5% Increase         | (38.301,00)                                   |
| 0,5% Decrease         | 42.410,00                                     |

|                                | <b>Impact on staff compensation provision</b> |
|--------------------------------|---|
| <b>Future salary increases</b> |   |
| 0,25% Increase                 | 20.657,00                                     |
| 0,25% Decrease                 | (19.726,00)                                   |

## 20. ACCRUED EXPENSES

The accrued expenses are analysed as follows:

|                                       | <b>31.12.2016</b>   | <b>31.12.2015</b>   |
|---------------------------------------|---------------------|---------------------|
| Accrued third party fees              | 917.884,04          | 2.013.613,97        |
| Municipal taxes and duties            | 8.314,48            | 881.176,56          |
| Accrued interest and related expenses | 217.952,67          | 159.707,01          |
| Other accrued expenses                | 130.459,47          | 124.150,46          |
| Accrued utilities expenses            | 205.206,54          | 218.702,20          |
| Personnel fees and expenses           | 4.582,65            | 4.582,65            |
| <b>Total</b>                          | <b>1.484.399,85</b> | <b>3.401.932,85</b> |

## 21. INCOME TAX

The Company is taxed at a nominal rate of 29% (2015: 29%). Tax returns are filed annually but the profits or losses declared, remain provisional until the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. The tax losses, to the extent accepted by the tax authorities, can be used to offset profits, without limitation.

### Deferred tax

Deferred income tax is provided on all temporary tax differences between the book value and tax value of assets and liabilities. It is calculated using the expected tax rate at the time of maturity of the tax asset / liability. The calculation using the expected tax rate at the time of maturity of the tax asset / liability.

The account "Deferred tax asset" of the financial position analysed as follows:

### Deferred tax movement

|   |                      |
|---|----------------------|
| <b>Balance as at 1<sup>st</sup> of January 2015</b>   | <b>7.300.601,91</b>  |
| (Debit) / Credit to the Income Statement              | 2.485.152,50         |
| <b>Balance as at 31<sup>st</sup> of December 2015</b> | <b>9.785.754,41</b>  |
| (Debit) / Credit to the Income Statement              | 7.343.083,97         |
| <b>Balance as at 31<sup>st</sup> of December 2016</b> | <b>17.128.838,38</b> |

The income tax which recognized in the earnings of the year 2016 compared to the year 2015 is:



## Income Tax in the Income Statement

|   | <u>01.01 - 31.12.2016</u>  | <u>01.01 - 31.12.2015</u>  |
|---|----------------------------|----------------------------|
| Current income tax                              | 0,00                       | 0,00                       |
| Deferred tax                                    | 7.343.083,97               | 2.485.152,50               |
| <b>Total income tax in the income statement</b> | <b><u>7.343.083,97</u></b> | <b><u>2.485.152,50</u></b> |

For the years 2008 to 2010 the Company has been subject to tax audit by K.E.ME.EP. (Tax Audit Center of Large Enterprises) under from February 21<sup>st</sup>, 2017 document of the specific service, with protocol number 5106 and which tax audit is in progress. The Company has not made any assessment for additional taxes and surcharges, which may be charged, in a future tax audit for the unaudited fiscal years from 2008 till 2010.

For the fiscal years of 2011 - 2016 the Company has been subject to the corresponding tax compliance audit by the statutory auditors, according to article 65A of L. 4174/2013. The audit of the fiscal year of 2016 is currently in progress and is expected to be concluded after the publication of financial statements of 2016.

## **22. TRADE PAYABLES**

The Trade Payables are analysed as follows:

|                    | <u>31.12.2016</u>           | <u>31.12.2015</u>           |
|--------------------|-----------------------------|-----------------------------|
| Domestic suppliers | 48.063.782,02               | 62.318.630,80               |
| Foreign suppliers  | 6.413,97                    | 56.131,95                   |
| Customers advances | 1.855.095,03                | 1.399.976,68                |
| <b>Total</b>       | <b><u>49.925.291,02</u></b> | <b><u>63.774.739,43</u></b> |

## **23. FINANCIAL LIABILITIES**

Financial liabilities are analyzed as follows:

### **Long-term Financial liabilities**

|   | <u>31.12.2016</u>            | <u>31.12.2015</u>            |
|---|------------------------------|------------------------------|
| Bond loans                                    | 48.363.970,00                | 48.545.160,00                |
| Long-term liabilities to affiliated companies | 102.657.829,71               | 69.633.112,70                |
| <b>Total</b>                                  | <b><u>151.021.799,71</u></b> | <b><u>118.178.272,70</u></b> |

### **Short-term Financial liabilities**

|                                       | <u>31.12.2016</u>           | <u>31.12.2015</u>           |
|---------------------------------------|-----------------------------|-----------------------------|
| Short-term bank loans (VAT bond loan) | 22.310.852,00               | 32.011.181,00               |
| <b>Total</b>                          | <b><u>22.310.852,00</u></b> | <b><u>32.011.181,00</u></b> |

The Company has contracted a bond loan amounting to € 241.700.000,00 (VAT loan of EUR 40.900.000,00 included), from which so far totally disbursed EUR 70.855.012,00 as follows:

| <b>BANK</b>                                   | <b>Total of Loan as at<br/>31/12/2016</b> | <b>DRAWDOWNS<br/>until 31/12/2016</b> | <b>Balance Available<br/>on 31/12/2016</b> |
|---|---|---------------------------------------|--|
| BBVA  | 16.333.480,00                             | 3.821.213,00                          | 12.500.000,00                              |
| EUROBANK ERGASIAS, S.A.                       | 38.067.937,00                             | 9.574.384,00                          | 28.479.723,00                              |
| BNP PARIBAS FORTIS S.A.<br>SUCURSAL EN ESPANA | 17.218.130,00                             | 4.703.032,00                          | 12.500.000,00                              |
| BANCO SANTANDER (LONDON)                      | 16.333.480,00                             | 3.821.213,00                          | 12.500.000,00                              |
| INSTITUTO DE CRÉDITO OFICIAL                  | 3.538.597,00                              | 3.527.273,00                          | 0,00                                       |
| ALPHA BANK S.A.                               | 20.959.188,00                             | 6.422.367,00                          | 14.524.825,00                              |
| NATIONAL BANK OF GREECE                       | 23.277.329,00                             | 6.632.495,00                          | 16.633.415,00                              |
| BANK OF ATTICA                                | 3.388.796,00                              | 3.003.431,00                          | 375.929,00                                 |
| PIRAEUS BANK, S.A.                            | 88.018.881,00                             | 27.292.027,00                         | 60.675.256,00                              |
| BANCIA S.A.                                   | 2.064.182,00                              | 2.057.577,00                          | 0,00                                       |
| ESPIRITO SANTO Plc                            | 6.250.000,00                              | 0,00                                  | 6.250.000,00                               |
| CAIXA GERAL De DEPOSITOS                      | 6.250.000,00                              | 0,00                                  | 6.250.000,00                               |
| <b>TOTAL</b>                                  | <b>241.700.000,00</b>                     | <b>70.855.012,00</b>                  | <b>170.689.148,00</b>                      |

In addition, the Company has the following subordinated debt under the Concession Agreement:

|   | <b>SHAREHOLDER</b> | <b>Subordinated debt<br/>according to the<br/>Concession Agreement</b> | <b>DRAWDOWNS<br/>until 31/12/2016</b> | <b>Balance<br/>Available<br/>on 31/12/2016</b> |
|---|--------------------|--|---------------------------------------|--|
| 1 | FERROVIAL S.A.     | 16.143.597,09  | 16.143.597,09                         | 0,00   |
| 2 | GEK TERNA S.A.     | 43.146.688,91  | 43.146.688,91                         | 0,00   |
| 3 | ACS SERVICIOS      | 11.136.854,00  | 11.136.854,00                         | 0,00   |
| 4 | DRAGADOS S.A       | 4.357.899,00   | 4.357.899,00                          | 0,00   |
| 5 | IRIDIUM S.A.       | 644.000,00   | 644.000,00                            | 0,00   |
|   | <b>TOTAL</b>       | <b>75.429.039,00</b>   | <b>75.429.039,00</b>                  | <b>0,00</b>                                    |

The above amounts of the Subordinated Debt do not include the amount of the accrued interest of EUR 27.227.293,62 as at 31.12.2016.

The Bank bond loans of the Company amounted to € 70.855.012,00. The company has entered into Interest Rate Swap Agreements in order to hedge the interest rate risk that derives from the issued bond loans. Their notional value varies on a monthly basis. Through the interest rate swap contracts, the variable interest rate of the loans is converted into fix during the entire duration of the loans in order for the company to protect itself from possible interest rate increases. The fair value of these swaps was estimated by projecting the interest rate curve (euribor), on 31/12/2016, throughout the entire term of the swaps. The fair value of the

swaps as at 31.12.2016 as it is recorded in suspense accounts, is negative and amounts to 24,75 mil. euros (31.12.2015 negative fair value amounts to 25,25 million euros).

The expenses from the interest rate swaps for the year 2016 amounted to € 4.007.473,23 (2016: 3.006.283,37 €).

To secure the loans to the lending banks, the following pledges have been granted:

- The Bank Accounts of the Company
- The Concession Contract
- The Design-Build Contract
- The Independent Engineer Contract
- The Toll Equipment Procurement Contract
- The issued bonds
- Issued insurance policies

## 24. OTHER TAXES AND DUTIES

Other taxes and duties are analysed as follows:

|  | <u>31.12.2016</u>          | <u>31.12.2015</u>          |
|--|----------------------------|----------------------------|
| Subcontractors tax                                 | 1.010.415,63               | 922.482,36                 |
| Interest tax                                       | 258.606,98                 | 189.660,41                 |
| Payroll income tax withholdings and special levies | 119.133,22                 | 93.875,61                  |
| Free lancers tax                                   | 53.764,87                  | 53.173,41                  |
| Stamp duties and OGA contributions                 | 74.048,36                  | 66.984,99                  |
| Other taxes  | 0,00                       | 16.961,36                  |
| <b>Total</b>                                       | <b><u>1.515.969,06</u></b> | <b><u>1.343.138,14</u></b> |

## 25. SOCIAL SECURITY ORGANIZATIONS

Payables to social security organizations are analysed as follows:

|   | <u>31.12.2016</u>        | <u>31.12.2015</u>        |
|---|--------------------------|--------------------------|
| Social security (IKA)                   | 302.287,22               | 273.038,97               |
| Other basic insurance and pension funds | 32.422,25                | 23.082,43                |
| <b>Total</b>                            | <b><u>334.709,47</u></b> | <b><u>296.121,40</u></b> |

## 26. OTHER LIABILITIES

Other liabilities are analysed as follows:

|   | <u>31.12.2016</u>        | <u>31.12.2015</u>        |
|---|--------------------------|--------------------------|
| Liabilities to affiliated companies (Note 27) | 167.664,02               | 572.372,97               |
| Professional and other fees payable           | 70.848,27                | 122.121,78               |
| Sundry creditors                              | 64.140,44                | 42.736,78                |
| <b>Total</b>                                  | <b><u>302.652,73</u></b> | <b><u>737.231,53</u></b> |

## 27. TRANSACTIONS WITH RELATED PARTIES

The nature and the amounts of the transactions with the related parties are:

|                                   | <u>01.01 - 31.12.2016</u>       |                              | <u>01.01 - 31.12.2015</u>       |                              |
|-----------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|
|                                   | <b>Purchases /<br/>expenses</b> | <b>Sales of<br/>services</b> | <b>Purchases /<br/>expenses</b> | <b>Sales of<br/>services</b> |
| ODOS KENTRIKIS ELLADAS S.A..      | 2.269.384,28                    | 273.619,46                   | 1.651.587,03                    | 1.791.022,80                 |
| GEK TERNA S.A.                    | 972.362,14                      | 0,00                         | 2.325.780,41                    | 0,00                         |
| GEK SERVICES S.A.                 | 1.855.784,91                    | 0,00                         | 1.419.426,69                    | 0,00                         |
| HERON THERMOILEKTRIKI S.A.        | 2.612.644,91                    | 0,00                         | 2.456.551,21                    | 0,00                         |
| HELLAS TOLLS J/V                  | 1.967.089,66                    | 10.200,00                    | 2.461.415,80                    | 209.989,71                   |
| EUROIONIA CONSTRUCTION J/V        | 383.315.074,31                  | 0,00                         | 219.585.505,75                  | 0,00                         |
| TERNA S.A. – AKTOR S.A. J/V       | 0,00                            | 0,00                         | 0,00                            | 717,03                       |
| TERNA ENERGIAKI S.A.              | 0,00                            | 0,00                         | 0,00                            | 829,26                       |
| GEK SERVICES SA-SPACON LTD<br>J/V | 0,00                            | 0,00                         | 459.367,88                      | 0,00                         |
| FERROVIAL SA                      | 302.719,00                      | 0,00                         | 915.987,00                      | 0,00                         |
| IRIDIUM SA                        | 218.476,84                      | 0,00                         | 861.828,67                      | 0,00                         |
| SICE SA                           | 0,00                            | 0,00                         | 12.600,00                       | 0,00                         |
| AKTOR SA-JP AVAX-TERNA SA J/V     | 0,00                            | 112,57                       | 0,00                            | 0,00                         |
| TERNA S.A.                        | 330.000,00                      | 916,97                       | 315.524,28                      | 0,00                         |
| <b>Total</b>                      | <b><u>393.843.536,05</u></b>    | <b><u>287.443,19</u></b>     | <b><u>232.465.574,72</u></b>    | <b><u>2.002.558,80</u></b>   |

|                                | <u>31.12.2016</u>           |                          | <u>31.12.2015</u>           |                          |
|--------------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|
|                                | <b>Liabilities</b>          | <b>Debtors</b>           | <b>Liabilities</b>          | <b>Debtors</b>           |
| ODOS KENTRIKIS ELLADAS S.A..   | 257.271,22                  | 133.232,78               | 209.722,10                  | 132.650,79               |
| GEK TERNA S.A.                 | 163.807,48                  | (17,20)                  | 517.956,64                  | 0,00                     |
| GEK SERVICES S.A.              | 277.601,32                  | 0,00                     | 257.022,37                  | 0,00                     |
| HERON THERMOILEKTRIKI S.A.     | 737.288,80                  | 0,00                     | 278.499,92                  | 0,00                     |
| HELLAS TOLLS J/V               | 523.923,46                  | 251.669,34               | 374.986,76                  | 0,00                     |
| EUROIONIA CONSTRUCTION J/V     | 33.492.216,20               | 0,00                     | 57.230.536,32               | 0,00                     |
| TERNA S.A. – AKTOR S.A. J/V    | 0,00                        | 0,00                     | 0,00                        | 10,65                    |
| TERNA ENERGIAKI S.A.           | 0,00                        | (48,55)                  | 10,95                       | 621,60                   |
| GEK SERVICES SA-SPACON LTD J/V | 0,00                        | 0,00                     | 82.427,40                   | 0,00                     |
| FERROVIAL SA                   | 0,00                        | 0,00                     | 48.280,01                   | 0,00                     |
| IRIDIUM SA                     | 3.856,54                    | 0,00                     | 6.136,32                    | 0,00                     |
| AKTOR SA-JP AVAX-TERNA SA J/V  | 0,00                        | (9.766,92)               | 0,00                        | 0,00                     |
| TERNA S.A.                     | 70.862,91                   | 469,88                   | 0,00                        | 0,00                     |
|                                | <b><u>35.526.827,93</u></b> | <b><u>384.901,72</u></b> | <b><u>59.005.578,79</u></b> | <b><u>133.283,04</u></b> |

| Loans   | 31.12.2016          |                      | 31.12.2015          |                      |
|---|---------------------|----------------------|---------------------|----------------------|
|   | Interest            | Amount               | Interest            | Amount               |
| GEK TERNA SA                                      | 2.935.672,41        | 43.146.686,00        | 1.585.808,04        | 16.138.754,00        |
| FERROVIAL SA                                      | 1.705.651,86        | 16.143.597,09        | 1.586.284,07        | 16.143.597,09        |
| IRIDIUM SA  | 68.041,95           | 644.000,00           | 63.280,12           | 644.000,00           |
| DRAGADOS SA                                       | 460.433,76          | 4.357.899,00         | 428.210,91          | 4.357.899,00         |
| ACS SERVICIOS SA                                  | 1.176.664,23        | 11.136.854,00        | 1.094.316,93        | 11.136.854,00        |
| <b>Total amount of loans from related parties</b> | <b>6.346.464,21</b> | <b>75.429.036,09</b> | <b>4.757.900,07</b> | <b>48.421.104,09</b> |

## 28. REMUNERATION OF AUDITORS

The total remuneration of the certified auditors is the following:

|                         |           |                      |
|-------------------------|-----------|----------------------|
| ERNST & YOUNG HELLAS SA | 25.500,00 | STATUTORY AUDIT 2016 |
| ERNST & YOUNG HELLAS SA | 22.500,00 | TAX CERTIFICATE 2016 |
| ERNST & YOUNG HELLAS SA | 12.854,00 | OTHER SERVICES       |

## 29. CONTINGENT LIABILITIES

### i) Letter of Guarantees

|   |                      |
|---|----------------------|
| Design and Construction Letter of Guarantee   | 56.000.000,00        |
| Operation and Maintenance Letter of Guarantee | 3.414.304,00         |
| <b>Total</b>                                  | <b>59.414.304,00</b> |

The Design and Construction Letter of Guarantee, which has been submitted to the Ministry of Infrastructure and Transport, has been issued and is covered by the exclusive corporate guarantee of the shareholder GEK TERNA SA. Accordingly, the Operation and Maintenance Letter of Guarantee, which has also been submitted to the Ministry of Infrastructure and Transport, has been issued by NEA ODOS SA. and is covered by the exclusive corporate guarantee of the shareholder GEK TERNA SA.

- ii) The Company is a defendant in several legal proceedings arising mainly from hitting an animal or an object on the motorway, accumulation of water or poor workmanship on the pavement. For these treatments, the company has raised a total value of € 149 k forecast for 2016 and 2015, which is considered adequate for expected losses arising from the final judging cases.

### **30. EVENTS AFTER THE REPORTING PERIOD**

On 14<sup>th</sup> of February 2017, the full disbursement of the Loans amounted to Euro 126.600.000,00 was completed. Upon the reception of the Loans and in combination with the cash and the amounts of the Additional State Financial Contribution, the funding of the rest of the Construction cost is fully secured.

From the end of the closing year 31.12.2016, until the date of the present report, no events with a significant impact on the financial statements, which should be reported herein, took place.

Athens, 30/03/2017

The Chairman  
of the Board of Directors

The Member  
of the Board of Directors

Emmanouil Vrailas  
ID.: AK 837985

Emmanouil Moustakas  
ID : AE 080733

The Chief Financial Officer

The Chief Accountant

Konstantinos Konstantinidis  
ID: X 670038

Ioannis Marinopoulos  
ID: Ξ 448367