ATHENS INTERNATIONAL AIRPORT

REPORTING BY THE BOARD OF DIRECTORS

TO THE ANNUAL GENERAL MEETING

OF THE SHAREHOLDERS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Dear Sirs and Mesdames,

According to article 43a, paragraph 3 of Codified Law (C.L.) 2190/1920, as applicable, we submit herewith to your General Assembly the Company's Financial Statements for its 22nd financial period. The present report refers to these statements as well as to any supplementary information necessary or useful for the statements' appreciation and approval by the General Assembly, according to the proposal of the Board of Directors.

Year 2017 was one of strong momentum for the global aviation industry, characterised by low oil prices, efficiency of aircraft capacity utilisation and fleet growth. The combination of the above resulted in a very prosperous year for the airlines' profitability, with attractive fares, which in turn supported a strong growth of passenger traffic. On a global level, airlines achieved healthy profitability with net profit margins in 2017 estimated at the level of 4.6%, according to IATA (source: IATA-Economic-Performance-of-the-Industry-end-year-2017-report). In addition, consumers benefited from lower travel costs and more routes offered and Revenue Passenger Kilometres (RPKs) increased overall by 7.5%. ACI also reports strong traffic rise on the global scale at 6.4% (source: ACI World Press Release Feb 2018), however with a slow-down from September onwards. Passenger traffic across the European network posted an average growth of 8.5% (source: ACI Europe Press Release Feb 2018). Non-EU airports lead the way of passenger traffic growth (+11.4%), with EU airports also achieving strong increase (+7.7%), although impacted from specific airline-caused disruptions (Air Berlin and Monarch cease of operations, Ryanair growth slowdown in winter period).

In line with the global and European aviation trends, 2017 was another record-breaking year for Athens International Airport (AIA, Airport Company) in terms of passenger annual growth, reaching 21.74 million passengers exceeding prior-year levels by 1.7 million, a significant increase of 8.6%. The number of flights amounted to 196 thousand surpassing the respective 2016 levels by 3.6%. International traffic proved to be the main growth driver (+12%), whereas domestic traffic also grew but at lower rates (+2%), impacted by airlines' capacity reductions mainly in the winter periods. In terms of passenger demand evolution, it is important to note that the demand for air travel has been resilient to the volatility of the trading and economic environment since it remained unaffected from the European and regional geopolitical risks. The behaviour of the Greek travellers led to a considerable increase of their air travel both in 2016 and 2017 influenced by competitive air ticket prices and macroeconomic stability. Foreign visitors also presented a healthy increase in the period under review.

In 2017 the Airport Company presented healthy results and recorded Profit Before Tax of €199.8 million, increased by €10.8 million compared to 2016. Growth in operating performance more than offsets the additional cost requirement following increased traffic and the increase of the variable element of Grant of Rights Fee recorded in the Operating Expenses. In view of the Company's expected obligation to pay the Consideration for the extension of its concession period (upon the effectiveness of the ADA Extension Agreement), no dividend to the shareholders is proposed.

1. Traffic Highlights

With 21.73 million passengers in 2017, AIA delivered an all-time high performance, surpassing previous year traffic by 1.7 million (+8.6%). This outcome was mainly driven by a strong growth of the international market (+1.5 million or +12%), whereas the domestic market presented a slow rise of 2% due to a capacity reduction in the winter periods. Greek residents presented a strong rise of 13%, while foreign residents showed a robust increase by 5% in total, formulating the overall level of growth. The dynamic growth of the O&D passengers by

12% should also be highlighted, demonstrating the consistent ascent of Athens as an attractive destination, assisted by the joint and coordinated pertinent actions of the Airport Company with stakeholders from the tourism industry. Transfer passengers presented a small decline of 4% in the course of 2017, mainly attributed to the reduction of self-connecting passengers.

Focusing on the international passenger traffic developments per region, it is important to note that all regions enjoyed a sharp growth, supported by the significantly enhanced airport's route network coupled with the favourable evolution of passenger demand. The launch of the new long-haul services of Emirates to New York and Scoot to Singapore and Air China's non-stop flight to Beijing should be highlighted as they have largely contributed to the respective regions' successful evolution.

During 2017, four (4) new airlines launched operations to/from Athens and fifteen (15) new international routes were established (6 of which were intercontinental), further enhancing the airport's route network. At the same time, 17 LCCs offered services to 56 airports worldwide (compared to 59 airports in 2016). Overall in 2017 the airport's number of flights amounted to 196 thousand and demonstrated a rise of 3.6% compared to prior year levels. Both domestic and international flights demonstrated growth at 2.9% and 4.1%, respectively. Lastly, in 2017 Athens was directly connected with scheduled services with 137 destinations, 103 of which international (including 23non- European) in 53 countries, operated by a total of 59 carriers. Although cargo business has been severely affected by the Greek crisis of the last seven years, a slight increase in airport cargo was recorded for the fourth consecutive year, posting an overall annual increase of 1.5% over the previous year, reaching 89,770 tonnes of freight and mail.

2. Business Highlights

AIA's business highlights for the year 2017 are presented hereunder:

2.1 Airport Operations

Smooth and efficient operations were delivered throughout 2017. Moreover, the airport remained a slot non-coordinated airport even in periods of excessively high demand for aircraft arrival and parking during the summer period. This demand was adequately addressed through ad-hoc operational arrangements. The 2017 summer period, as regards to passenger and aircraft movements, reached its highest peak in July, partly driven by an increased demand for ground stay/apron parking by general and business aviation aircraft.

Capacity Related Developments

In terms of capacity related enhancements, the following developments took place:

- The first phase of the operational upgrade of the Satellite Terminal Building (STB) was completed successfully and operations commenced in May and lasted until October 2017. Further enhancements are in progress in order to accommodate additional traffic at the STB in summer 2018.

- The Advanced Visual Docking Guidance System (A-VDGS) project was successfully completed with the installation of twenty-four A-VDGS units at all Main Terminal Building (MTB) and STB contact stands, ensuring optimum use of the stands.

- Airport Company has commenced discussions with HCAA (Hellenic Civil Aviation Authority) in order to take full advantage of the Airport's two runways' available capacity to at least 65 movements per/hour as per its original minimum design specifications.

Compliance Issues

As part of the continuous Operational Compliance and Development process, all required preventive and corrective measures were taken for maintaining emergency planning and AIA's preparedness for adversities at a high level, thus establishing a safe and resilient operating environment.

Following a strict, proactive and efficiently planned schedule, AIA is amongst the first European airports to be granted an EASA Aerodrome Certificate in accordance with the stipulations of the Commission Regulations (EC) 216/2008, (EC) 1108/2009 and (EU) 139/2014. Having been found in full compliance, AIA becomes the first Hellenic airport and amongst the few European ones to have completed on time its license/certificate conversion into an EASA one. The thorough and time-consuming certification process involved extensive inspections and checks by the HCAA for a period of eight months. HCAA inspectors have gone through detailed audits and verification processes of the aerodrome airside infrastructure, legitimacy and accuracy of the relevant organisational structure, as well as of all Aviation Safety and Operations related procedures, training Syllabuses and Manuals.

It is noteworthy that ten (10) emergency exercises were organised at the airport, including the Annual Partial Scale Emergency Exercise "Aircraft Accident on Airport".

Highlights and Distinctions

In recognition of its adherence to smart applications' technologies taking into consideration a continuous dedicated approach to enhance passenger experience, AIA has been awarded, in September 2017, the Fast Travel 'Gold Status' by the International Air Transport Association (IATA), as a result of its fast-developing smart infrastructure and automation in the areas of self-check-in, bags ready-to-go, document check, flight re-booking, self-boarding, and bag recovery.

The Airport Company's team of experts in cooperation with the Rescue Fire Fighting Services (RFFS) provided training services to the Greek Regional Airports Fire Fighters.

The aging airfield "follow-me" fleet, in continuous operation since 2004, has been replaced with ten (10) new vehicles.

For the fifth time in a row, Airport Company and all members of the Athens airport aviation fuel supply chain were awarded a Gold distinction by the Joint Inspection Group (JIG), while OFC/Athens airport remains the only airport fuel facility worldwide which has been awarded ten consecutive JIG Certificates of Excellence (2008-2017).

2.2 Pricing and Airport Marketing

During 2017 Airport Company continued its dynamic marketing strategy and incentives policy. AIA's aeronautical marketing strategy encompasses comprehensive developmental and targeted programmes for airlines including incentives and marketing support packages and constitutes a cornerstone of Airport Company's aeronautical strategy for healthy financial growth.

During the annual consultations with the airport users, which were held in January 2017, as per the Airport Charges Directives (2009/12/EC) as transposed to the Greek legislation (PD 52/12), Airport Company announced that all airport charges remain unchanged without any increase for the ninth consecutive year. The freezing of charges was complemented by the continuous development and fine-tuning of our incentives' scheme comprising growth incentives and a number of targeted incentives for airlines.

In total, thirteen (13) different developmental and targeted incentives, both for developing new markets, as well as for reinforcing existing ones, were in effect during 2017. Incentives are applied in a fully transparent and non-discriminatory manner. The majority of the operating carriers made use of one or more targeted or developmental incentives, many of which benefited further by receiving marketing support actions.

The 2017 campaign under the slogan "See the big picture in Aviation Marketing" reflected AIA's individual approach of each airline partner, its will and efforts to address actual needs of each airline partner in an innovative and holistic manner and to employ the latest advertising means and tools, in order to design and ultimately implement a complete marketing strategy.

Airlines' contribution to the airport's performance in 2017 was acknowledged by Airport Company for the 18th consecutive year by rewarding them for the most successful passenger traffic development during that year.

For the last six years, AIA has not only devoted innovative marketing efforts to its airline, business partners and consumers but has also extended its endeavours to actively support Athens as a destination. Actions to reinforce Athens' attractiveness as a tourism destination have significantly contributed to the recovery and enhancement of the city's image and the increase in foreign tourists' arrivals to our city. In particular, Airport Company has implemented a series of destination marketing targeted actions and initiatives by forging strong relations and strategic co-operations and synergies with tourism organisations and associations (Association of Tourism Enterprises, Greek National Tourism Organisation, Ministry of Tourism, Marketing Greece, etc.).

Within this context and as a part of the destination marketing initiatives undertaken for the promotion of Athens, Airport Company entered into strategic partnership with the Municipality of Athens and Aegean Airlines. The partnership named Athens Tourism Partnership (ATP) was presented in a press conference in December 2016 and was launched in January 2017. It is a unique digital campaign for Athens, which was managed by Marketing Greece, and targeted the German and French market until June 2017.

The fact that foreign visitors with Athens as their final destination significantly increased during last year denotes the effectiveness of such strategic synergies and highlights the necessity for all tourism industry organisations and bodies to continue co-operating with the long-term strategic aim to establish Athens as one of the most appealing tourist destinations worldwide.

Establishing knowhow and disseminating long-stand experience in airport and aviation industry, AIA organises international events, promoting the company's high level of expertise and Athens as a tourist and knowledge destination. Airport Company contributed to International Civil Aviation Organisation (ICAO) Global Aviation Corporation Symposium (GACS II), that took place in Athens in October 2017 and was co-organised with HCAA, attended by more than 400 delegates and representatives from the aviation industry, promoting intellectual and state of the art case studies on that topic. Also, AIA organised once more the 5th Airport Chief

Executives' Symposium (ACES-Athens) in December 2017. This Airport Company's initiative which takes place in Athens on an annual basis aims on the one hand to highlight the

interdependence between the air transport industry and airports and the development of the destinations they serve and on the other to introduce initiatives for the strengthening of Athens as a tourism destination. This year's event focused on the evaluation of the Chinese market and the Brexit case and their possible consequences in the aviation market was presented and discussed. The symposium was attended by more than 100 top executives from the air transport, the cruise business and tourism industry, as well as from the financial sector.

2.3 Consumers

Retail services

Within the context of constantly improving passenger experience at the airport, the large-scale commercial redevelopment project that commenced in September 2016, namely Intra-Schengen Project (ISP), covering the entirety of Intra – Schengen (IS) area and a large part of All-Users Departures area, was completed in April 2017, delivering to the passenger audience a new IS commercial area of contemporary commercial and aesthetical design, with a significantly expanded Retail and Food & Beverage (F&B) selection. The robust sales performance of the new stores and concepts led to an increase in the Shopping Centre's revenues of 10.6% compared to the previous year, an increase that surpassed the respective passenger traffic annual increase by 2%.

ISP was implemented following the same design principles and approach with the successful Extra-Schengen Project (ESP) that was completed in 2015. This large-scale refurbishment resulted in a remarkable net commercial space increase of 1,500 sq.m. expanding AIA's total commercial space to more than 11,200 sq.m.

In the frame of redesigning Airport Company's commercial offering to better address the constantly evolving passenger needs, in 2017 a new large Duty-Free outlet commenced operations together with three "last-minute" gate shops; 28 new specialty shops opened and seven more were substantially renovated; 11 new F&B concepts were added to the Airport Shopping Centre's and one F&B unit was totally renovated and expanded.

Further to the above, AIA launched a series of targeted marketing and co-promotional sales activities in close cooperation with the concessionaires, including amongst others several happenings to celebrate the launch of the new IS area that were also communicated through a radio campaign, a special discount programme for Perfumes & Cosmetics and a Fashion Bazaar, all achieving remarkable results both in terms of enhancing customer experience but also in terms of generating sales.

Landside services

The Airport Company's car parking revenues recorded a marginal decrease during 2017, by 0.3% compared to the previous year.

The propensity of Greeks to spend together with the presence of ultralow-cost carriers and competition, negatively affect the parking business by mainly altering the mix of Greek O&D passengers, who constitute the car parking primary users, in favour of public transport and car drop-off means.

Online booking has been strategically placed for one more year in the centre of parking marketing communication so as to address ongoing business challenges, support sales and further enhance the offered service against alternative airport access options. In 2017 e-parking tickets increased by an impressive 30%, with the e-parking service been highly supported by

the new parking website that was launched in April and the well-accepted initiation of the parking loyalty scheme "PARK€WIN" that has already enlisted more than 30,000 members.

Aiming to address current parking competition in the vicinity of the airport, the "always on" marketing campaign remained active for another year providing strong communication of the AIA parking offers through radio spots and monthly newsletters, while supporting awareness of the new aggressive price policy. The effectiveness of the above is also mirrored in passenger surveys where the price acceptance among parking users has been improved by 13%. Furthermore, an important part of the parking strategy comprised several new partnerships with AIA's Shopping Centre and Retail Park concessionaires and with Attiki Odos (Athens ring-motorway).

Terminal Services

In a year marked by major construction projects within the terminals, Airport Company was able to offer personal assistance and information to more than 2.5 million passengers and visitors. The Airport Call Centre handled approximately 430,000 telephone inquiries with almost 95% of callers being served within 20 seconds. In addition, more than 4,400 inquiries received electronically via the "airport info" service were processed.

Gates for automated passport control were introduced for the first time in our airport, both in the Departures and Arrivals areas with three units per area. The e-gates expedite European passport holders with biometric travel documents. Airport staff were present to inform travelers, manage queues and assist transfer passengers with short connections.

"Fast Lane" at the Intra-Schengen Screening Point was thoroughly revamped, well-defined by the introduction of an exclusive entrance for business and priority passengers.

Finally, in our effort to continuously improve information provision and passenger service, a new Airport Information Counter was placed in the Intra-Schengen Arrivals Corridor.

2.4 Property Business Unit

In 2017, Airport Company's property business activities demonstrated a firm performance. The airport Hotel and the Exhibition Centre recorded considerable growth, the Retail Park achieved a marginal increase, and space leases activity managed to sustain business at 2016 levels.

The documented turnover of the airport Hotel (Sofitel), showed an annual increase of 11.7%, a record performance since its opening, despite the slight drop in the occupancy rate by 1.5%. Year's highlights include a major renovation programme, the first phase of which is planned to be completed in 2018.

The Metropolitan Exhibition & Conference Centre recorded a considerably improved turnover by 8.5% compared to 2016. Growth is mainly attributed to the hosting of the "XENIA" trade show, which was successfully relaunched in 2017 and henceforth is scheduled to take place annually, targeting the hotel and the wider hospitality sector.

Amidst the overall environment in the domestic retail sector, the Retail Park showed a marginal sales growth of 0.5% compared to 2016. Operation of the Retail Park on Sundays from mid-July until October, as per the new law for shop opening on Sundays in tourist areas, contributed towards this improvement.

Building and space leases mainly serving the airport community (i.e. airlines, ground handlers, concessionaires) sustained their occupancy rates close to the 2016 levels.

In the context of improving passenger travel experience, Extra Schengen lounges for Commercial Important Persons (CIP) were enhanced with the addition of a brand-new lounge operated by Aegean Airlines.

Finally, the Photovoltaic Park increased production by approximately 3% in 2017 and reached a level of 13,642 MWh annually, largely due to the favourable weather conditions.

2.5 Information Technology & Telecommunications

Information Technology & Telecommunications Business Unit continued its successful performance contributing to Airport Company's and its stakeholders' unobstructed operations along the year. Its project portfolio was further enriched, aiming to enhance operational excellence and customer experience by launching new business-to-business and business-to-consumer services using innovative technology.

Operational Resilience and Cyber security

As part of our systems' improvement with regards to Information Security, Internal Firewalls were replaced. These firewalls control communications between Airport Operational Systems, such as the Universal Flight Information System (UFIS), BHS, Common Use Terminal Equipment (CUTE), Building Automation System (BAS) and more.

The annual IT&T Disaster Recovery exercise was performed jointly with the involved users. The redundancy mechanisms, referring to 40 IT&T systems, including critical systems, virtualisation infrastructure, networking services and external connectivity were tested successfully, within a timeframe of eight hours.

TÜV HELLAS renewed the IT&T ISO 20000 and ISO 9001 certifications without any findings.

Cyber security remains at the top of our attention. In order to further enhance Airport Company's defence against cyber risks, Anti-Distribution Denial of Service (DDOS) mechanisms, both software and hardware, have been installed to protect communication lines and the internet website. Moreover, modifications have been accomplished in coordination with Hellenic Telecommunications Organisation - OTE in the architecture of the telecommunication system infrastructure, to reassure the uninterrupted provision of voice and data services within the airport premises.

The renewal of AIA's Data Network and Telephony infrastructure through the introduction of the "New Generation Networks" technology progressed significantly; IT&T has successfully completed the upgrade of its Data Network and Telephony Backbone.

Innovation & Digital Initiatives

The Airport Company's digital information to passengers is provided also through FLIO global airport application which is considered one of the main global digital marketplaces for airports, airlines, retailers and brands. FLIO carries valuable airport information for over 1,500 airports worldwide, all in one mobile application.

The second round of "THE DIGITAL GATE", the competition for innovation and youth entrepreneurship, was concluded. "THE DIGITAL GATE" is organised in cooperation with the Athens Centre for Entrepreneurship and Innovation of the Athens University of Economics and Business In 2017, eight teams presented their Minimum Viable Products which were developed with the guidance of airport professionals and were assessed in a real airport environment. The ranking results and the winners were announced during a special event in February 2018.

In the context of the new AIA Extranet Project, IT&T launched "Airportal", a new website addressed exclusively to the airport community. The portal offers an updated version of the "Flight Information Pages", an e-phone book service with additional information and access to e-books such as the Aerodrome Operations Manual (AOM).

The new Governance Risk & Compliance (GRC) system for enhancing Internal Audit department's (IAD) processes and automation was introduced.

IT&T commissioned and acquired a new Learning Management System (LMS). The new platform, integrated with the Human Resources Information System (HRIS), is the sole learning tool for both AIA employees and those of Third Parties within the airport community. It allows Human Resources department to easily manage all training records as well as to efficiently administer training resources, whilst at the same time it supports AIA's compliance requirements.

Awards

Airport Company received the significant international award "Value Winners" of the WITSA Global Excellence Awards 2017 in the category of Digital Opportunity. The WITSA Global Excellence Award is dedicated to highlighting companies operating in the IT and communications industry worldwide. At the "Corporate Affairs Excellence Awards 2017" Airport Company was awarded in the category of Best Use of Social Media and received also a special award in the category of Key Performance Indicators for its «ATH Messenger bot via Facebook messenger».

At the Impact Bite Awards of Boussias Communications, Airport Company's IT & T BU was awarded two (2) golden awards, namely in the category "BUSINESS CONTINUITY", and in the category "ALIGNMENT OF ENTREPRENEURSHIP & ICT STRATEGY".

2.6 Major Corporate Projects and developments

Concession Extension

Further to the discussions since 2016, between Airport Company and the Hellenic Republic Asset Development Fund (HRADF) as prescribed in Article 4.2 of the ADA and the relevant exchange of information between the two parties and their advisors, in May 2017 the BoD of HRADF approved the draft ADA Extension Agreement and invited Airport Company to submit its financial offer on the Concession Extension. Airport Company's financial offer was finally approved by the BoD of HRADF on 30 May 2017 and the offer was affirmed by the Extraordinary General Meeting of AIA's shareholders on 1 June 2017. Following the approval of the draft ADA Extension Agreement by the Inter-Ministerial Committee of Assets Restructuring and Privatisations of the Hellenic Republic published in the Government Gazette (FEK B'

3294/19.09.2017) and the publication of a voluntary ex ante transparency notice in the official journal of the European Union, the ADA Extension Agreement was signed on 30 September 2017 between AIA, HRADF and the Greek State. The Agreement foresees an extension of the ADA term until 11 June 2046 under the terms and conditions prescribed therein, including the payment by AIA of a financial consideration to HRADF. The Agreement will become effective upon the completion of the necessary approvals by the European Authorities, EIB and the ratification by the Hellenic Parliament. The latter processes commenced in 2017 and are still ongoing.

External International Business Activities

Airport Company participates in business projects, exporting its know-how in order not only to generate revenue but also to create non-tangible value-added to the company and its employees. In 2017 the highlights of Airport Company' external business activities were:

- Consulting & training services to Oman Airports Management Company: Airport Company was entrusted with the training of its Muscat and Salalah airports personnel. Within a series of intensive full week on-the-job training programmes covering a broad spectrum of airport functions, seventy-six (76) Omani professionals have until now concluded their training.
- Research & Development – European projects: Airport Company's IT&T has been awarded funding by the EU for two R&D projects. The "ICARUS" project, which aims to bring together the Aerospace, Tourism, Health, Security, Transport, Retail, Weather and Public sectors, in order to accelerate their data-driven collaboration that can produce novel industry applications which add social and commercial value. The "CHARIOT" project, which focuses on the Privacy, Security and Safety of the Internet of Things Systems under a unified approach through a cognitive computing platform.

General Data Protection Regulation (GDPR)

The GDPR (EU Regulation 2016/679) introduces a new "architecture" to be applied horizontally throughout all legal entities requiring, among others, the protection of personal data "by design" in all data processes and records, as well as the adoption and implementation of such Information Security tools and practices that safeguard confidentiality, integrity, availability and safekeeping of personal data. Responding to the challenge, Airport Company in 2017 started preparing its organisation to meet the substantial and formal deadlines of May 2018, set by the Regulation. Such actions include a GDPR familiarisation exercise, personal data mapping throughout all corporate and operational functions and the establishment of a competent department and Data Protection Officer. Further actions towards GDPR compliance are ongoing in2018.

3. Corporate Responsibility

Airport Company approaches Corporate Responsibility (CR) in an integrated manner, aiming at promoting the sustainability of all aspects of its operation and development. AIA acknowledges its role as a responsible company, for creating sustainable value for its stakeholders and for balancing its objectives across the perspectives of operational responsibility, environmental responsibility, corporate citizenship, employer's responsibility and sustainability governance.

Airport Company's approach to Corporate Responsibility is reflected in the related CR Policy, which was revised in 2017 and implemented as a cross-departmental effort through a contemporary three-level CR governance structure: Strategy, Integration and Implementation across AIA structural units and departments. Related practices are continuously updated in line with emerging requirements and global standards. The Company engages in independent Sustainability Assurance for the verification of disclosures accuracy, completeness and abidance to applicable standards.

Airport Company's sustainability reporting abides by the Global Reporting Initiative (GRI) Standards of 2016 and is in line with the company's sustained commitment to the United Nations Global Compact, the acknowledgement of the United Nations' Sustainability

Development Goals (SDGs) and the Agenda 2030, contributing to the global sustainability effort.

3.1 Operational Responsibility

Operational responsibility is the cornerstone of Airport Company's commitments. The Company ensures safe, secure, efficient and value-adding services for the benefit of a well-coordinated airport community and for delivering an exceptional experience to the travelling public.

In 2017, the Airport Company was certified for compliance with the EASA Aerodrome Rules for aviation safety practices. During the year, 14 aviation safety audits were conducted to third parties.

Ensuring the health & safety of the travelling public, all public and technical areas are regularly inspected, in order to ensure that airport facilities personnel comply with legal provisions and Airport Company's corporate rules and procedures. In 2017, 21 health and safety audits were conducted towards various airport community stakeholders.

Operational readiness and availability performance of critical systems was maintained at exceptional levels. At the same time, satisfaction rating from passengers was considerably improved and maintained at high levels (4.35 on a 5-point scale compared to 4.26 of the previous year), an outstanding performance mainly reflecting the impressive functional and aesthetic changes of public and retail areas at the terminal.

It is worth to be noted that in 2017, 9.81% more Passengers with Reduced Mobility (PRM) made use of assistance services compared to 2016.

Passenger satisfaction is at the focus of every AIA employee, as more than 600 "virtual passenger" walkthroughs were conducted in 2017 as part of the innovative "i-mind" programme, corresponding to over 70,000 inspections. Committed to providing quality services, the company handled and responded to more than 4,500 comments received from 2,400 passengers.

3.2 Environmental Responsibility

In 2017 Airport Company held strong to its commitment to operate the airport in a sustainable manner with a focus on environmental protection. AIA refurbished its Noise Monitoring Terminals, which had been continuously operating since 2001, updated its Strategic Noise Map to incorporate 2016 traffic data and re-examined the relevant Noise Action Plan. In addition, according to best practices, preliminary work was conducted for a Climate Change Adaptation study for the airport in 2018. By heavily investing in energy-efficient technology over the past decade, AIA has managed to reduce its carbon footprint more than 40%. Airport Company's environmental profile is further bolstered by the production of clean electricity by its 8.05 MWp Photovoltaic (PV) Park, saving more than 12,000 tonnes of CO_2 per year.

Application of the "Polluter Pays" concept to waste management at the airport continues to produce remarkable results: for the first time ever, the Recycling Rate exceeded 60% for Solid Non-Hazardous Waste (9,638 tonnes of the total of 15,541 tonnes). In addition, 285 tonnes of Hazardous Waste and 185 kg of medical/clinical waste were collected and transferred to licensed facilities. Also, airport employees recycled seven tonnes of hazardous and non-hazardous waste at AIA's dedicated Recycling Centre.

In 2017, Airport Company certified its Energy Management System (EnMS) in accordance with the ISO 50001 standard, becoming the first airport in Greece to do so. This certification (valid until 04/12/2020) recognises our efforts to use energy more efficiently, conserve resources and contribute to the fight against climate change and ensures compliance with the relevant energy legislation. Some recent projects include the use of LED technology to light the apron and other areas of the Airport, replacement of older company vehicles with newer models with lower fuel consumption and emissions as well as investment in more efficient air conditioning equipment. This certification is the first one that does not apply only to a specific function but to the whole Airport Company.

Furthermore, AIA's Environmental Management System was upgraded to the latest version of the ISO 14001 standard. The current certification is valid until 12/01/2019.

3.3 Employer's Responsibility

The people of AIA is the Company's most valuable asset. At the end of 2017, our headcount was 711 persons (598 persons under open-ended contracts and 113 persons on a fixed-term contract basis) versus 684 persons in 2016 (604 persons under open-ended contracts and 80 persons on a fixed-term contract), holding a high level educational background. Thirty-one (31%) percent of our personnel reside in the local communities, reflecting our close relationship with the Mesogeia community.

In October 2017, a Collective Labour Agreement (CLA) was signed, as each year since 2000, between Airport Company's Management and the Employees' Union under mutual consensus of the two parties in order to meet and satisfy employees' requests. The signing of the CLA is an important factor for maintaining labour peace in a well-coordinated company, which has not changed the salaries despite the downtrend of the market for one more year. Our business strategy is closely linked with the development of our people's skills and capabilities. Continuous professional and personal training of our employees is of vital importance, therefore we allocate significant resources towards these activities.

The 2017 Training Plan resulted in a total of 25,070 training hours, with 100% of the employees attending at least one training session and receiving the equivalent of 35.1 hours per FTE. Relating to EASA Compliance Training, there were 3,283 training hours of recurrent courses attended by 137 participants and 1,753 training hours of externally provided courses attended by 191 participants.

In 2017 Airport Company continued the "Praxis" programme initiated in 2016, which aims to contribute to youth employability in Greece by offering paid working experience to 28 young people who are aged between 19 and 29 years. Upon completion of the programme, a consultant facilitates the trainees to access the labour market.

3.4 Corporate Citizenship

For the 2nd consecutive year in 2017 Airport Company, the Benaki Museum and Costa Navarino joined forces and presented an ambitious cultural exhibition titled "Under the Spell of Greek Costume: Contemporary Creations Animate the Benaki Museum Collections". This group exhibition brought together 15 world-renowned fashion designers and artists who were inspired by Greek costumes of the period 16th to 20th century, as pictured in the collection of imprints donated to the Benaki Museum by J.D. Koilalous. Airport Company collaborated once again with the Museum of Cycladic Art for the exhibition "A journey through the culture of Cycladic islands". It constitutes a concise presentation of the large-scale exhibition "Cycladic Society, 5.000 years ago", organised by the museum on the occasion of its 30th anniversary. In collaboration with the Athens Digital Arts Festival (ADAF), Airport Company hosted the multimedia exhibition titled: "#PostFuture Journey-Flying beyond digital reaching the #Post Future" with major video art and animation installations. In collaboration with the Goulandris Natural History Museum / Greek Biotope-Wetland Centre, AIA hosted the exhibition "Greek Forest, Green Destinations" which aims to promote Greek forests as high-quality recreation destinations.

Through the "Fly me to the Moon" programme, Airport Company has provided passengers and visitors with a distinct entertainment and cultural experience within the Airport with prominent artists and musical ensembles for the fourth consecutive year. The Airport is a significant driver of economic development in the region. This is complemented by targeted investment in social, educational, cultural, athletic, environmental and other causes that go well beyond the scope of any legal obligations and help establish AIA as a good neighbour. The Company's ties with local society remained intact through its annual Community Engagement Plan implementation.

Highlight initiatives for 2017 include the provision of financial rewards to local schools for their participation in Airport Company's Recycling Programme and to top students from local high schools admitted to Greek Universities; a programme for raising awareness on water conservation issues that was implemented to ten local elementary schools and attended by 519 students; the continuation of the Environmental Management Programme which aims to raise awareness on the airport's environmental protection measures in the Mesogaia area and includes a presentation and an Airport site tour, this year delivered to 429 high school students; and financial assistance to local cultural and athletic associations, charity groceries and families in need.

In 2017, a colour ultrasound machine was donated to the Spata Health Centre in order to upgrade and improve the primary care services provided to the citizens of the region. Playground equipment was purchased and installed in the playground in the city centre of Artemis, thus improving the quality of life of its residents. The area of 'Prasinos Lofos' in Artemis was cleaned up for the tenth consecutive year as a fire prevention measure. Also for the tenth consecutive year, Airport Company continued to support the Vravrona Archaeological Museum and the conservation and promotion of the Vravrona Wetland.

4. Financial Statements' Highlights

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Accounting Policies approved by the Board of Directors of the Airport Company. Operating revenues of AIA reached the amount of €433.5 million, higher by 6.61% (or €26.9 million) compared to the previous financial year, mainly attributed to the increase of passenger traffic and the improved performance of the retail revenues.

In total, AIA's participation in the Airport Development Fund (ADF) reached the amount of €79.9 million, lower by €3.5 million or 4.18% in comparison to the prior financial year, as a result of the decrease of the ADF levy for non-EU passengers from €22 to €12 per departing passenger from 11 Apr 2017 onwards in accordance with law 4465/2017. Part of the ADF receipts covered interest expenses, i.e. €21.4 million (2016: €25.6 million) and were recorded as subsidies related to financial expenses, while the remaining €58.5 million (2016: €57.8 million) covered part of the instalments of the loan received for the construction of the airport and was transferred to other revenues.

In 2017 operating expenses increased by €14.3 million or 10.58% mainly due to additional cost requirements following the increased traffic and the once-off consulting, legal and other related expenses for the effectiveness of the concession extension (€5.9 million) as well as due to the full year effect of the variable element of the Grant of Rights Fee (€8.4 million).

Overall earnings before interest, tax, depreciation & amortisation (EBITDA) in 2017 were increased by €12.6 million or 4.64% compared to the previous year, reaching the level of €284.5 million.

Depreciation charge was €76.6 million in 2017, slightly higher by €2.4 million to the corresponding charge in 2016 of €74.2 million due to additional investments in capital expenditure within the year.

Net financial expenses stood at €29.5 million presenting a decrease of €4.7 million or 13.8% versus 2016 mainly due to the gradual reduction of the outstanding balance of the Airport Company's debt.

Profit before Tax reached the amount of €199.8 million. After accounting for the aggregate charge for income tax of €59.8 million, the statutory and other reserves of €7.0 million and the prior year's retained earnings of €85.4 million, there remains a distributable profit of €218.4 million. Given the short-term financial obligations for the Airport Company arising from the ADA Extension Agreement, no dividend distribution to the shareholders is proposed by the Board.

The Statement of Financial Position of 31 December 2017 reflects total Assets of €1.2 billion. The value of Airport Company's Non-Current Assets (€0.65 billion) represents 52% of Total Assets, indicating that Airport Company still remains a capital-intensive company.

AIA continued to present healthy financial performance, with consistently strong key performance indicators. More specifically, Net Turnover & ADF per passenger stands at €20.9 (2016: €21.6), while Operating Costs per Passengers remain at low levels, i.e. €6.9 per passenger (2016: €6.7 per passenger). Moreover, Airport Company uses a metric, i.e. AVA (Added Value on Assets) to measure the value created from operating revenues and expenses, also taking into account assets and cost of capital since airports are largely capital-intensive business entities. In specific increased value has been generated in 2017, i.e. AVA (Net Operating Profit After Tax minus Cost of Capital x Net Assets) was €119.6 million (2016: €111.9 million).

All Fixed Assets are recorded in the Fixed Assets Register and are free of any encumbrances apart from the conditional assignment of the Usufruct extended since 1996 in favour of the Lenders. Fixed Assets were depreciated at rates reflecting their estimated useful lives and the legal limits on their use as provided by the ADA. The value of the Usufruct of the Land that was assigned by the Greek State for the development and operation of the Airport, the present value of the fixed component Grant of Rights Fee and the value of the Intangible Assets are equally depreciated over the operation of the 25-year concession period. Investment in

Associates consists of €3.25 million and represents the carrying amount of AIA's participation in the equity of Athens airport Fuel Pipeline Company S.A.

AIA's Closing Cash position is €466.8 million. AIA is exposed to financial risks such as cash flow and fair value interest rate risk, price, credit and liquidity and to concentration risks. The Company invests its cash and cash equivalents in short-term deposits and held-to-maturity highly liquid financial assets minimising its exposure to interest rates volatility. As regards the borrowings, these are with fixed interest rates eliminating any potential adverse impact on company's financial performance from the fluctuation of interest rates.

In particular, the weighted average fixed interest rate of EIB Loan is 6.12%, whereas the current outstanding balance amounts to € 295.6 million out of the initial withdrawn amount of € 997 million. The repayment of EIB Loan is effected through semi-annually installments which started in June 2004 and will be completed in June 2021.

In order to cover the credit risk, the company obtains adequate securities from customers, as per the applied Credit Policy. The liquidity risk is managed through efficient cash management involving cash forecasting and investments strategy that ensures the sufficient level of available cash to meet operational needs, to cover the debt service obligations and to finance investments, complying with the debt covenants in terms of creditability and maturity of investments. The nature of the risks, as well as the scope and the company policies for managing financial risks, are presented in Section 3 of the Notes to the Financial Statements. Other risks and uncertainties related to tax disputes with the Greek State and disputes on municipal charges with two of the surrounding municipalities are analytically referred to in note 5.28 of the Notes to the Financial Statements.

Regarding events that occurred after the balance sheet date a reference is made in note 5.31 of the Financial Statements.

5. 2018 Outlook

Our expectation for 2018 is that it will be the fifth consecutive year of traffic growth. However, following a cumulative traffic growth since 2013 of over 73%, it is reasonable to expect a slow-down in the growth rate. Year 2018 will be marked by a number of challenges and developments:

- The Greek economy shows clear signs of improvement, following one of the lengthiest and more severe recessions in modern history. Nevertheless, the macroeconomic environment remains fragile, affecting the Greeks' spending propensity.
- Whereas airline capacity in domestic routes will be reduced, international traffic is expected to grow further, since additional capacity will be placed in the Athens market by home and visiting carriers. These positive airline decisions are aided by the favourable environment regarding low fuel prices, improved fleet capacity and utilisation and high airline profitability. Also, tourism demand is supported by the improved Athens value proposition in contrast with the geopolitical situation which continues to trouble some of our competitive markets.
- Traffic growth and regulatory compliance drive two considerable investments that the Airport Company plans to undertake:

- Firstly, as a result of the EU Regulation (EU 2017/458) requiring the reinforcement of passport control checks at external borders, leading to a lengthier passport control process for all arriving and departing non-Schengen passengers, AIA plans to expand its immigration and emigration facilities. The construction of this project is expected to kick-off in mid-2018 and the necessary infrastructural and operational amendments are planned to be in place on time for the effectiveness of the new regulation (April 2019).
- Secondly, as a result of EU Regulation 2011/1087 regarding the implementation of common standards for baggage explosive detection systems, which requires all bags to be screened with "Standard 3" equipment, a complex project affecting AIA's baggage handling system will commence for the compliance to the said regulation, with expected completion in 2022.

Further to regulatory compliance, these two projects are expected to increase terminal capacity and efficiency in the affected processes and to improve AIA's value for money offering towards passengers and airlines.

- Furthermore, AIA continues to invest in order to maintain and even further improve its service quality, ensuring safe, secure and efficient operations. Moreover, AIA will carry on with investments that make business sense in commercial activities and is closely monitoring future trends related to disruptions from digital developments and on-line shopping which could affect our B2B and B2C strategic positioning.

As these lines are being written, the ADA Extension Agreement, signed between the Greek State, HRADF and AIA on 30 September 2017, is still undergoing the scrutiny of the EU authorities- a condition necessary for its effectiveness. We trust that 2018 will be the milestone year of the completion of this endeavor, which has been the joint effort of numerous stakeholders over the recent years. Its completion will mark the beginning of a new era for the Airport Company and will lead to an improved potential for airport users, employees, shareholders and of course the state and the wider society from the operation of one of the most successful Public-Private-Partnerships in Europe. AIA pledges to continue to add value to all stakeholders, to act as a responsible operator and employer and to be an exemplary company in all its activities.

Spata, 26 April 2018

On behalf of the Board of Directors of Athens International Airport S.A.

Dr. Dimitrios Dimitriou

Chairman of the Board of Directors

ATHENS INTERNATIONAL AIRPORT

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017

IN ACCORDANCE WITH THE

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The attached Financial Statements are those that were approved by the Board of Directors of ATHENS INTERNATIONAL AIRPORT S.A. on 20 March 2018.
The Financial Statements and the Notes to the Financial Statements, as presented on pages 1 to 48, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and have been signed, on behalf of the Board of Directors by:

Chairman of the Board of Directors	**Dr. Dimitrios Dimitriou**	
Vice Chairman of the Board of Directors	**Holger Linkweiler**	
Chief Executive Officer	**Dr Ioannis N. Paraschis**	
Chief Financial Officer	**Panagiotis Michalarogiannis**	
Accounting & Tax Manager	**Alexandros Gatsonis**	

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INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016
Operating revenues	5.1	374,779,380	347,499,533
Other revenues	5.1	58,746,398	59,142,915
Total operating revenues		**433,525,777**	**406,642,448**
Operating expenses			
Personnel expenses		41,706,298	41,759,712
Outsourcing expenses		53,459,052	49,503,143
Public relations & marketing expenses		4,244,760	4,658,623
Utility expenses		8,785,755	8,554,580
Insurance premiums		1,677,099	1,829,272
Net provisions and impairment losses		6,636,894	7,922,678
Grant of rights fee - variable fee component		15,987,884	7,599,458
Other operating expenses		16,519,790	12,926,779
Total operating expenses		**149,017,533**	**134,754,245**
EBITDA		**284,508,245**	**271,888,203**
Depreciation & amortisation charges	5.2	76,559,706	74,209,512
Operating profit		**207,948,539**	**197,678,691**
Financial income	5.3	(116,439)	(430,680)
Financial costs	5.3	29,595,004	34,632,429
Net financial expenses	5.3	29,478,565	34,201,749
Subsidies received for borrowing costs	5.4	(21,359,734)	(25,583,924)
Profit before tax		**199,829,708**	**189,060,866**
Income tax expense	5.5	(59,780,635)	(56,669,454)
Profit after tax		**140,049,073**	**132,391,412**
Basic earnings per share	**5.6**	**4.67**	**4.41**

The notes on pages 9 to 48 are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016
Profit after tax		**140,049,073**	**132,391,412**
Other comprehensive income:			
Items that will not be classified to profit or loss			
Actuarial gains/(losses)	5.20	(262,672)	(511,762)
Deferred tax on actuarial gains/(losses)		76,175	148,411
Deferred tax due to change in tax rates		0	0
Items that may be subsequently reclassified to profit or loss			
Change in the fair value of available-for-sale financial assets	5.9	231,000	(8,250,000)
Deferred tax on the change in the fair value of available-for-sale financial assets	5.9	(66,990)	2,392,500
Recycling to profit or loss	5.9	0	8,019,000
Deferred tax on the recycling to profit or loss	5.9	0	(2,325,510)
Total comprehensive income for the year after tax		**140,026,586**	**131,864,051**

The notes on pages 9 to 48 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2017

ASSETS	Note	2017	2016
Non-current assets			
Property plant & equipment-owned assets	5.7	24,308,333	21,656,909
Intangible assets	5.8	609,737,703	667,697,001
Non-current financial assets	5.9	11,088,000	957,000
Other non-current assets	5.10	3,481,460	3,455,985
Total non-current assets		**648,615,496**	**693,766,896**
Current assets			
Inventories	5.11	5,623,024	5,745,316
Construction works in progress	5.12	2,470,539	5,175,040
Trade receivables	5.13	35,396,805	50,568,749
Current financial assets	5.9	0	87,549,512
Other receivables	5.14	87,825,141	53,698,773
Cash & cash equivalents	5.15	466,780,996	285,827,483
Total current assets		**598,096,505**	**488,564,872**
TOTAL ASSETS		**1,246,712,001**	**1,182,331,768**
EQUITY & LIABILITIES			
Equity			
Share capital	5.16	300,000,000	300,000,000
Statutory & other reserves	5.17	69,031,428	62,058,994
Retained earnings	5.18	218,443,242	125,889,090
Total equity		**587,474,670**	**487,948,084**
Non-current liabilities			
Bank loans	5.19	217,431,038	295,632,204
Employee retirement benefits	5.20	10,761,931	10,148,627
Provisions	5.21	19,764,431	17,906,069
Deferred tax liabilities	5.22	114,164,377	101,289,704
Other non-current liabilities	5.23	91,221,691	100,686,282
Total non-current liabilities		**453,343,468**	**525,662,886**
Current liabilities			
Bank loans	5.19	78,974,546	74,578,239
Trade & other payables	5.24	60,170,102	64,871,232
Income tax payable	5.22	46,896,777	16,542,254
Other current liabilities	5.25	19,852,438	12,729,074
Total current liabilities		**205,893,864**	**168,720,798**
Total liabilities		**659,237,332**	**694,383,684**
TOTAL EQUITY & LIABILITIES		**1,246,712,001**	**1,182,331,768**

The notes on pages 9 to 48 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share Capital	Reserves	Retained Earnings	Total Equity
Balance as at 31 December 2015	**300,000,000**	**55,966,785**	**114,717,249**	**470,684,034**
Comprehensive income				
Net profit for the year 2016	0	0	132,391,412	132,391,412
Other comprehensive income	0	(527,361)	0	(527,361)
Total comprehensive income	**0**	**(527,361)**	**132,391,412**	**131,864,051**
Transactions with owners				
Dividends distributed to the shareholders	0	0	(114,600,000)	(114,600,000)
Total transactions with owners	**0**	**0**	**(114,600,000)**	**(114,600,000)**
Transfer to statutory reserves	0	6,619,571	(6,619,571)	0
Balance as at 31 December 2016	**300,000,000**	**62,058,994**	**125,889,090**	**487,948,084**
Comprehensive income				
Net profit for the year 2017	0	0	140,049,073	140,049,073
Other comprehensive income	0	(22,487)	0	(22,487)
Total comprehensive income	**0**	**(22,487)**	**140,049,073**	**140,026,586**
Transactions with owners				
Dividends distributed to shareholders	0	0	(40,500,000)	(40,500,000)
Total transactions with owners	**0**	**0**	**(40,500,000)**	**(40,500,000)**
Transfer to statutory and other reserves	0	6,994,921	(6,994,921)	0
Balance as at 31 December 2017	**300,000,000**	**69,031,428**	**218,443,242**	**587,474,670**

The notes on pages 9 to 48 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016
Operating activities			
Profit for the year before tax		**199,829,708**	**189,060,866**
Adjustments for:			
Depreciation & amortisation expenses	5.2	76,559,706	74,209,512
Provision for impairment of trade receivables	5.13	(96,804)	(179,579)
Impairment (gain)/ loss on available-for-sale financial assets	5.9	0	8,019,000
Net financial expenses	5.3	29,478,565	34,190,442
(Gain)/loss on PPE disposals		(1,899)	(19,323)
Increase/(decrease) in retirement benefits		350,632	1,007,069
Increase/(decrease) in provisions		1,544,755	728,752
Increase/(decrease) in other assets/liabilities		(14,905,679)	(15,254,655)
Increase/(decrease) in working capital		(15,877,753)	15,334,870
Cash generated from operations		**276,881,231**	**307,096,954**
Income tax paid		(16,969,009)	(46,809,451)
Interest paid	5.3	(24,261,939)	(29,745,705)
Net cash flow from operating activities		**235,650,284**	**230,541,798**
Investment activities			
Acquisition of intangible assets - PPE		(18,545,431)	(10,520,313)
Interest received	5.3	122,480	446,847
Investments to financial assets	5.9	77,649,512	125,591,501
Dividends received from associate		216,260	451,719
Net cash flow from investment activities		**59,442,821**	**115,969,754**
Financial activities			
Dividends paid	5.18	(40,500,000)	(114,600,000)
Repayment of bank loans	5.19	(73,639,592)	(69,354,408)
Net cash flow from financial activities		**(114,139,592)**	**(183,954,408)**
Net increase / (decrease) in cash & cash equivalents		**180,953,513**	**162,557,144**
Cash & cash equivalents at the beginning of the year		**285,827,483**	**123,270,339**
Cash & cash equivalents at the end of the year		**466,780,996**	**285,827,483**

The notes on pages 9 to 48 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Incorporation & activities of the Company

Athens International Airport S.A. ("the Company" or "AIA") is active in the financing, construction and operation of civil airports and related activities. As a civil airport operator, the Company manages the AIA at Spata, Greece. The Company is a Societe Anonyme incorporated and domiciled in Greece. The address of its registered office is Spata, Attica 19019, with General Commercial Registry Number 2229601000.

The Company was established on 31 July 1995 by the Greek State & Private Investors for the purpose of the finance, construction, operation and development of the new international airport at Spata Attica. In exchange for the finance, construction, operation and development of the airport the Greek State granted the Company a 30-year's concession commencing on 11 June 1996. At the end of the concession arrangement (11 June 2026), subject to the stipulations of Article 33 of the Airport Development Agreement ("ADA") and without prejudice to all rights and obligations then having accrued to the Greek State and/or the Company, the airport together with all usufruct additions will revert to the Greek State, which will enjoy all rights of ownership over these without payment of any kind and clear of any security, unless the concession arrangement is renewed as provided by the Article 4.2 of the ADA.

Further to the discussions since 2016, between AIA and the Hellenic Republic Asset Development Fund (HRADF) as prescribed in Article 4.2 of the ADA and the relevant exchange of information between the two parties and their advisors, in May 2017 the BoD of HRADF approved the draft ADA Extension Agreement and invited AIA to submit its financial offer on the Concession Extension. AIA's financial offer was finally approved by the BoD of HRADF on 30 May 2017 and the offer was affirmed by the Extraordinary General Meeting of AIA's shareholders on 1 June 2017. Following the approval of the draft ADA Extension Agreement by the Inter-Ministerial Committee of Assets Restructuring and Privatisations of the Hellenic Republic published in the Government Gazette (FEK B' 3294/19.09.2017) and the publication of a voluntary ex ante transparency notice in the official journal of the European Union, the ADA Extension Agreement was signed on 30 September 2017 between AIA, HRADF and the Greek State. The Agreement foresees an extension of the ADA term until 11 June 2046 under the terms and conditions prescribed therein, including the payment by AIA of a financial consideration to HRADF. The Agreement will become effective upon the completion of the necessary approvals by the European Authorities, European Investment Bank ("EIB") and the ratification by the Hellenic Parliament. The latter processes commenced in 2017 and are ongoing.

The Company's return from air activities is capped at 15.0% on the capital allocated to air activities. In the event that the Company's actual compounded cumulative return exceeds 15.0%, in 3 out of any 4 consecutive financial periods, the Company is obliged to pay any excess return to the Greek State.

The terms and conditions of the concession for the AIA are stipulated in the ADA. The ADA and the Company's Articles of Association were ratified and enacted under Law 2338/14.09.1995.

The Company commenced its commercial operations in March 2001 following a construction period of approximately 5 years initiated in September 1996.

The number of open-ended staff employed at year-end was 598 employees, compared to 604 employees at the end of 2016.

The financial statements have been approved by the Board of Directors on 20 March 2018 and are subject to the approval of the Annual General Meeting of the shareholders.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have consistently been applied to all the years presented.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, IFRIC Interpretations and the Law 4308/2013 as applicable to companies reporting under IFRS. The Company's financial statements have been prepared under the historical cost convention, with the exception that the Available-for-sale financial assets are measured at fair value.

2.1.1 Going concern

As a result of the funding activities undertaken and the increased focus on working capital, the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current financing. Currently net interest expenses are covered by operating profits more than 6 times.
After making enquiries, management has reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.1.2 Changes in accounting policies and disclosures

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 7 (Amendments) "Disclosure Initiative"
These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"
These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)
IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Company is currently investigating the impact of IFRS 9 and no significant impact on its financial Statements is anticipated.

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 1 January 2019)
These amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a

specified condition is met—instead of at fair value through profit or loss. The amendments have not yet been endorsed by the EU.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018)
IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company is currently investigating the impact of IFRS 15 and no impact on its financial Statements is anticipated.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)
IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Company is currently investigating the impact of IFRS 16 and no significant impact on its financial Statements is anticipated.

IFRS 2 (Amendments) "Classification and Measurement of Shared-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)
The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) "Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance contracts*" (effective for annual periods beginning on or after 1 January 2018)
These amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39.

IAS 40 (Amendments) "Transfers of Investment Property" (effective for annual periods beginning on or after 1 January 2018)
The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IAS 28 (Amendments) "Long Term Interests in Associates and Joint ventures" (effective for annual periods beginning on or after 1 January 2019).

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9. The amendments have not yet been endorsed by the EU.

IFRIC 22 "Foreign currency transactions and advance consideration" (effective for annual periods beginning on or after 1 January 2018)
The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

IFRIC 23 "Uncertainty over income tax treatments" (effective for annual periods beginning on or after 1 January 2019)
The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRSs (2014 – 2016 Cycle) (effective for annual periods beginning on or after 1 January 2017)

The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 "Disclosures of Interests in Other Entities"
The amendment clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information.

IAS 28 "Investments in associates and Joint ventures"
The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Annual Improvements to IFRSs (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRS. The amendments have not yet been endorsed by the EU.

IFRS 3 "Business combinations"
The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"
The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"
The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"
The amendments clarify a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

2.2 Foreign currency translation

2.2.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's financial statements are presented in EURO (€), which is the Company's functional and presentation currency.

2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment mainly comprise movable assets, such as vehicles and furniture & fixtures which do not form part of the service concession intangible asset.
The items included under the heading "Property, plant & equipment" in the accompanying statement of financial position are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.
Depreciation is calculated using the straight-line method to allocate the cost of the various categories of property, plant and equipment to their residual values over their estimated useful lives, as follows:

Mechanical Equipment	10 years
Vehicles	6-10 years
Fixtures & Equipment	10 years
Hardware	5 years

Land, buildings, installations, fencing, aircraft ground power system, runways, taxiways, aircraft bridges and aprons held under the Service Concession Arrangement constitutes the total infrastructure that has been recognised as an intangible asset (refer to accounting policy 2.4).
The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains – net, in the income statement.

2.4 Intangible assets

2.4.1 Service concession arrangement

The Service Concession Arrangement refers to the ADA which governs the right that has been granted by the Greek State to the Company for the purpose of the finance, construction, operation and development of the AIA. The above right has a finite useful life of approximately 25 years which is equal to the duration of the concession arrangement following the completion of the construction phase.
The Service Concession Arrangement has been accounted under the intangible asset model since the Company, as operator, is paid by the users and the concession grantor has not provided any contractual guarantees with respect to the recoverability of the investment. The intangible asset corresponds to the right granted by the concession grantor to the Company to charge users of the airport services.
The Service Concession Arrangement consists of the fair value of acquiring the service concession which principally includes the cost of the usufruct and the costs incurred to construct the infrastructure (net of government grants received) as well as the present value of the fixed determined future obligations for the grant of rights fee payable to the Greek State as set out in the ADA.
Amortisation is calculated using the straight-line method to allocate the cost of the right over the duration of the Service Concession Arrangement which is approximately 25 years.
Any subsequent costs incurred in maintaining the serviceability of the infrastructure is expensed as incurred unless such cost relate to major upgrades which increase the income generating ability of the infrastructure. These costs are capitalised as part of the service concession intangible asset and are amortised on a straight-line basis over the remaining period of the Service Concession Arrangement.

2.4.2 Grant of rights fee, variable fee component

As set out in the ADA and in respect to the period after the twentieth anniversary of the Agreement Commencement Date and until the end of the Concession Period, the Company shall pay to the Greek State per quarter the higher of: (a) a fixed amount of €3,750,000 and (b) 25.0% of 15.0% of the Consolidated Operating Profits for the Financial Year of the Company ending immediately prior to such Quarter.
Consolidated Operating Profit is specifically defined in the ADA as:
(a) the operating profit of the Company and its Subsidiaries (before interest, extraordinary and exceptional items, taxation calculated on profits or distributions and similar charges), all as determined on a consolidated basis and excluding amounts attributable to minority interests in Subsidiaries, in respect of a Financial Year as shown by the Audited Accounts in respect of that Financial Year,
(b) less interest paid during that Financial Year (other than any interest paid on or as a result of a prepayment or acceleration of all or part of the relevant indebtedness) in respect of indebtedness for borrowed money incurred in respect of the provision, acquisition, construction, maintenance, repair, renewal and operation of the assets allocated to Air Activities.
The accounting for the Service Concession Arrangement continues as determined in 2.4.1, with the exception that the variable element of the Grant of Rights Fee is expensed to the income statement in the period in which it relates.

2.4.3 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are depreciated over their estimated useful lives (5 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the employee costs incurred as a result of developing software and an appropriate portion of relevant overheads.
Computer software development costs that recognised as assets are depreciated over their estimated useful lives (5 years).

2.5 Impairment of non-financial assets

Assets, such as the service concession intangible asset, that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the income statement and the carrying amount of the asset is reduced by the same amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial assets

2.6.1 Classification

The Company classifies its financial assets depending on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.
The Company has three classes of financial assets comprising held-to-maturity investments, loans and receivables and Available-for-sale financial assets. It does not hold any financial assets at fair value through profit and loss.
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting date, which are classified as non-current assets. The Company's loans and receivables recognised in the statement of financial position comprise "Trade and other receivables" and "Cash and cash equivalents". Refer to notes 2.8 and 2.9 respectively.
Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that company's management has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates at fair value through profit or loss
- those that the Company designates as Available-for-sale
- those that meet the definition of loans and receivables

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.6.2 Recognition and measurement

Regular-way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Loans and receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity financial assets are initially recognised at amortised cost and are subsequently measured at amortised cost using the effective interest rate method.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Available-for-sale financial assets are upon initial measurement recognized at fair value including any transaction cost that has been incurred upon acquisition. Subsequent to initial recognition Available-for-sale financial assets are measured at fair value. All gains and losses arising from changes in fair value are recognized directly in other comprehensive income, except with respect to impairment losses that are recognized in profit or loss.

2.6.3 Impairment

The Company assesses at each end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a probable 'loss event') and that probable loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Company about the following events:

- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in payments;
- It is becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, including:
  - ✓ adverse changes in the payment status of issuers or debtors; or
  - ✓ national or local economic conditions that correlate with defaults on the assets.

If there is objective evidence that an impairment loss has been incurred on trade receivables or held-to-maturity investments carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement under provision for impairment. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

As regards Available-for-sale financial assets, if there is objective evidence that impairment has been incurred, the amount that has to be recognized as an impairment loss is the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in the income statement. The impairment loss is transferred from other comprehensive income, where it has been previously recognised, to the income statement. Objective evidence of impairment is, either a significant in terms of fair value, or prolonged in terms of period, decline in the fair value of the financial asset. A decline is considered significant when the difference of the fair value and the cost of the financial asset reach 20.0% and irrespective of percentage difference is considered prolonged if the fair value is below its costs for a period of 6 months. Any subsequent reversals of impairment losses with respect to equity instruments cannot be recognized in profit or loss but have to be reflected as an increase directly in other comprehensive income.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.8 Trade receivables

Trade receivables are amounts due from customers for aeronautical and other services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs associated directly with the issue of new ordinary shares are shown in equity as a reduction, net of tax, from the proceeds.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.
Borrowing costs are capitalised if they are directly attributable to the acquisition or construction of a qualifying asset.
Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.13 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.
Government grants relating to borrowing and other related costs are recognised in the income statement to match them with the costs that they are intended to compensate.
Government grants relating to non-current assets are off-set against the cost of the relevant non-current asset. The grant is recognised as income over the life of the respective depreciable non-current asset by way of a reduction in the depreciation/amortisation charge.

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.
The current income tax charge is calculated on the basis of Greek tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Company's financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

2.15.1 Pension obligations

The Company has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
A defined benefit plan is a pension plan that typically defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.
The Company's obligations to pay employee retirement benefits under Law 2112/1920 are considered and accounted for as defined benefit plans.
The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.
Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.
Past-service costs are recognised immediately in income statement.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.15.2 Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

2.15.3 Bonus plans

The Company recognises a liability and an expense for bonuses based on achievement of predefined financial and operational targets. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Provisions

Provisions are recognised when: The Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions include the obligations under the Service Concession Arrangement to maintain the serviceability of major infrastructure components, such as runways, taxiways, aprons, etc. which require major overhauls at regular intervals during the concession period. Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.
The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2.17.1 Sales of services

Revenue from the sale of services is derived from "air activities" and "non-air activities".
"Air Activities" mean the provision of facilities, services and equipment for the purpose of landing, parking and servicing of aircrafts; the handling of passengers, baggage, cargo or mail on airport premises; and the transfer of passengers, baggage, cargo or mail to and from aircrafts and trains.
"Non-Air Activities" mean the provision, operation, maintenance, repair, renewal staffing and supervision of the following services, facilities and equipment: car parking, general retail shops, restaurants, bars and other refreshment facilities, vehicle rental, porter service, hotels etc.

Airport charges

Revenues related to airport charges are recognised in the income statement when the services are rendered. The criteria for the recognition of income related to airport charges is the aircraft's take off. Each arrival of an aircraft and its subsequent departure is considered as a cycle of movement/flight where all necessary services have been rendered.
Article 14 of ADA, sets the rules for defining the charges levied to the users of the airport with respect of the facilities and services provided at the airport. According to the aforementioned article, the Company is entitled to determine at its discretion the level of airport charges in order to achieve a maximum return of 15.0% per annum on the capital allocated to air activities.

Concession agreements

The Company's business area has at the balance sheet date, a total of 62 concession contracts, concerning the performance of various commercial activities at the airport.
A concession involves granting of rights to a concession holder to operate and manage a commercial activity in a specific location designated by the Company. The concession rights are calculated according to an agreed scale as a percentage of the sales generated by the concession holder subject to an annual minimum guaranteed fee. A separate part of the concession contract is entered into for the space required for warehouses, for which a fixed rent is payable.
Concession revenues are recognised in the income statement on a monthly basis, while the settlement of the annual concession fees is finally recognised by the Company in the income statement, at year-end.

2.17.2 Building space rentals and services

The Company rents properties held under the concession and located within the airport premises under operating leases. Revenue from such leases is recognised in the income statement on a straight-line basis over the lease term.

2.17.3 Parking fees

Revenues related to parking services to vehicles used by passengers and visitors to reach airport are recognized in the income statement when the service is concluded. The criterion for the recognition of revenue related to parking charges is the vehicle's departure. Each arrival of a vehicle and its subsequent departure is considered as a cycle of movement where all services have been rendered.

2.17.4 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.17.5 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.18 Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.19 Leases

Leases under which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made by the Company under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.
The Company does not lease any material property, plant or equipment under finance leases under which it substantially retains all the risks and rewards of ownership.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Fair value estimation and hierarchy

Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying value of receivables and payables are assumed to approximate their fair values at the balance sheet date. The fair value of financial assets held to maturity and Available-for-sale financial asset is assessed using quoted prices in active market (Level 1). The fair value of loans is estimated by the method of discounting the future contractual cash flows at the current market interest rate swaps for the average duration of the loan which corresponds to the average duration of the relevant debt obligation (Level 2). During the year there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 for the measurement of fair value.

2.22 Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20.0% and 50.0% of the voting rights. Investments in associates are initially recognised at cost and subsequently at cost less any impairment losses. Dividend income is recognised when the right to such income is established.
The Company's investment in its associate amounts to €3.25m as of 31 December 2017 represents less than 1.0% of total assets at that date. This investment has not been accounted for under the equity method of accounting on the basis that it is not considered to be material to the Company's operations and the departure from IAS 28 is unlikely to influence the economic decision of the users of these financial statements.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets, and attempts to minimize their potential negative influence on the financial performance of the Company.
The financial risk management of the Company is performed internally by a qualified unit, which operates under specific rules that have been approved by the Board of Directors.
The ongoing developments relating to the macroeconomic and financial environment in Greece have not significantly affected the operations and financial performance of the Company.
Historically, the Company has demonstrated increased resilience in the years of macroeconomic instability, combining financial performance with operational excellence and quality of services and therefore Management does not expect that the operations and financial position of the Company will be significantly affected in the foreseeable future. Despite all adversities, past and future, Management has and will continue to assess the situation and its possible impact, adjusting its operating strategy whenever necessary, in order to deliver financial and non-financial value to shareholders and other stakeholder parties.

3.1.1 Exchange rate risk

Exchange rate risk occurs if future business transactions, recognized assets and liabilities and net investments in activities outside the euro zone are expressed in a currency other than the functional currency of the Company (euro).
The Company’s exposure to foreign exchange risk is very limited since its business is substantially transacted in its functional currency.

3.1.2 Cash flow and fair value interest rate risk

The cash flow interest rate risk is the risk of fluctuations in the future cash flows of a financial instrument as a result of fluctuations in the market interest rate.
The Company has interest-bearing assets in the form of cash and cash equivalent (short term time deposits and other highly liquid investments), thus profits and cash flows from investment activities are dependent on market interest rates. During 2017 the Company’s cash and cash equivalent (short term time deposits and other liquid investments) did not produce any interest revenues (referring to yield from time deposits and current accounts), thus the effective interest rate amounted to 0.0% (2016: 0.0%). The impact from possible future interest rates on the Company’s financial performance, regarding cash and cash equivalents, is presented below:

	2017		2016	
Interest rates fluctuation	+1.0%	0.0%	+1.0%	0.0%
Impact on interest receipts	**4,812,690**	**0**	**2,877,672**	**0**

The Company is also exposed to interest rate risk arising from its long-term borrowings. Borrowings issued at variable interest rates expose the Company to cash flow interest rate risk while borrowings issued at fixed interest rates expose the Company to fair value interest rate risk.
The Company's borrowings are borrowings with fixed interest rates. Hence the financial performance cannot be affected by fluctuations in interest rates with respect to such loans. The fair value interest rate risk of such loans is presented in note 5.19 "Bank loans".
The fair value interest rate risk is the risk of fluctuations in the value of a financial instrument as a result of fluctuations in the market interest rate. The Company is exposed to fair value interest rate risk as a result of discounting liabilities and receivables of long term settlement. Such liabilities and receivables are discounted using the prevailing pre-tax risk-free rate which is affected by interest rates fluctuations. The impact from possible future interest rates on the Company's financial performance from liabilities of long term settlement is presented below:

	2017		2016	
Interest rates fluctuation	**+1.0%**	**-1.0%**	**+1.0%**	**-1.0%**
Grant of rights fee payable	400,814	(386,575)	440,745	(440,202)
Interest rates fluctuation	**+1.0%**	**0.0%**	**+1.0%**	**-1.0%**
Provision for major restoration expenses	(11,338)	7,066	152,288	(153,323)
Total impact on interest expenses	**389,476**	**(379,509)**	**593,034**	**(593,525)**

3.1.3 Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. The Company's exposure to equity securities price risk is limited to the investment in an unlisted entity which represents less than 1.0% of total asset. The Company is not exposed to commodity price risk.

3.1.4 Credit risk

Credit risk arises from cash and cash equivalents held with banks, short term and long term held-to-maturity financial assets and credit exposures from customers.

Cash and cash equivalents – Financial assets

For banks and financial institutions, only independently rated parties with minimum ratings described below, as set out under the Master Facility Agreement between the Company and the European Investment Bank (EIB), are acceptable. The Company could cooperate with banks or financial institutions or proceed with the purchase of financial assets that satisfy the following criteria:

- Long term unsecured and unguaranteed debt should be rated at:
    a. A3 or higher by Moody's; or
    b. A- or higher by S&P; or
    c. A- or higher by Fitch
- The maturity date of an investment should not exceed the period of 2 years from the investment date
- Operates a branch in Greece or such other places as may be agreed between the Company and EIB; and

- Is acceptable by EIB

All cooperation banks are acceptable by EIB.

The analysis of financial assets and bank deposits' balances based on credit ratings is presented in the following table:

	2017		2016	
	AAA to A-	**CCC to RD**	**AAA to A-**	**CCC to RD**
Held-to-maturity financial assets	0	0	87,549,512	0
Available-for-sale financial assets	0	1,188,000	0	957,000
Restricted cash financial assets	9,900,000	0	0	0
Bank deposits' balances	464,375,931	400,361	283,393,903	431,277
Total	**474,275,931**	**1,588,361**	**370,943,415**	**1,388,277**

The above criteria are satisfied with respect to the Held-to-maturity financial assets and the Bank deposits' balances. As regards the investment in the Available-for-sale financial asset, for which the above criteria are not satisfied, the Company obtained the consent and waiver of EIB on 1/12/2016. Further information is presented in notes 5.9 and 5.19.

Trade receivables

Regarding credit exposure from customers, the Company has an established credit policy and procedures in place aiming to minimise collection losses. Credit control assesses the credit quality of the customers, taking into account independent credit ratings where available, their financial position, past experience in payments and other relevant factors. Cash and other collateral are obtained from customers when considered necessary under the circumstances.

Trade and other receivables are analysed as follows in terms of credit risk:

Trade and other receivables subject to impairment testing	2017	2016
Fully performed	14,601,047	23,570,484
Past due but not impaired	30,517,654	32,974,390
Impaired	2,460,490	3,265,105
Total trade and other receivables subject to impairment testing	**47,579,191**	**59,809,979**

Any past due account that is fully covered by guarantees or collaterals given is not tested for impairment.

The aging analysis of the past due, but not impaired amount is presented in the following table:

Aging analysis of past due but not impaired receivables	2017	2016
1-30 days	17,912,448	14,094,663
31-60 days	4,916,781	4,843,507
Over 60 days	7,688,425	14,036,220
Total of past due but not impaired receivables	**30,517,654**	**32,974,390**

Credit quality of financial assets

The credit quality of the financial assets is quite satisfactory, taking into account the allowance for doubtful debt. The Company has established a credit policy which requires the customers to extend securities for the use of airport's services and facilities. The securities held by the Company are in the form of cash deposits and bank letter of guarantee. The fair value of the collaterals held by the Company as at 31 December 2017 is analysed as follows:

Fair value of collaterals held	**2017**	**2016**
Letter of guarantees	63,555,986	61,286,818
Cash deposits	27,559,497	30,731,694
Total fair value of collaterals held	**91,115,483**	**92,018,511**

The collaterals above have been received against the outstanding balance of all trade receivable accounts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to information about counterparty secured amounts:

	2017	**2016**
Group 1 – Fully secured	8,942,809	17,772,428
Group 2 – Partially secured	5,330,592	5,274,470
Group 3 – Not secured	327,647	523,586
Total	**14,601,048**	**23,570,484**

Provision for impairment

As of 31 December 2017, trade receivables of €32,978,144 (2016: €36,239,495) were partially or fully tested for impairment and adequately provided for their unsecured amount. The amount of provision stood at €2,416,675 as of 31 December 2017. The individually impaired receivables mainly relate to customers, who are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. In addition, the provision relating to receivables collected during the year has been reversed.
Movements on the provision for impairment of trade receivables are as follows:

	2017	**2016**
At 1 January	2,513,479	2,693,058
Addition (release) of provision for receivables impairment	(96,804)	(179,579)
At 31 December	**2,416,675**	**2,513,479**

The creation and release of provision for impaired receivables have been included in "Net provisions and impairment loses" in the income statement. The other classes within trade receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the value of total provision for impairment of trade receivables.

3.1.5 Concentration of credit risk

The Company is exposed to concentration risk attributed to the concentration of the trade receivables and cash balances and financial assets.
The Company has a high concentration of credit risk with respect to 2 carriers (2016: 2 carriers) which represents higher than 10.0% of its aeronautical revenues.
For bank balances and deposits, there is a significant concentration of credit risk with respect to 2 banks (2016: 2 banks), which hold more than 10.0% of the Company's cash balances and deposits. However, no financial loss is expected based on what has been referred above in note 3.1.4 for cash balances and financial assets.

3.1.6 Liquidity risk

Liquidity risk is the risk that the entity will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that is has sufficient cash to meet operational needs, to fund scheduled investments and debt and to comply with loan covenants. As at 31 December 2017 no cash and cash equivalents were subject to capital controls through effective cash management (€ 41.0m in 2016).

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the balance sheet, as the impact of discounting is not significant.

At 31 December 2017	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
Borrowings	95,128,776	95,148,992	142,663,610	0
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	51,833,333
Trade and other payables	55,631,818	0	0	0
Total	**165,760,594**	**110,148,992**	**187,663,610**	**51,833,333**

At 31 December 2016	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
Borrowings	95,142,340	95,128,776	237,812,602	0
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	66,833,333
Trade and other payables	60,222,183	0	0	0
Total	**170,364,523**	**110,128,776**	**282,812,602**	**66,833,333**

Grant of Rights Fee payable relates to the fixed determined future obligations (refer to note 2.4.1).

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, use excess cash to repay its borrowings (subject to the termination provisions of the respective loan agreements) or sell assets not pledged as security, to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "Current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents and current held-to-maturity financial assets. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 31 December 2017 and 2016 were as follows:

Gearing ratio	2017	2016
Total borrowings	295,632,204	369,271,797
Less: Cash & cash equivalent and current financial assets	(466,780,996)	(373,376,995)
Net debt	**(171,148,792)**	**(4,105,198)**
Total capital – (equity plus net debt)	416,325,878	483,842,886
Gearing ratio	**-41%**	**-1%**

Current held-to-maturity financial assets are also included in the above calculation, as they are an integral part of the Company's overall cash management strategy.

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are disclosed below.

4.1.1 Taxes

The internal control procedures for the related tax risks are part of Company's control system. The general tax risk for the Company concerns the timely submission of complete tax returns, the payment of the tax amounts concerned as well as compliance with all tax laws and regulations and reporting rules specifically relating to corporate income tax.
The Company is subject to income tax, VAT and other taxes in Greece. Significant judgment is sometimes required in determining the Company's tax position for such taxes in certain instances due to the particular tax regime, under the ADA, applicable to the Company's operations, which is subject to challenge by the tax authorities on the grounds of ambiguity or different interpretation with tax laws. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will arise or tax losses reduced. Where that final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax, deferred tax and other tax assets and liabilities in the period during which such determination is made.

4.1.2 Provision for restoration cost

Provision for restoration cost includes future expenses for the major overhauls of roads, runways, taxiways and replacement of airfield lighting and baggage handling equipment. Significant estimates are required to determine the level of provision such as the timing of the expenditure, the extension of the works and the amount that it will be expensed in the future. The nominal value of the provision for restoration cost is annually determined by a qualified department within the Company based on international experience and the specific conditions relating to the operations of the airport. The amount of the provision is discounted at balance sheet date by using the risk-free rate for similar time duration.

4.2 Critical judgments in applying the entity's accounting policies

There were no critical judgments necessary in applying the Company's accounting policies.

5 Notes to the financial statements

5.1 Revenues

Analysis of revenues	2017	2016
Air activities		
Airport charges	211,073,759	192,201,771
Centralized infrastructure & handling related revenues	47,803,331	46,427,198
Building and ground rentals & concessions	25,305,860	25,927,829
IT&T and other Services	4,830,709	4,818,020
Other	58,514,509	58,300,638
Total air activity revenues	**347,528,168**	**327,675,456**
Non-air activities		
Concession activities	53,723,404	48,246,722
Parking services	13,324,944	13,418,384
Building and ground rentals & concessions	14,838,888	13,571,562
IT&T and other Services	3,878,485	2,888,047
Other	231,888	842,276
Total non-air activity revenues	**85,997,609**	**78,966,992**
Total revenues	**433,525,777**	**406,642,448**

Operating revenues were measured at the fair value of the consideration received or receivable, taking into account the amount of any trade discounts or tax-volume rebates.
The fair value of the consideration received, or receivable is equal to the invoiced amount, since the Company doesn't formally provide any deferred credit terms to its customers, in the form of interest-free instalments or at below market interest rates.
The Company, in cases where it is likely, based on estimations, that the economic benefits related to a transaction are not expected to flow to the entity, does not recognise the revenue of the specific transaction.
As at the balance sheet date, the Company has contracted with tenants for the following minimum non-cancellable operating lease payments:

Analysis of minimum lease payments	2017	2016
Within one year	16,131,252	16,608,000
Between one and five years	57,575,177	60,675,564
More than five years	29,598,107	40,966,139
Total minimum lease payments	**103,304,535**	**118,249,704**

Concession fees earned for the year ended 31 December 2017 include turnover linked fees in excess of base concession fees amounting to €6,643,758 (2016: €8,720,116).

5.2 Depreciation & amortisation charges

Analysis of depreciation & amortisation charges	2017	2016
Depreciation of owned assets	4,284,413	3,444,023
Amortisation of intangible assets	87,352,070	85,842,266
Amortisation of cohesion fund related to intangible assets	(15,076,777)	(15,076,777)
Total depreciation & amortisation expenses	**76,559,706**	**74,209,512**

5.3 Net financial expenses

Analysis of net financial expenses	2017	2016
Financial expenses		
Interest expenses and related costs on bank loans	21,256,921	25,583,924
Unwinding of discount for long term liabilities	5,488,831	6,702,622
Other financial expenses	2,849,253	2,334,576
Financial expenses	**29,595,004**	**34,621,122**
Financial revenues		
Interest income	(116,439)	(430,680)
Financial revenues	**(116,439)**	**(430,680)**
Net financial expenses	**29,478,565**	**34,190,442**

Interest and related expenses amounting to €24,261,939 (2016: €29,745,705) were paid during the year ended 31 December 2017.
The weighted average interest rate earned by the Company on its cash surplus (investments in time deposits and financial assets) for 2017 was approximately zero (2016: 0.0%). The average maturity of the Company's investments (time deposits and held-to-maturity financial assets) for 2017 was 152 days (2016: 398 days).
Interest income amounting to €122,480 (2016: €446,847) was received during the year ended 31 December 2017.

5.4 Subsidies received

Airport Development Fund (ADF)

In accordance with Law 2065/1992, as amended with Law 2892/2001, the Greek State imposed a levy on passengers older than 5 years old departing from Greek Airports, amounting to €12 for EU passengers and €22 for non-EU passengers, for the purpose of ensuring that passengers share the responsibility for funding the commercial aviation infrastructure within the Hellenic Republic. From 11 April 2017 onwards, in accordance with Law 4465/2017, and until 1 November 2024 the levy is decreased to €12 for non-EU passengers and as of 1 November 2024 to €3 for all passengers.
A passenger fee is collected by the airlines and consequently refunded to the Hellenic Civil Aviation Authority on a monthly basis, through bank accounts opened at the Bank of Greece for each airport, in favour of the Hellenic Civil Aviation Authority.
For the year ended 31 December 2017 the Company was entitled to subsidies under the ADF amounting to €79,860,546 (2016: €83,341,394) as analysed below:

Analysis of subsidies receivable	2017	2016
Receivables meeting interest and related expenses	21,359,734	25,583,924
Excess over borrowing cost	58,500,812	57,757,470
Total subsidies receivable	**79,860,546**	**83,341,394**

Any subsidies receivable in excess of qualifying interest and related expenses for the year are shown as other revenues in line with the accounting policy 2.13.

5.5 Income tax expense

Domestic income tax is calculated at 29.0% (2016: 29.0%) on taxable income or, in circumstance where the Company has tax losses carried forward, on gross dividends declared for distribution. (For further information refer to note 5.22).
The total income taxes charged to the income statement are analysed as follows:

Analysis of income tax expense	2017	2016
Current Income Tax	(46,896,777)	0
Income tax on dividends distributed	0	(16,542,253)
Deferred income tax	(12,883,858)	(40,127,201)
Total income tax expense for the year	**(59,780,635)**	**(56,669,454)**

The following is the reconciliation between income taxes as presented in the income statement, with those resulting from the application of the enacted tax rates:

Reconciliation of effective income tax rate	Rate	2017	Rate	2016
Profit before tax for the year		**199,829,708**		**189,060,866**
Income tax	29.0%	(57,950,615)	29.0%	(54,827,651)
Expenses not deductible for tax purposes	0.95%	(1,892,735)	1.04%	(1,972,801)
Revenues relieved from income tax	(0.03)%	62,715	(0.07)%	130,998
Total income tax expense for the year	**29.92%**	**(59,780,635)**	**29.97%**	**(56,669,454)**

Refer to notes 5.22 and 5.28 for further analysis of income and deferred taxes.

5.6 Basic earnings per share

Basic earnings per share are calculated by dividing the Company's net profits after taxes by the weighted average number of shares during the year as follows:

Analysis of earnings per share	2017	2016
Profit of the year attributable to shareholders	140,049,073	132,391,412
Average no of shares during the year	30,000,000	30,000,000
Earnings per share for the year	**4.67**	**4.41**

There were no new shares issued or existing shares repurchased during the year. The average number of shares remained unchanged. The Company does not have any potential dilutive instruments.

5.7 Property plant & equipment-owned assets

Acquisition cost	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
	Property plant & equipment-owned assets					
Balance as at 1 January 2016	**40,000**	**20,719,326**	**36,269,694**	**80,802,424**	**(17,437,643)**	**120,393,800**
Acquisitions	0	55,315	40,858	449,858	0	546,031
Disposals	0	0	(867,376)	(2,000,094)	0	(2,867,470)
Transfers	0	0	994,717	3,189,082	0	4,183,800
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2016	**40,000**	**20,774,641**	**36,437,893**	**82,441,270**	**(17,437,643)**	**122,256,161**
Balance as at 1 January 2017	**40,000**	**20,774,641**	**36,437,893**	**82,441,270**	**(17,437,643)**	**122,256,161**
Acquisitions	0	3,025	88,161	569,062	0	660,248
Disposals	0	0	(316,727)	(51,243)	0	(367,970)
Transfers	0	25,746	464,278	5,785,567	0	6,275,590
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2017	**40,000**	**20,803,412**	**36,673,605**	**88,744,656**	**(17,437,643)**	**128,824,029**

Depreciation	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
	Depreciation of owned property plant & equipment					
Balance as at 1 January 2016	**0**	**7,372,342**	**34,891,499**	**75,196,471**	**(17,437,644)**	**100,022,668**
Depreciation charge for the year	0	1,299,839	406,515	1,737,670	0	3,444,024
Disposals	0	0	(867,376)	(2,000,064)	0	(2,867,440)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2016	**0**	**8,672,181**	**34,430,638**	**74,934,077**	**(17,437,644)**	**100,599,252**
Balance as at 1 January 2017	**0**	**8,672,181**	**34,430,638**	**74,934,077**	**(17,437,644)**	**100,599,252**
Depreciation charge for the year	0	1,279,766	484,018	2,520,629	0	4,284,413
Disposals	0	0	(316,727)	(51,242)	0	(367,969)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2017	**0**	**9,951,947**	**34,597,929**	**77,403,464**	**(17,437,644)**	**104,515,696**

Carrying Amount	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
	Carrying amount of owned property plant & equipment					
As at 1 January 2016	**40,000**	**13,346,984**	**1,378,195**	**5,605,953**	**1**	**20,371,132**
As at 31 December 2016	**40,000**	**12,102,460**	**2,007,255**	**7,507,193**	**1**	**21,656,909**
As at 1 January 2017	**40,000**	**12,102,460**	**2,007,255**	**7,507,193**	**1**	**21,656,909**
As at 31 December 2017	**40,000**	**10,851,465**	**2,075,676**	**11,341,192**	**1**	**24,308,333**

5.8 Intangible assets

Acquisition cost	Concession assets	Cohesion fund	Software & other	Total
	Intangible assets			
Balance as at 1 January 2016	**2,091,657,468**	**(380,686,471)**	**17,704,298**	**1,728,675,294**
Acquisitions	170,017	0	86,776	256,793
Disposals	0	0	0	0
Transfers	2,921,326	0	740,377	3,661,703
Reclassifications	0	0	0	0
Balance as at 31 December 2016	**2,094,748,811**	**(380,686,471)**	**18,531,451**	**1,732,593,790**
Balance as at 1 January 2017	**2,094,748,811**	**(380,686,471)**	**18,531,451**	**1,732,593,790**
Acquisitions	113,256	0	156,961	270,217
Disposals	0	0	0	0
Transfers	13,085,852	0	959,927	14,045,779
Reclassifications	0	0	0	0
Balance as at 31 December 2017	**2,107,947,919**	**(380,686,471)**	**19,648,339**	**1,746,909,786**

Depreciation	Concession assets	Cohesion fund	Software & other	Total
	Depreciation of intangible assets			
Balance as at 1 January 2016	**1,200,923,094**	**(222,380,259)**	**15,588,467**	**994,131,302**
Depreciation charge for the year	85,082,235	(15,076,777)	760,030	70,765,488
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2016	**1,286,005,329**	**(237,457,036)**	**16,348,497**	**1,064,896,790**
Balance as at 1 January 2017	**1,286,005,329**	**(237,457,036)**	**16,348,497**	**1,064,896,790**
Depreciation charge for the year	86,107,983	(15,076,777)	1,244,087	72,275,293
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2017	**1,372,113,312**	**(252,533,813)**	**17,592,584**	**1,137,172,083**

Carrying amount	Concession assets	Cohesion fund	Software & other	Total
	Carrying amounts of intangible assets			
As at 1 January 2016	**890,734,374**	**(158,306,212)**	**2,115,831**	**734,543,993**
As at 31 December 2016	**808,743,482**	**(143,229,435)**	**2,182,954**	**667,697,001**
As at 1 January 2017	**808,743,482**	**(143,229,435)**	**2,182,954**	**667,697,001**
As at 31 December 2017	**735,834,607**	**(128,152,658)**	**2,055,755**	**609,737,703**

The concession assets represent the right granted to the Company by the Greek State for the use and operation of the Athens International Airport under the ADA.

5.9 Financial assets

Held-to-maturity financial assets are analysed as follows:

Analysis of Held-to-Maturity Financial Assets	2017	2016
Bonds EIB	0	15,507,687
Bonds EFSF	0	56,174,962
Corporate bonds	0	15,866,863
Total Held-to-Maturity Financial assets	**0**	**87,549,512**

Held-to-maturity financial assets are measured at amortized cost. The fair value measurement of the held-to-maturity financial assets was categorised as Level 1. As of balance sheet date the Company held no Held-to-maturity financial assets.
Available-for-sale financial assets are analysed as follows:

Available-for-Sale Financial Assets	2017	2016
Attica Bank shares	1,188,000	957,000
Total Available-for-Sale Financial Assets	**1,188,000**	**957,000**

Available-for-sale financial assets are measured at fair value. The acquisition cost of the Available-for-sale financial asset amounted to €9,900,000, whereas the fair value as of 31 December 2016 was €957,000. As of Balance Sheet date the fair value of the Available- for-sale financial asset amounted to €1,188,000. A fair value gain of €231,000 was recognized in other comprehensive income. As of post balance sheet date 16 February 2018 the fair value of the Available-for-sale financial asset amounted to €1,079,100.
As explained in notes 3.1.4 and 5.19, the Available-for-sale financial assets acquired are not "Authorised Investments" as defined in the loan agreements entered into between the Company and EIB with respect to the Company's borrowings. In accordance with the provisions of the aforementioned agreements, the Company obtained the consent and waiver of EIB for this investment on 01 December 2016. The waiver imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the Available-for-sale financial asset (€9,900,000) that is classified as restricted cash.
Based on their maturity date, these assets are classified as follows:

Financial Assets	2017	2016
Current financial assets		
Current financial assets	0	87,549,512
Total Current financial assets	**0**	**87,549,512**
Non-current financial assets		
Non-current financial assets-Available-for-Sale	1,188,000	957,000
Non-current financial assets-Restricted cash	9,900,000	0
Total Non-current financial assets	**11,088,000**	**957,000**
Total Financial Assets	**11,088,000**	**88,506,512**

With respect to presentation in the Cash Flow Statement line "Investments to financial assets" amounting to €77,649,512, comprises of the disposal of Held to Maturity financial assets of €87,549,512 and transfer of cash of €9,900,000 (Attica Sub-Account).

5.10 Other non-current assets

Other non-current assets are analysed as follows:

Analysis of other non-current assets	2017	2016
Investment in associates	3,245,439	3,245,439
Long term guarantees	236,021	210,546
Total other non current assets	**3,481,460**	**3,455,985**

Long term guarantees relate to guarantees given to lessors for operating lease contracts, and were measured at their present value, by discounting future cash flow transactions with the weighted average borrowing rate of the Company.

5.11 Inventories

Inventory items are analysed as follows:

Analysis of inventories per category	2017	2016
Merchandise	582,415	672,509
Consumables	891,258	930,750
Spare parts	4,769,127	4,607,402
Inventory impairment	(619,776)	(465,345)
Total inventories	**5,623,024**	**5,745,316**

During 2017, an impairment provision of €154,431 was recognized in the income statement in order to reflect the accumulated provision for certain obsolete and slow-moving items to €619,776.

5.12 Construction works in progress

Analysis of construction works in progress	2017	2016
Construction works in progress	2,470,539	5,175,040
Total construction works in progress	**2,470,539**	**5,175,040**

Construction works in progress mainly refer to additions and improvements on the existing infrastructure assets such as technical works, building and facilities, roads etc. These assets will be returned to the Grantor at the end of the Concession Period, together with all other infrastructure assets as described in note 1. Upon the completion of the construction, such assets related to the infrastructure, will increase either the cost of the concession intangible asset or the owned assets.

5.13 Trade receivables

Trade receivable accounts are analysed as follows:

Analysis of trade receivable accounts	2017	2016
Domestic customers	26,954,565	39,916,791
Foreign customers	1,869,942	2,745,244
Greek state & public sector	6,763,459	7,529,254
Accrued revenues	2,225,515	2,890,938
Provision for impairment of trade receivables	(2,416,675)	(2,513,479)
Total trade receivable accounts	**35,396,805**	**50,568,749**

All receivables are initially measured at their fair value, which is equivalent to their nominal value, since the Company extends to its customers short-term credit. Should any of the trade receivable accounts exceed the approved credit terms, the Company charges such customers default interest, (that is, interest on overdue accounts) at 6 months Euribor interest rate plus a pre-determined margin, as stipulated in the respective customer agreements. Such interest is only recognised when it is probable that the income will be collected.
During 2017 a provision release of €96,804 was recognized in the income statement, resulting in an impairment provision as at 31 December 2017 of €2,416,675 (2016: €2,513,479).

5.14 Other receivables

Other receivable accounts are analysed as follows:

Analysis of other receivable accounts	2017	2016
Accrued ADF	67,888,957	9,804,466
Other	19,936,184	43,894,307
Total other receivable accounts	**87,825,141**	**53,698,773**

Accrued ADF represents the amount of the passengers' airport fee attributable to the Company, which had not been collected by the Company at year-end. Part of the accrued ADF of €16,400,000 was collected on 5 February 2018 and the remaining is estimated to be collected progressively in year 2018.
Other Accounts Receivable mainly consists of payments for taxes and duties carried out by the Company, that relate to various tax disputes, as required by relevant laws in order for the tax disputes to be referred to the competent Courts for resolution. The Company has assessed that these amounts are fully refundable upon the successful resolution of the legal cases. The major tax disputes as referred also in note 5.28 Contingent Liabilities and involve taxes imposed for VAT, Property Taxes, Special Once Off Taxes and Municipal Charges.

5.15 Cash and cash equivalents

Cash and cash equivalents are analysed as follows:

Analysis of cash & cash equivalents	2017	2016
Cash on hand	2,004,704	2,002,303
Current & time deposits	464,776,293	283,825,180
Total cash & cash equivalents	**466,780,996**	**285,827,483**

5.16 Share capital

The issued Share Capital of the Company has been fully paid by the shareholders and comprises 30,000,000 ordinary shares of €10 each amounting to €300,000,000.
The Company is jointly controlled by the Greek State (25.0% of the shares), the Hellenic Republic Asset Development Fund (30.0% of the shares), the AviAlliance and other private shareholders (45.0% of the shares).

5.17 Statutory & other reserves

Under Greek Corporate Law it is mandatory to transfer 5.0% of the net after tax annual profits to form the legal reserve, which is used to offset any accumulated losses. The creation of the legal reserve ceases to be compulsory when the balance of the legal reserve reaches 1/3 of the registered share capital.
At 31 December 2017 the Company's legal reserve increased by an amount of €7,002,454 (2016: €6,619,571) and amounted to €68,606,603 (2016: €61,604,149).
In addition, there are a reserve for tax purposes amounting to €352,604 (2016: €360,137), a reserve for actuarial gains/losses recognized due to the adoption of the amended IAS 19, amounting to €(91,789) (2016: €94,708) and a reserve for Available-for-sale financial assets valuation amounting to €164.010 (2016:€0).

Analysis of other reserves	2017	Movement	2016
Statutory reserves	68,606,603	7,002,454	61,604,149
Reserves for tax purposes	352,604	(7,533)	360,137
Actuarial gains/(losses) reserve net of tax	(91,789)	(186,497)	94,708
Available-for-sale financial assets reserve net of tax	164,010	164,010	0
Totals	**69,031,428**	**6,972,434**	**62,058,994**

5.18 Retained earnings

In accordance with Greek Corporate Law, companies are required each year, to declare dividends of at least 35.0% of after tax profits, after allowing for the legal reserve.
In addition, the prevailing bank loan agreements impose specific conditions for the permitted dividend distribution, which have been fulfilled since 2003 when the Company was in the financial position to distribute dividends. The dividends paid in 2017 were €40,500,000 (€1.35 per share). Given the additional short term financial obligations for the Company arising from the "Airport Development Agreement" Extension Agreement, no dividend distribution to the Shareholders is to be proposed at the Annual General Meeting.

5.19 Bank loans

Borrowings are analysed as follows:

Analysis of loans	2017	2016
Long term loans		
EIB loan	217,431,038	295,632,204
Total long term loans	**217,431,038**	**295,632,204**
Short term loans		
EIB loan	78,201,166	73,639,593
Accrued interest & related expenses	773,380	938,646
Total short term loans	**78,974,546**	**74,578,239**
Total bank loans	**296,405,584**	**370,210,443**

The Company and EIB, under a supplemental agreement signed on 19 December 2008 between them, agreed to partial release the Greek State's Guarantee on the outstanding balance of EIB Loan and to modify certain terms of the EIB Master Facility Agreement related to the applicable interest rates. The modified terms are effective from 31 July 2009 and include the consolidation and division of the outstanding balance of the initial loan into two loans, Loan A and Loan B. As of 31 December 2017, Loan A was fully repaid while the outstanding balance of Loan B was €295,632,204.
The weighted average interest rate for all tranches under Loan B is 6.12%.
All the covenants set under the EIB Master Facility Agreement have been fulfilled as of 31 December 2017. As explained in notes 3.1.4 and 5.9, as of 1 December 2016, and following the negotiations with EIB and the Greek State in its capacity as EIB Loan Guarantor, the Company obtained the waiver of EIB for the investment of €9,900,000 in the Available-for-sale financial asset that did not meet the criteria of "Authorised Investments". The waiver imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the Available-for-sale financial asset (€9,900,000) and the decrease of the amount available for Dividend distribution to the Company's Shareholders by the balance of the Attica Sub-Account. The relevant Attica Sub-Account opened on 1 December 2016 and the amount of €9,900,000 was deposited on 2 January 2017.
The Company may only transfer amounts out of this bank account in situations where the Company has disposed of some or all of its shares in Attica Bank on market terms. Furthermore, in terms of this remediation agreement, any funds left over once the entire Attica Bank shareholding is disposed of, will be transferred into the Proceeds account.
The amortised cost of the long term financial liabilities at fixed interest rates (i.e. EIB Loan) is determined using the effective interest rate method, by discounting the future contractual cash flows with the effective interest rate applied to those liabilities. The fair value of the financial liabilities at fixed interest rates is determined by discounting the future contractual cash flows with the current mid-swap interest rate for the average loan life period of such liabilities. The fair value measurement of the financial liabilities is categorised as Level 2.

Fair value of the borrowings	2017	2016
Carrying amount	295,632,204	369,271,797
Fair value	330,952,805	424,890,870
Excess of fair value over carrying amount	**(35,320,601)**	**(55,619,073)**

All borrowings are denominated in Euro, the functional currency of the Company.

5.20 Employee retirement benefits

In accordance with Greek labour law, employees are entitled to compensation payments in the event of dismissal or retirement with the amount of payment varying depending on the employee's compensation, length of service and manner of termination (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to termination payments. The amount payable in the event of retirement is equal to 40.0% of the amount which would be payable upon dismissal without cause.

The provision for employees' retirement benefits is reflected in the attached statement of financial position in accordance with IAS 19R and is calculated, as at the balance sheet date (31 December 2017), based on an independent actuarial study performed by Hewitt.

The results of any valuation depend upon the assumptions employed. Thus, as at 31 December 2017:

- If the discount rate used were 1.0% higher, then the DBO would be lower by about €1.58m.
- If the discount rate used were 1.0% lower, then the DBO would be higher by about €1.89m.

The results of the actuarial study for the provision for employee retirement benefits as computed by the actuary are shown below:

Actuarial study analysis	2017	2016
Principal actuarial assumptions at 31 December 2017		
Discount rate	1.63%	1.79%
Range of compensation increase	0%-3.0%	0%-3.0%
Plan duration	16.26	17.38
Present value of obligations	10,761,931	10,148,627
Net liability / (asset) in the balance sheet	**10,761,931**	**10,148,627**
Components of income statement charge		
Service cost	272,613	389,994
Interest cost	181,101	207,277
Recognition of past service cost	0	443,201
Settlement/curtailment/termination loss	118,386	113,043
Total income statement charge	**572,100**	**1,153,515**
Movements in net liability / (asset) in the balance sheet		
Net liability/(asset) at the beginning of the period	10,148,627	8,629,797
Benefits paid directly	(221,468)	(146,446)
Total expense recognised in the income statement	572,100	1,153,514
Total amount recognized in the OCI	262,672	511,762
Net liability / (asset) in the balance sheet	**10,761,931**	**10,148,627**
Reconciliation of benefit obligations		
DBO at start of the period	10,148,627	8,629,797
Service cost	272,613	389,993
Interest cost	181,101	207,277
Benefits paid directly by the Company	(221,468)	(146,446)
Extra payments or expenses/(income)	118,386	113,043
Obligation of past service cost	0	443,201
Actuarial loss/(gain)	262,672	511,762
DBO at the end of the period	**10,761,931**	**10,148,627**
Remeasurements		
Liability gain/(loss) due to changes in assumptions	(234,712)	(742,118)
Liability experience gain/(loss) arising during the year	(27,960)	230,356
Total actuarial gain / (loss) recognised in OCI	**(262,672)**	**(511,762)**

An actuarial loss (the difference between expected and actual DBO as at the end of 2017) of €262,672 arose during the year due to the following factors:

- Change in financial assumptions: the equivalent discount rate decreased from 1.79% to 1.63%, producing a loss of €280,270. The inflation and salary increase assumptions have both decreased producing a gain of €45,558. Thus, the change in financial assumptions gives rise to an overall actuarial loss of €234,712.
- Experience: loss of €27,960 mainly due to population mobility being higher than expected.

According to IAS19 Revised, the entire actuarial gains or losses that arise in each accounting period are recognized immediately in the Statement of Other Comprehensive Income (OCI). In this case, the loss arising over 2017 (i.e. €262,672) is recognized as a loss in the OCI statement.

5.21 Provisions

Analysis of provisions	As at 1 Jan 2017	Additions	Utilisations	Releases	As at 31 Dec 2017
Restoration expenses	15,000,363	673,221	563,456	0	15,110,128
Net other provisions	2,905,706	1,748,598	0	0	4,654,303
To be settled over 1 year	**17,906,069**	**2,421,819**	**563,456**	**0**	**19,764,431**
Total provisions	**17,906,069**	**2,421,819**	**563,456**	**0**	**19,764,431**

The provision for restoration expenses relates to the future expenses that result from the Company's contractual obligations to maintain or to restore the infrastructure to a specified condition before it is handed over to the Greek State at the end of the service concession arrangement. It is expected that an aggregate amount of €17.70m will be spent on major restoration activities commencing in year 2018 through to 2025 based on management's current best estimates.

5.22 Income & deferred tax liabilities

Income tax liabilities

At the balance sheet date, the recognition of the income tax liability amounting to €46,896,777 reflects the income tax payable on taxable income at the rate of 29.0%.
The 2016 amount reflects the income tax payable on the dividends declared for distribution, although the Company was in a tax loss position, in accordance with paragraph 1 of article 47 of Law 4172/2013. The income tax liability amounting to €16,542,254 was determined by applying the following formula:
*Dividends declared for distribution * Income Tax Rate / (1- Income Tax Rate)*

Deferred tax assets & liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets & liabilities	2017	2016
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	(37,326,464)	(41,908,087)
Deferred tax assets to be recovered within 12 months	(5,855,987)	(31,281,798)
Total deferred tax assets	**(43,182,451)**	**(73,189,885)**
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	136,519,915	156,789,603
Deferred tax liabilities to be settled within 12 months	20,826,913	17,689,986
Total deferred tax liabilities	**157,346,828**	**174,479,589**
Deferred tax liabilities (net)	**114,164,377**	**101,289,704**

The gross movement on the deferred income tax account is as follows:

	2017	2016
As at 1 January	101,289,704	61,377,904
Income statement charge	12,883,858	40,127,201
Other comprehensive income	(9,187)	(215,401)
As at 31 December	**114,164,377**	**101,289,704**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	**Accelerated tax depreciation**	**Grant of rights fee**	**Usufruct of the site**	**Total**
As at 1 January 2016	182,123,446	7,414,893	205,259	189,743,598
Charged/(credited) to the income statement and other comprehensive income	(14,571,745)	(706,180)	13,916	(15,264,010)
As at 31 December 2016	**167,551,701**	**6,708,712**	**219,175**	**174,479,589**
Charged/(credited) to the income statement and other comprehensive income	(16,440,497)	(706,180)	13,917	(17,132,760)
As at 31 December 2017	**151,111,204**	**6,002,532**	**233,092**	**157,346,828**

Deferred tax assets	**Tax losses**	**Provisions**	**Retirement benefit obligations**	**Other**	**Total**
As at 1 January 2016	(83,106,002)	(5,427,169)	(2,191,244)	(37,641,279)	(128,365,694)
Charged/(credited) to the income statement and other comprehensive income	57,444,149	(282,361)	(440,462)	(1,545,517)	55,175,809
As at 31 December 2016	**(25,661,853)**	**(5,709,530)**	**(2,631,706)**	**(39,186,796)**	**(73,189,885)**
Charged/(credited) to the income statement and other comprehensive income	25,661,853	(548,834)	(177,858)	5,072,272	30,007,433
As at 31 December 2017	**0**	**(6,258,364)**	**(2,809,564)**	**(34,114,523)**	**(43,182,451)**

At the balance sheet date, the Company has no unused tax losses available for offset against future taxable profits, thus no deferred tax asset (2016: €25,661,853) has been recognised. According to the provisions of article 25.1.2.(k) of the ADA, (Law 2338/1995) tax losses can be carried forward to relieve future taxable profits without time limit.
Tax losses have primarily arisen from the application of the accelerated depreciation method as provided by paragraph 8 of article 26 of Law 2093/1992. In addition, according to article 25.1.2.(j) of the ADA the accelerated depreciation method provided by Law 2093/1992 refers to tax depreciation and constitutes an allowable deduction for tax purposes even though the depreciation in the annual statutory accounts of the Company may differ from year to year. At the balance sheet date, the Company recognised a deferred tax liability on the outstanding accelerated depreciation, amounting to €151,111,204 (2016: €167,551,701).

5.23 Other non-current liabilities

Other long-term liabilities are analysed as follows:

Analysis of other non-current liabilities	**2017**	**2016**
Grant of rights fee payable	89,010,679	98,648,464
Long term securities provided by customers	2,211,012	2,037,818
Total other non-current liabilities	**91,221,691**	**100,686,282**

The Company pays a quarterly fee to the Greek State during the concession period for the rights and privileges granted in ADA. The carrying amount of the liability represents the present value of the future payment that concerns the fixed part of the fee at the balance sheet date. In 2017 a finance charge amounting to €5,362,215 has been recorded as unwinding interest of the liability due to the passage of time (2016: €5,818,583). The amount payable within the next 12 months is included in

trade & other payables. The present value of total future payments at the time of airport opening has been included in the cost of the intangible concession asset which is amortised over the concession period. An amount of €2,435,104 is included in 2017 amortisation of the intangible concession asset with respect to the grant of rights fee (2016: €2,435,104).
Long term securities relate to performance guarantees provided for by the lessees for long- term lease agreements. Long-term securities are measured at their net present value, by discounting the future cash flow payments with the weighted average borrowing rate, at the balance sheet date. The weighted average borrowing rate for the Company for 2017 was at the rate of 6.12%.

5.24 Trade & other payables

Trade & other payable accounts are analysed as follows:

Analysis of trade & other payable accounts	2017	2016
Suppliers	14,770,622	15,155,794
Advance payments from customers	12,219,988	15,012,996
Beneficiaries of money – guarantees	13,637,982	15,024,519
Value added tax	747,491	866,251
Other taxes payable and payroll withholdings	3,790,793	3,782,798
Grant of rights fee payable	15,000,000	15,000,000
Other payables	3,225	28,874
Total trade & other payable accounts	**60,170,102**	**64,871,232**

The amount shown above for suppliers represents the short-term liabilities of the Company towards its trade creditors as at the corresponding year end for the goods bought and the services they had rendered in the respective year.
Advance payments from customers represent mainly the prepayments effected by the airlines which have selected the "Rolling prepayment" method in settling their financial obligations to the Company for the use of the airport facilities.
Beneficiaries of money – guarantees represent the cash guarantees provided by the concessionaires for the prompt fulfilment of their financial liabilities arising from the signed concessions agreements. The cash guarantees are adjusted each year in accordance with the latest estimate of the expected sales forecast of the concessionaires for the subsequent year.
The carrying amount of trade payables closely approximates their fair value at balance sheet date.

5.25 Other current liabilities

Other current liabilities are analysed as follows:

Analysis of other current liabilities	2017	2016
Accrued expenses for services and fees	19,852,438	12,729,074
Total other current liabilities	**19,852,438**	**12,729,074**

Current liabilities mainly concern to accrued cost for services rendered by third parties, private or public, which had not been invoiced at year end.

5.26 Operating lease arrangements

The Company as a lessee

Operating lease payments represent rentals payable by the Company for certain of its vehicles. Leases are negotiated for an average term of 5 years and rentals are fixed for the same period.
In the current year, minimum lease payments under operating lease, amounting to €240,807, were recognised in the income statement, while the corresponding amount for the year 2016 was at €242,828. At the balance sheet date, the Company has outstanding commitments under non-cancellable operating leases, which are presented in note 5.27.

The Company as a lessor

Refer to note 5.1.

5.27 Commitments

As at 31 December 2017 the Company has the following significant commitments:

a) Capital expenditure commitments amounting to approximately €7.8m (2016: €13.4)
b) Operating service commitments, which are estimated to be approximately to €71.7m (2016: €101.0m) mainly related to security, maintenance, fire protection, transportation, parking and cleaning services, to be settled as follows:

Analysis of operating service commitments	2017	2016
Within 1 year	30,166,462	33,011,377
Between 1 and 5 years	24,841,560	46,063,946
More than 5 years	16,757,114	21,943,455
Total operating service commitments	**71,765,136**	**101,018,778**

c) Operating lease commitments are analysed as follows:

Analysis of operating lease commitments	2017	2016
Within 1 year	223,226	217,397
Between 1 and 5 years	395,961	453,173
Total operating lease commitments	**619,187**	**670,570**

d) Variable fee Component of the Grant of Rights Fee, based on the calculation of 2017 Consolidated Operating Profit as set out in the ADA and as described in the notes 2.4.1 and 2.4.2, is estimated to €15.99m. This amount will be recognised in the income statement within 2018.

5.28 Contingent liabilities

The Company has contingent liabilities comprising the following:

Tax Audits

a) The Company has not been audited yet by the Tax Authority for the fiscal year 2010. Recent decisions of the Conseil d'Etat set a 5-year limitation period of the State's right to impose taxes and fines, although the limitation period can be extended up to 10, 15 or 20 years, based on applicable

provisions. At balance sheet date, the Company has not received any tax audit notification for the subject year.
b) In accordance with Law 2238/1994, Ministerial Decision 1159/2011, Law 4223/2013 and Ministerial Decision 1124/2015, years from 2011 until 2017 are audited by individual Certified Auditors and a "Tax Certificate" is issued upon completion of the tax audit.

Income tax

In accordance with Law 3808/2009 the Greek State imposed a "special once off tax surcharge" on the profits generated by legal entities in fiscal year 2008. The Company was advised by the Tax Authorities that it is liable to pay a special once off tax surcharge amounting to €23.0m, which was higher by €9.0m than the amount that should be paid in accordance with the provisions of the law and the tax privileges, which have been granted by the ADA. Tax Authorities refused to modify the assessment of the once off tax surcharge and Management proceeded with the legal actions to remedy the tax bill referring the issue to the Administrative Court of Appeals on 18 February 2010. The hearing, took place on 17 December 2013 and by virtue of decision no. 2896/2015 notified to the Company on 7 September 2015, the appeal of the Company was rejected. The Company filed on 5 November 2015 respective annulment petition before the Conseil d'Etat for the cassation of the decision of the Administrative Court of Appeals. The hearing initially set for 31 May 2017 has been postponed for 9 May 2018. No provision has been recognised based on Company's and experts' opinion by reference to the specific legislation governing its tax affairs.

Value added tax

With respect to VAT, the Tax Authority questioned the right of the Company to set off the total VAT of all fixed assets acquired and services rendered until 31 December 2015, as stipulated by article 26 paragraph 7 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 (g) of the ADA as ratified by Law 2338/1995. The Tax Authority disputed the above right of the Company to set off VAT, which corresponds to activities not subjected to VAT, i.e. property leases, and proceeded to impose VAT – including penalties- for the fiscal years 1998-2012 amounting totally to €168.4m, comprising of €46.0m capital and €122.4m surcharges.
The Company referred the issue, related to years 1998-2009, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Pursuant to the final award of the London Court of International Arbitration No 101735, which was issued on 27 February 2013, the relating acts of determination had been issued in breach of law.
Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose VAT on such capital and operating expenses, requesting the annulment of the tax assessments for all years from 1998 to 2012.
The Administrative Court of Appeals by its decisions, regarding the acts of determination for the years 2004-2009 amounting to €12.8m, rejected the appeals of the Company. The Company filed respective annulment petitions before the Conseil d'Etat for the cassation of the decisions of the Administrative Court of Appeals and the Conseil d'Etat by its Decisions, which were notified to the Company on 11 March 2015, accepted the annulment petitions of the Company on the VAT disputes for the fiscal years 2004-2009 and referred-back the cases to the Administrative Court of Appeals. The hearing before the Administrative Court of Appeals took place on 7 October 2015, which by its decisions finally accepted the Company's petitions and the VAT assessments for the fiscal years 2004-2009 were annulled. However, the Greek State on 20 May 2016 filed annulment petitions against the latter aforementioned decisions in favour of the Company before the Conseil d'Etat. The hearing took place on 11 October 2017 and the decision is pending.
Furthermore, regarding the assessments for the years 1998-2003 and 2010-2012, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 1998-2003, which corresponds to VAT imposed on non-exempt expenses, such as, entertainment and hospitality expenses amounting to €1.3m, the hearing took place at 7 April 2017, apart for year 2002 where the hearing is set for 16 October 2018. By virtue of decisions 1988/2018, 1930/2018, 1933/2018 and 1983/2018 for the years 1998, 1999, 2000 and 2003 respectively, the Company's appeals were fully upheld. The same Court with its decision 1910/2018 referred the VAT assessment for the fiscal year 2001 to the Administrative Court of Appeals due to lack of competence (refer to note 5.31).
- For the fiscal years 2001-2003, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €150.3m, the hearing is set for 16 October 2018.
- For the fiscal years 2010-2011, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €3.0m, the hearing took place at 10 October 2016 and by virtue of decisions nos. 1665/2017 & 1666/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.
- For the fiscal year 2012, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €1.0m, the hearing is set for 8 October 2018.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration No 101735, no provision has been recognised for all above acts of determination.

Property tax

With respect to property tax, the Tax Authority questioned the right of the Company to be exempted from any property tax until 31 December 2015 as provided by paragraph 5 of article 26 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 of the ADA. Further to the completion of tax audits on real property, the Tax Authority issued real property tax assessments for the fiscal years 2008-2013, amounting totally to €44.6m, comprising of €28.2m capital and €16.4m surcharges.
The Company referred the issue, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Based on the final award of the London Court of International Arbitration No 142821, which was issued on 21 January 2016, the Greek State was instructed to indemnify the Company as per Articles 5.2(i) and 32.3 of the ADA against the consequences of the real property tax levied on the Company by the Greek State for the period 2008-2013.
Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose real property tax, requesting the annulment of the tax assessments for all years from 2008-2013.
Regarding the real property tax assessments, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 2008-2009, which corresponds to real property tax imposed amounting to €12.7m, the hearing took place at 19 September 2016 and by virtue of decisions nos. 1048/2017 and 1047/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.
- For the fiscal years 2010-2012, which corresponds to real property tax imposed amounting to €15.2m, the hearing took place at 16 January 2017 and by virtue of decisions nos. 5522/2017, 5524/2017 and 5527/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is not set yet (refer to note 5.31).
- For the fiscal year 2013, which corresponds to real property tax imposed amounting to €16.7m, the hearing took place at 10 October 2016 and by virtue of decisions nos. 804/2017 and 807/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration, as well as the decisions of the Administrative Court of

Appeals, which recognised that the arbitral award is binding for the Greek Administrative courts, no provision has been recognised for all above acts of determination.

Municipal charges

The Municipality of Paiania charged the Company with municipal charges for the provision for waste, landscaping, cleanliness and lighting maintenance for the years 2004-2016 amounting totally to €59.4m, comprising of €40.7m capital and €18.7m surcharges.
Management filed a number of petitions with the Administrative Court of Athens versus the Municipality of Paiania, accompanied by corresponding petitions for the deferment of payments, claiming that in accordance with the provisions of the ADA, the Company has been granted with the exclusive right to provide such services to airport users.
The juridical process is still in progress before the Administrative Courts of Appeals as follows:

- For the fiscal years 2004-2009, which corresponds to municipal charges of €37.4m, deferment of payment has been granted. Furthermore, the Administrative Court of Appeals accepted in substance the petitions of the Company related to the imposition of municipal charges and penalties rendering the respective decisions of the Mayor of Paiania as null and void to that effect. However, the Municipality of Paiania filed annulment petitions against the decisions in favour of the Company before the Conseil d'Etat. The hearing took place at 22 March 2017. By virtue of decisions 390/2018, 391/2018, 392/2018, 393/2018, 394/2018, 395/2018, the Company's appeals were fully upheld (refer to note 5.31).
- For the fiscal years 2010-2013, which corresponds to municipal charges of €12.3m, deferment of payment has been rejected. As per decisions of the Administrative Courts of Appeals, the petitions for the fiscal years 2010-2012 were fully upheld, thus rendering the imposition of municipal charges unlawful. However, the Municipality of Paiania filed annulment petitions against those decisions issued in favour of the Company before the Conseil d'Etat. The hearing took place at 22 March 2017. By virtue of decisions 396/2018, 397/2018 and 398/2018, the Company's appeals were fully upheld (refer to note 5.31). The hearing of the petition for the fiscal year 2013 took place on 1 February 2017 and the decision is still pending. Moreover, the Company filed a lawsuit versus the Municipality of Paiania with the competent Administrative Court of Athens requesting the reimbursement of the municipal charges imposed for the fiscal years 2010-2012 and already paid to the latter, amounting to €8.8m.
- For the fiscal years 2014-2016, which corresponds to municipal charges of €9.7m, deferment of payment has been granted. Pursuant to decisions of the Administrative Courts of Appeals the petitions for the fiscal years 2014-2015 were fully upheld, thus rendering the imposition of municipal charges unlawful. The hearing of the petition for the fiscal year 2016 took place at 2 February 2017 and the decision is still pending.

The Municipality of Spata charged the Company with municipal charges for the provision for waste, landscaping, cleanliness and lighting maintenance for the years 2007-2010 amounting in total to €8.6m. The juridical process is still in progress before the Administrative Courts of Appeals as follows:

- For the fiscal year 2007, the respective imposition of charges has been annulled both by the Administrative Court of Appeals and the General Secretary of Decentralized Administration of Attica.
- For the fiscal years 2008-2010, which corresponds to municipal charges of €6.5m, deferment of payment has been provisionally granted by order of the competent judge of the Administrative Court of Athens until the issuance of a Court Decision on the Company's petition that took place at 6 April 2017. The Court by its decision cancelled the juridical process, pursuant to decision no. 8889/7425/2014 of the General Secretary of Decentralized Administration of Attica, by which the imposition of charges has already been annulled.

Based on the Company's experts' opinion by reference to the aforementioned decisions of the Administrative Court of Appeals, no provision has been recognised for all above acts of determination.

Other

There are a number of pending legal lawsuits against the Company amounting to approximately €2.5m (2016: €4.9m) for which Management, following consultation with its Legal Counsel, believes that there is sufficient ground to successfully defend these claims. No provision for these claims has been recognised in these financial statements on the basis that no material liability is expected to arise.

5.29 Related parties transactions

AIA is a privately managed Company, having as major shareholders the Greek State and AviAlliance Group, each one of them holding more than 20.0% of the shares as at 31 December 2017.
The Company during 2017 had undertaken related party transactions with a company controlled by its current Private Shareholder, by receiving specific services. Furthermore, the Company provides either aeronautical or non-aeronautical services to public sector controlled entities and at the same time, receives services from public entities i.e. fire protection, medical etc. The above goods/services/works are based on corresponding market's terms and conditions. The transactions with the Greek State and the current Private Shareholder have as follows:

a) Sales of services and rental fees

Sales of services	**2017**	**2016**
Greek State	11,742,162	13,490,392
AviAlliance Group	0	5,254
Total	**11,742,162**	**13,495,646**

b) Purchases of services

Purchases of services	**2017**	**2016**
Greek State	5,712,288	5,637,566
AviAlliance Group	30,340	0
Total	**5,742,628**	**5,637,566**

c) Year end balances arising from sales/purchases of services and rental fees

Year end balances arising form sales/purchases of services and rental fees	**2017**	**2016**
Trade and other receivables:		
Greek State	8,045,622	11,458,543
Trade and other payables:		
AviAlliance Group	0	0
Total	**8,045,622**	**11,458,543**

d) Key management compensation

Key management includes personnel authorised by the Board of Directors for planning, directing and controlling the activities of the Company. Compensation paid or payable to key management for employee services rendered is shown below:

Analysis of BoD and key management compensation	2017	2016
Board of directors' fees	499,280	481,700
Short-term employment benefits of key management	1,589,686	1,573,496
Total BoD and key management compensation	**2,088,966**	**2,055,196**

5.30 Reclassifications

In the comparative figures of the Income Statement, an amount of €2,088,470 has been reclassified from "Subsidies received for borrowing costs" to "Other revenues", to conform to current period presentation.

5.31 Events after the balance sheet date

a) The decisions of the Administrative Court of Athens 1988/2018, 1930/2018, 1933/2018 and 1983/2018 regarding the VAT assessments for the fiscal years 1998, 1999, 2000 and 2003 respectively have been issued on 31 January 2018, by which the Court accepted the appeals of the Company and ordered the annulment of the VAT of these years. Furthermore, the same Court with its decision 1910/2018 which has been issued on 31 January 2018, refers the VAT assessment for the fiscal year 2001 to the Administrative Court of Appeals due to lack of competence. For more details, refer to note 5.28, item "Value Added Tax".
b) On 28 January 2018, the Greek State filed annulment petitions before the Conseil d'Etat for the cassation of the decisions 5522/2017, 5524/2017 and 5527/2017 of the Administrative Court of Appeals that concern the cases of property tax for the fiscal years 2010, 2011 and 2012 respectively. For more details, refer to note 5.28, item "Property Tax".
c) On 21 February 2018 the decisions of the Conseil d'Etat 390/2018, 391/2018, 392/2018, 393/2018, 394/2018, 395/2018, 396/2018, 397/2018 and 398/2018 regarding the imposition of municipal charges by the Municipality of Paiania for the years 2004-2012, have been issued. With these decisions, all annulment petitions filed by the Municipality of Paiania against the decisions of the Administrative Court of Appeals, issued in the favour of the Company, were rejected. For more details, refer to note 5.28, item "Municipal Charges".

Independent auditor's report

To the Shareholders of "Athens International Airport S.A."

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Athens International Airport S.A. (Company) which comprise the statement of financial position as of 31 December 2017, the income statement and the statement of other comprehensive income, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2017, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920**.**

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

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

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

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In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Codified Law 2190/1920.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2017 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of article 43a of the Codified Law 2190/1920.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

"With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report".

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Athens, 26 April 2018
The Certified Auditor – Accountant

Fotios Smirnis
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