9M2018 Group Results

Executive summary

- GROUP RESET: **REVIEW COMPLETE – MEASURES IMPLEMENTED – RETURN TO PROFITABILITY IN 2019**

- **GETTING CONSTRUCTION BACK INTO SHAPE**
  - Decisive action to manage issues and reset international operations
  - Safeguards in place to mitigate risks and enable profitability
  - Return to profitability in 2019

- **STRONG PERFORMANCE IN CONCESSIONS, RENEWABLES AND ENVIRONMENT**
  - Growing traffic volumes in mature and new concessions generate steady cash flow
  - Acquisition of additional 6.5% in Attiki Odos further fortifies leading position in concessions
  - Renewables increased capacity translates to higher EBITDA

- **SOLID FOUNDATION FOR ELLAKTOR'S GROWTH**
  - New BoD and strengthened corporate governance for Group and key subsidiaries
  - Key C-Level positions filled with competent executives as part of broader reorganization in progress
  - Focus on core businesses and gradually divest from non-core activities

Progress on immediate measures

Item	Our actions
International Corporate Governance ("CG")	• Nomination & Remuneration Committee in place • Group Compliance Committee integrated into Audit Committee • CG reforms supported by external CG consultant
AKTOR deep dive & issue resolution	• AKTOR deep dive review supported by specialist advisor • International operations turnaround in focus: on-site visits by top management • New AKTOR COO to work closely with regional directors & managers, CLO and CFO • Revaluation of all projects (stop losses) resulted in project withdrawals (e.g. ISF[1]) • Safeguards in tendering and implementation of projects • Target is to return to profitability in 2019 and focus on profitability over backlog
Communicate strategy & reassure work-force	• Employee town hall meeting by ELLAKTOR new Chairman and CEO • On-site visits in Greece and abroad

Notes: ISF = Internal Security Forces "ISF" in Qatar

New appointments: Strengthening management across Group

Company	Division	Function	Status	
ELLAKTOR	Finance	Chief Financial Officer (interim)	Appointed / Started	✓
	Operations	Chief Operating Officer	Appointed / Started	✓
	Legal	Chief Legal Officer	Appointed / Started	✓
	Communications	Corporate Communications Director	Appointed / Started	✓
	IT	Chief Information Officer	Hired / Starts Jan-19	✓
	HR	Chief HR Officer	Hired / Starts Jan-19	✓
	Risk	Chief Risk Officer	Ongoing	
AKTOR	Chief Executive	Chief Executive Officer	Appointed / Started	✓
	Operations	Chief Operating Officer	Appointed / Started	✓
	Finance	Chief Financial Officer	Appointed / Started	✓
	Legal	Chief Legal Officer	Appointed / Started	✓
	Operations	Commercial Manager	Hired / Starts Dec-18	✓

Extensive market search for suitable candidates

Interviews for other roles on-going

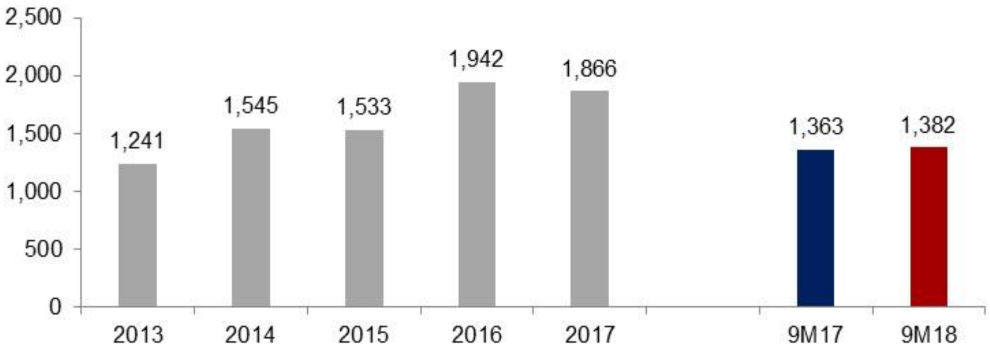
Business update by segment

+/- % vs 9M2017

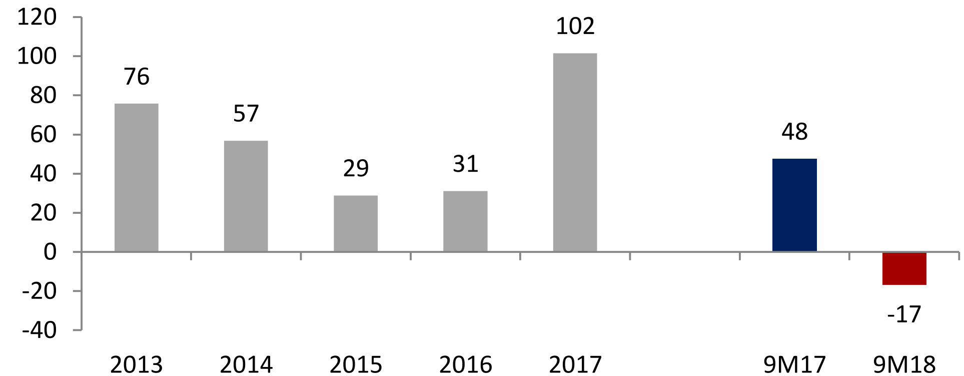
Segment	Revenues €m	EBITDA €m	Update
Construction	1,091 *(1%)*	(99) *(724%)*	• **Review and reset of international operations expected to turn around performance** • **Execute on existing backlog, with strong focus on cash flow & profitability** • 9M2018 performance impacted by deep dive issue identification • Exited Internal Security Force (ISF) Camp (Qatar), now disclosed as held for sale
Concessions	180 *+10%*	107 *(2%)*	• **Revenue growth driven by increased traffic volumes, particularly Attiki Odos (~+5% traffic)** • **Acquisition of additional 6.5% stake in Attiki Odos in November 2018**, bringing ELLAKTOR total stake to c.66% • Profitability impacted by one-off provision for withholding tax receivable (€10m)
Environment	63 *+5%*	23 *+447%*	• **Renegotiated Cyprus contract allowing processing of up to additional 120,000 tonnes p.a.** • Resulted in net reversal of €4.2m provision
Renewables	43 *+21%*	33 *+27%*	• **289MW installed capacity** • **Additional 202MW** underway (to be operational by end 2019) • Capacity Factor of 26.9% vs 24.3% in 9M2017 (improved wind conditions)
Real Estate	5 *(2%)*	2 *+72%*	• **Smart Park:** ○ **Development of the 2nd phase (additional 15,000sqm),** with funding secured ○ Signed lease agreement for about 50% of the additional area • Cambas project successfully navigating the regulatory process

Evolution of Group P&L Items (IFRS – in €m)

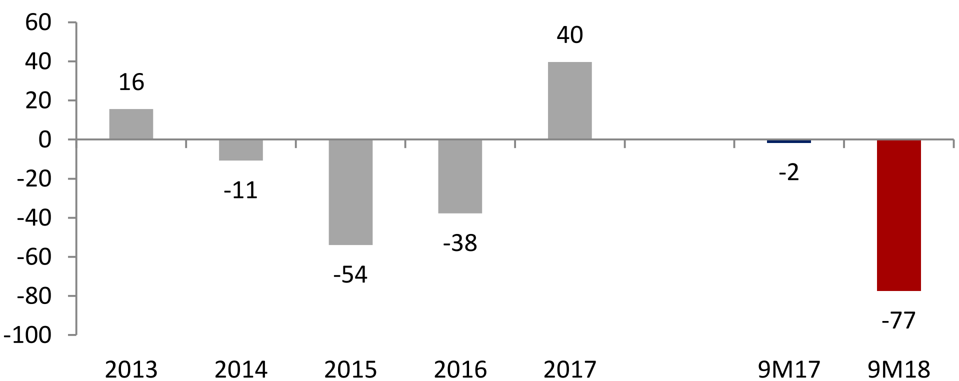
Revenues



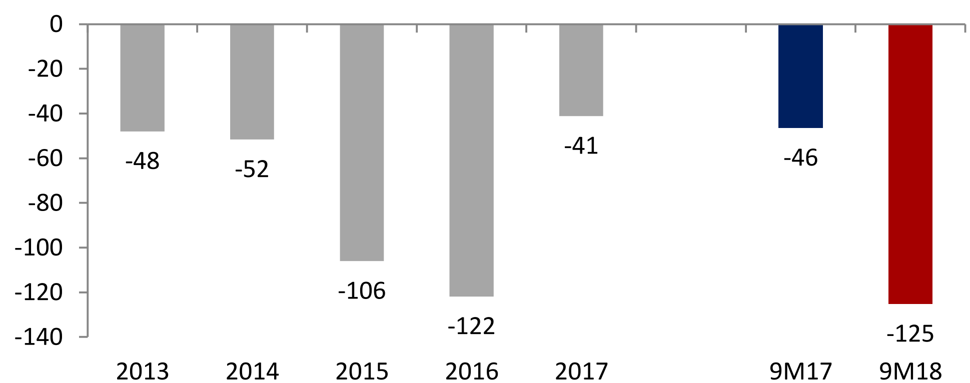
EBIT



PBT



PAT After Minorities



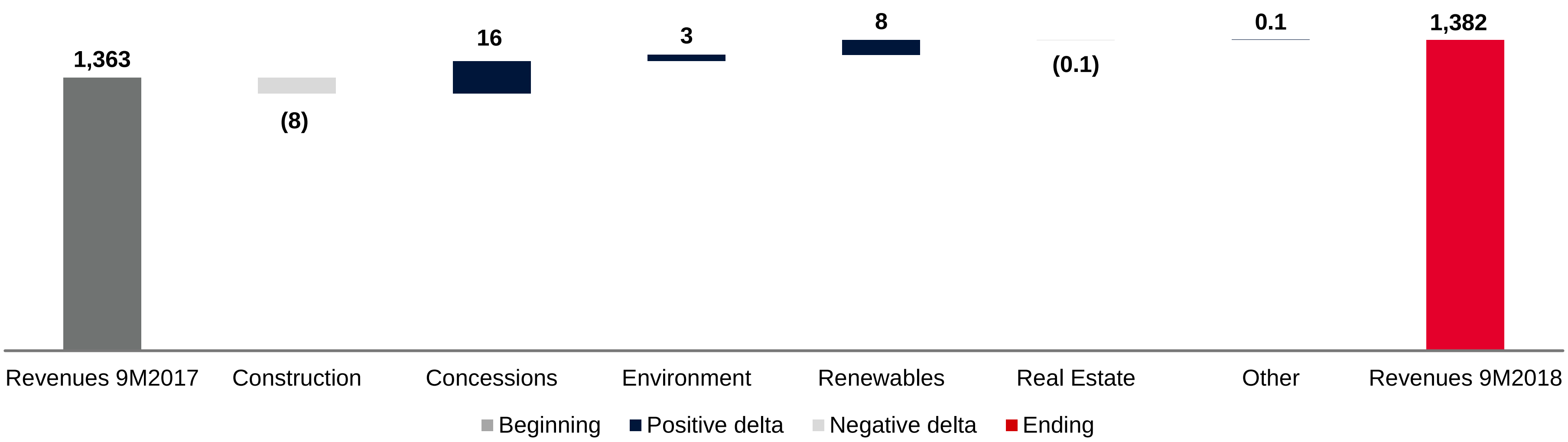
Consolidated P&L (IFRS – in €m)

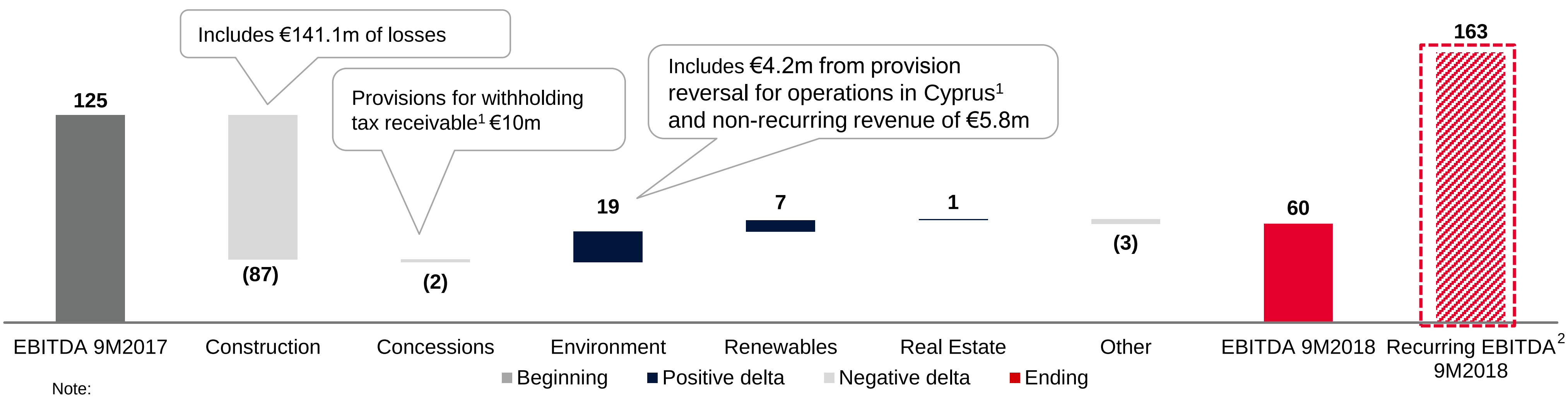
€m	9M2017	9M2018	Δ (%)
Revenues	**1,362.8**	**1,381.6**	*1.4%*
EBITDA	**125.4**	**59.8**	*(52.3%)*
Margin (%)	*9.2%*	*4.3%*	
EBIT	**47.6**	**(16.8)**	*(135.3%)*
Margin (%)	*3.5%*	*(1.2%)*	
Profits / (Loss) from associates	-	(12.5)	*n.m.*
Profit/ (Loss) before tax	**(1.5)**	**(77.4)**	*n.m.*
Margin (%)	*(0.1%)*	*(5.6%)*	
Profit / (Loss) after tax before minorities	**(27.5)**	**(102.8)**	*(273.2%)*
Net Profit / (Loss) after minorities	**(46.5)**	**(125.3)**	*(169.5%)*
EPS[1]	**(0.3)**	**(0.7)**	*(169.5%)*

- **Revenues** increased by 1.4% mainly in Concessions and Renewables
- **Group results impacted by the following items:**
  - **Construction losses of €150m that include:**
    - Provision for ISF (Qatar) exit deal[2] of €18.9m
    - Losses due to Romanian JV partners obligations of €28.9m
    - Associate impairment[2] of €8.9m (PBT level)
    - Losses of €46.6m for projects in Romania due to profitability reassessment and criteria imposed by IFRS 15 "Revenue from contracts with customers"
  - **Concessions**
    - Provision for withholding tax receivable[2] €10m
  - **Environment**
    - Non-recurring revenues[2] of €5.8m
    - Profit from net provision reversal[2] of €4.2m

Notes:
1. Weighted average number of shares: 172,431,279 (9M2018 and 9M2017)
2. Already included in 6M results

Revenue and EBITDA bridge (€m)





Note:

1. Details on previous page
2. Recurring EBITDA refers to recurring EBITDA from steady businesses, (Excludes Construction, includes Concessions, Environment and Renewables, adjusted for non-recurring items)

ELLAKTOR

Consolidated balance sheet

€m	Dec 2017	9M2018	Δ (%)
Intangible Assets	627.3	590.0	(6.0%)
Property, plant and equipment	510.2	513.8	0.7%
Financial Assets at fair value [1]	48.9	50.1	2.5%
Financial Assets at amortized cost [1]	80.8	80.6	(0.3%)
State financial contribution [1]	277.9	280.7	1.0%
Receivables [1]	1,028.4	989.2	(3.8%)
Assets held for sale [1]	13.5	91.9	583.4%
Other non-current Assets	364.5	346.8	(4.9%)
Other current Assets	42.9	35.4	(17.6%)
Cash (incl. restricted cash)	556.5	446.1	(19.8%)
Total Assets	**3,550.8**	**3,424.5**	(3.6%)
Total Debt	**1,386.6**	**1,300.6**	(6.2%)
Liabilities related to assets held for sale	-	123.2	n.m.
Other short-term Liabilities	897.3	872.4	(2.8%)
Other long-term Liabilities	406.7	401.4	(1.3%)
Total Liabilities	**2,690.6**	**2,697.7**	0.3%
Shareholders Equity	**860.2**	**726.8**	(15.5%)
Shareholders Equity (ex. minorities)	**634.7**	**505.5**	(20.4%)

- Financial assets at fair value (previously disclosed available for sale) reached €50.1m from €48.9m
- Financial assets at amortised cost (previously disclosed as held to maturity) remained stable (€80.6m)
- State financial contribution refers to the operating subsidy for Moreas (€240.0m) against Moreas debt repayments and availability payments for EPADYM (waste PPP of €40m)
- Total receivables (short-term and long-term) decreased to €989.2m vs €1,028.4m mainly due to reclassification of ISF project
- Assets held for sale and Liabilities related to assets held for sale relate to the reclassification of ISF project post exit deal

Note:
1. Includes both current and non-current assets

Consolidated cash flows

€m	9M2017	9M2018	Δ (%)
CFs from Operating Activities	28.5	(1.7)	*(106.0%)*
CFs from Investment Activities	(37.1)	(43.6)	*(17.4%)*
CFs from Financing Activities	(48.1)	(87.1)	*(81.2%)*
Change in cash & cash equivalent	**(56.8)**	**(132.4)**	*(133.4%)*
Cash equivalents at start of period	496.4	510.1	*2.8%*
Currency translation differences	(2.6)	0.2	*106.1%*
Cash of Assets available for sale	-	(4.2)	*n.m.*
Cash equivalents at end of period [1]	**437.1**	**373.6**	*(14.5%)*

- **Investment cash outflows** amounted to 43.6m (vs outflows of €37.1 m in 9M2017) and include:
  - €27m (investment) as time deposits over 3 months
  - **Capex of c. €39m**
    - Construction c. €4m
    - Concessions c. €2m
    - Environment c. €2m
    - Renewables c. €29m
    - Real Estate c. €1m
- **Cash outflows from financing activities** amounted to €87.1m and include:
  - Mainly repayment of loans
  - Outflow of €25.1m from dividend distribution to minority shareholders, mainly Attiki Odos (c.€21.9m)

Note:
1. Does not Include restricted cash, bonds held to maturity, mutual funds and time deposits over 3 months

Net debt by sector

30/9/2018 (€m)	Construction	Concessions Recourse	Environment	Renewables	Real Estate	Other	Total Corporate (ex. BOT)	Attiki Odos	Moreas[2]	Total BOT Non-Recourse	Total Group
Short-term Debt	91.9	1.1	3.4	28.5	3.7	1.0	129.6	23.4	18.4	41.9	171.5
Long-term Debt	39.8	188.1	13.8	179.5	22.4	202.6	646.3	25.8	457.1	482.9	1,129.1
Total Debt	**131.7**	**189.2**	**17.2**	**208.0**	**26.0**	**203.6**	**775.9**	**49.2**	**475.5**	**524.7**	**1,300.6**
Cash	98.4	34.7	41.3	3.9	1.0	1.5	180.9	174.3	18.4	192.7	373.6
Time deposits over 3 months	-	2.0	-	-	-	-	2.0	25.0	-	25.0	27.0
Restricted Cash	10.2	1.2	1.2	18.1	6.6	0.1	37.5	14.2	20.9	35.1	72.5
Bonds held to maturity	-	11.5	-	-	-	-	11.5	69.0	-	69.0	80.6
Mutual Funds	-	4.9	1.9	-	-	-	6.8	-	-	-	6.8
Total Cash + Liquid Assets	**108.6**	**54.4**	**44.4**	**22.0**	**7.6**	**1.7**	**238.7**	**282.6**	**39.3**	**321.8**	**560.5**
Net debt attributable to Assets held for sale (ISF)	55.7	-	-	-	-	-	55.7	-	-	-	55.7
Total net Debt / (Cash)[1]	**78.8**	**134.8**	**(27.2)**	**186.1**	**18.4**	**202.0**	**592.9**	**(233.3)**	**436.2**	**202.9**	**795.8**

31/12/2017 (€m)	Construction	Concessions Recourse	Environment	Renewables	Real Estate	Other	Total Corporate (ex. BOT)	Attiki Odos	Moreas	Total BOT Non-Recourse	Total Group
Short-term Debt	137.5	0.8	2.7	20.3	9.6	1.0	171.9	26.5	12.7	39.1	211.0
Long-term Debt	58.6	192.3	15.3	169.1	19.4	215.0	669.6	37.5	468.5	506.0	1,175.6
Total Debt	**196.1**	**193.0**	**18.0**	**189.4**	**29.0**	**216.0**	**841.5**	**64.0**	**481.1**	**545.1**	**1,386.6**
Cash	187.6	49.6	28.0	2.2	3.5	0.9	271.8	194.4	44.0	238.3	510.1
Restricted Cash	12.0	-	-	13.5	6.8	0.1	32.5	13.9	-	13.9	46.3
Bonds held to maturity	-	11.5	-	-	-	-	11.5	69.2	-	69.2	80.8
Mutual Funds	-	4.9	4.6	1.5	-	-	11.1	-	-	-	11.1
Total Cash + Liquid Assets	**199.6**	**66.1**	**32.6**	**17.2**	**10.3**	**1.0**	**326.8**	**277.5**	**44.0**	**321.5**	**648.3**
Total net Debt / (Cash)[1]	**(3.5)**	**127.0**	**(14.5)**	**172.2**	**18.6**	**214.9**	**514.7**	**(213.5)**	**437.1**	**223.6**	**738.3**

Corporate Net Debt increased to €593m mostly due to reduced cash at Construction

Notes:
1. As of 30/09/2018 includes Net Debt of €55.7m of ISF Camp in Qatar (currently reported under assets held for sale)
2. € 240m of State Financial Contribution for Moreas will support future Moreas debt repayments

Segmental analysis of 9M2018 vs 9M2017 results (€m)

	ELLAKTOR Group	Construction	Concessions	Environment	Renewables	Real Estate	Other
Revenues 9M2018 / 9M2017	**1,382** / 1,363 *1%*	**1,091** / 1,098 *(1%)*	**180** / 164 *+10%*	**63** / 60 *+5%*	**43** / 35 *+21%*	**5** / 5 *(2%)*	**0** / 0 *n.m.*
EBITDA 9M2018 / 9M2017	**60** / 125 *(52%)*	**(99)** / (12) *(724%)*	**107** / 109 *(2%)*	**23** / 4 *+447%*	**33** / 26 *+27%*	**2** / 1 *+72%*	**(5)** / (2) *(120%)*
EBIT 9M2018 / 9M2017	**(17)** / 48 *(135%)*	**(114)** / (30) *(283%)*	**61** / 62 *(3%)*	**18** / 0 *n.m.*	**23** / 18 *+30%*	**1** / 0 *679%*	**(5)** / (3) *(95%)*
Profit / (Loss) after tax[1] 9M2018 / 9M2017	**(103)** / (28) *(273%)*	**(132)** / (46) *(184%)*	**24** / 29 *(18%)*	**14** / (2) *+964%*	**11** / 8 *+37%*	**(1)** / (2) *+46%*	**(18)** / (15) *(23%)*

Note:
1. Before minorities

Moving Forward

- Management committed to reforms as approved by the shareholders at the 2018 AGM
- Corporate Governance remains a top priority
- ELLAKTOR is better positioned to operate efficiently across all segments and geographies
- Construction reset to return to profitability
- Concessions, Renewables and Environment remain pillars of value creation
- Future focus will be on further Group structure optimization, de-risking and profitability

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