

ANNOUNCEMENT

Commencement of merger process by absorption of EL.TECH. ANEMOS SA by ELLAKTOR SA

In accordance with Regulation (EU) 596/2014, the Rule Book of the Athens Exchange and Law 3556/2007, the Board of Directors of ELLAKTOR SA (“**ELLAKTOR**”), convened on the 28th of December 2018, announces that it has decided to commence the process for the merger by absorption of its subsidiary EL.TECH. ANEMOS SA (“**EL.TECH. ANEMOS**”) in accordance with articles 68 *et seq.* of Codified Law 2190/1920 and articles 1-5 of Law 2166/1993, as in force (the “**Merger**” or the “**Transaction**”). In particular, the Board of Directors resolved to commence the merger process setting 31/12/2018 as the date of the transformation balance sheet and to appoint the audit firm “RSM GREECE BUSINESS ADVISORS LTD” for the purpose of certifying the book value of the assets of EL.TECH. ANEMOS.

The proposed share exchange ratio of the merging companies is 1.27 new ordinary ELLAKTOR shares having a nominal value of €1.03 for every 1 EL.TECH. ANEMOS existing ordinary share having a nominal value of €0.30.

The proposed ELLAKTOR/EL.TECH. ANEMOS share exchange ratio is 8.9% higher than the closing EL.TECH. ANEMOS share price (as of Friday, 28 December 2018).

The proposed share exchange ratio is subject to receiving a fairness opinion from independent, reputable financial advisors to be appointed by each merging company and obtaining approval by the General Assembly of their respective shareholders as set out below.

On the basis of such proposed share exchange ratio, the pro-forma shareholding in the combined entity will be:

- Shareholders of ELLAKTOR will hold 82.606%
- Shareholders of EL.TECH. ANEMOS will hold 17.394%

It is noted that the existing ELLAKTOR shareholders will maintain the same number of shares in ELLAKTOR after the Merger.

Completion of the Merger is subject to obtaining approvals from the General Meetings of shareholders of the merging entities as well as any other necessary approvals, including by relevant authorities.

The Transaction is intended to be completed until 30/06/2019.

The merging companies are expected to enjoy multiple benefits as a result of the Merger. Given ELLAKTOR's leading role in the Greek infrastructure sector, the combined entity is set to benefit from ELLAKTOR's long-term business outlook, broadening its growth prospects and providing minority shareholders with the opportunity to participate in any future share price appreciation. At the same time, the combined entity's trading liquidity is expected to improve.

Furthermore, the enhanced cash flow of ELLAKTOR post-Merger will improve liquidity and enhance prospects for future capital returns. It is also expected that the combined entity will have broader flexibility to allocate capital across segments / projects with attractive risk-adjusted returns, improved access to capital and an expanded set of growth opportunities compared to the standalone prospects of each merging company.

The Group's financial performance is also expected to be enhanced due to synergies that will be created from financial costs, administrative costs and tax benefits having a positive impact on the Group's financial results. In terms of capital adequacy, the balance sheet of the combined entity would expand the investment capacity and create prospects for growth while maximizing the potential improvements to the cost of capital.

Finally, management will remain unchanged, so that the combined entity benefits from continuity of its leadership team; this should minimize integration risk and disruption of the business' continuity.

In the context of the Merger, the firms Rothschild & Co and Bernitsas Law Firm are acting as financial advisers and legal counsel, respectively, to ELLAKTOR.

ELLAKTOR will publish an investor presentation regarding the Merger on its website and will hold a conference call on January 9, 2019 to present details of the Merger. An invitation to the call will follow.