



**ΟΜΙΛΟΣ ΗΛΕΚΤΩΡ**

Board of Directors' Annual Report  
&  
Annual Consolidated Financial Statements  
prepared in accordance with the International Financial Reporting Standards,  
for the financial year ended 31 December 2016

**HELECTOR S.A.**  
ENERGY &  
ENVIRONMENTAL APPLICATIONS  
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## **Annual Report of the Board of Directors OF HELECTOR SA ENERGY & ENVIRONMENTAL APPLICATIONS**

### **OVERVIEW**

HELECTOR SA is a subsidiary of the ELLAKTOR SA Group, and the Group's branch in ENVIRONMENT & ENERGY. The Company specialises in the design, construction and operation of waste management projects and the generation of power using waste (Waste-to-Energy). The Company holds a leading position in Greece; it carries on significant activity in Germany, while it is currently executing projects and has signed contracts in six more countries.

It is noted that the company, acting via its German subsidiaries Herhof GmbH and Helector GmbH, has internationally recognised expertise in waste management, enabling it to offer fully vertical solutions to meet the most complex demands and needs of demanding markets/customers.

By expanding its activities and seeking new markets, the Company has demonstrated its significant expertise in the following segments:

- Construction and operation of waste management plants, including hazardous waste. This includes, **but is not limited to** the following:
  - Construction & one (1) year trial operation of the waste management plant in the City of Sofia (Bulgaria);
  - Construction and operation of an Urban Solid Waste treatment plant in Larnaca-Famagusta;
  - Construction, financing and operation of an Urban Solid Waste treatment plant in Osnabrueck, Germany;
  - Construction of an Urban Solid Waste management plant in Trier, Germany;
  - Construction of an anaerobic treatment plant for the organic part of waste, with the total annual capacity exceeding 220 000 tons;
  - Construction of RSP in the Municipality of Fyli and Koropi;
  - Operation of the Mechanical Recycling Plant in Ano Liosia;
  - Operation of an incinerator for hospital waste in Attica;
- Construction and management of landfills and related projects. This includes, **but is not limited to** the following:
  - Construction of Ano Liosia landfill;
  - Construction and operation of the Fyli landfill;
  - Construction of the Mavrorachi-Thessaloniki landfill;
  - Construction of the Tagarades landfill;
  - Construction of the Paphos landfill;
  - Construction and operation of Leachate Treatment Plant in Paphos;
  - Construction and operation of a Leachate Treatment Plant in Ano Liosia-Fyli;
  - Construction of a Leachate Treatment Plant in Tagarades;
  - Construction of a Leachate Treatment Plant in Mavrorachi.
- Development and operation of RES. This includes, **but is not limited to** the following:
  - 
  - Construction, financing and operation of an energy & heat cogeneration plant using biogas coming from the Ano Liosia and Fyli landfills, via subsidiary VEAL SA – Total Capacity 23.5 MW (the largest plant in Europe);
  - Construction, financing and operation of an energy and heat cogeneration plant using biogas coming from the Tagarades landfill – Total Capacity 5 MW;

The company's operation and growth is rather based on cooperation and complementarity than separated in the categories above, and each time it is achieved through appropriate corporate schemes subject to the company's control and management. Therefore, the entire activity and growth is better depicted in the consolidated financial statements.

## **EVENTS – RESULTS FOR 2016**

### **A. EVENTS**

The following agreements were signed in 2016, through joint ventures:

- Service concession agreement relating to operation and maintenance services of the health-care waste incinerator, signed on 2 February 2016.
- Private agreement relating to the exercise of the option under the agreement of 31/12/2010 regarding project "Services of Support, Operation, Maintenance and Repair of the Mechanical Recycling Plant". The above private agreement was signed on 10/02/2016.
- Service provision contract regarding project "Works to support operating needs at the Fyli and Western Attica IWMFs". The relevant private agreement was signed on 01/06/2016.

Further, in 2016 the following projects were delivered (Take Over Certificate issued), which had been assigned to joint ventures:

- Project "Construction of County Waste Management Centre Mariscina, Primorsko - Goranska County, Republic of Croatia CCI No 2007HR16IPR001" executed by "J/V HELECTOR S.A. – GP KRK".
- Project "Implementation of Phase II of the project "Integrated system of solid waste treatment facilities of Sofia Municipality – Design and Construction of a Mechanical–Biological Treatment (MBT) Plant for processing waste and production of Refuse Derived Fuel", in connection with implementation of the project №DIR-592113 – 1 – 9, co-financed through Operational Programme Environment 2007 – 2013" executed by "J/V AKTOR S.A. - HELECTOR S.A.".

In 2016, the Company (either directly or through joint ventures it participates in), continued to perform the following construction project whose contracts had been signed before 01.01.2016.

- Waste treatment plant in Croatia, region of Istria (Kastijun project), with an annual capacity of 90 000 tons;
- Construction of Phase A of the 2<sup>nd</sup> Western Attica landfill at the location 'Skalistiri', Municipality of Fyli;
- Construction of Cells B2-B3-B5-B6 of Phase B of the 2<sup>nd</sup> Western Attica landfill at the location 'Skalistiri', Municipality of Fyli;
- Thessaloniki Waste Transfer Station

The contracts for the following projects (either through the parent company or through subsidiaries or joint ventures) which were signed before 01.01.2016 were continued:

- Operation of the Waste Treatment Plant in Osnabrueck;
- Operation of Waste Treatment and Disposal Facilities of the Larnaca - Famagusta Districts;
- Services of Support, Operation, Maintenance and Repair of the Recycling and Composting Plant in Ano Liosia, Attica, with an annual capacity of 253 800 tons;
- Operation of the co-generation plant using biogas from the landfills of Ano Liosia & Fyli, with a capacity of 23.5 MW;
- Operation of the co-generation plant using biogas from the landfill of Tagarades, with a capacity of 5 MW;
- Operation of an incinerator for hospital waste in Ano Liosia;
- Operation of the medical waste sterilising unit in Volos, Magnesia.

The following service contracts expired in 2016:

- Operation and Maintenance of Biological Treatment Plant in Paphos, with a daily capacity of 230 m<sup>3</sup>;
- Operation of the landfill and Household Waste Transit Station in the district of Paphos, with an annual capacity of 75 000 tons;

In addition to the above, the Company has submitted offers for the following projects, the outcome of which is pending:

1. Provision of biogas collection and operation services at the Mavrorachi landfill, for the purpose of producing electricity and supplying the power grid, subject to concession of operation (temporary contractor pending conclusion of the contract).
2. Services for the extension, operation and maintenance of the Ano Liosia landfill (section II) leachate treatment plant, and the Western Attica landfill, section 2, phase A.
3. Establishment of a Waste Transfer Station for Athens and the adjacent Municipalities in Eleonas (Western Attica)

Finally, in May 2016, a fire broke out at the Osnabruck waste management plant, resulting in extensive repairs which lasted over 4 months, within which period the plant could not treat waste. According to the relevant insurance policies, the non-recoverable loss amounted to approximately EUR 2.6 million.

## B. RESULTS – FINANCIAL FIGURES

Despite the adverse conditions in Greece, 2016 was a relevantly good year for HELECTOR, taking into account the negative economic environment.

The financial figures for the Group and the Company are analysed as follows:

- The Group's consolidated income stood at EUR 108.52 million, down by 10.7% compared to consolidated income of EUR 121.5 million for 2015. This decrease is mainly due to the completion of previously assigned construction projects, primarily in Bulgaria and Croatia.
- Operating results at Group level stood at EUR 2.6 million, reduced by 73.7% compared to EUR 10.0 million in the previous year (the results for 2015 were charged with provisions of EUR 8 million for contingencies relating to the Group's operations in Cyprus, while the relevant operating profit margin decreased to 4.9% compared to 14.8% in the previous year. The decrease in operating results is mainly due to non-recoverable losses, reversal of profits from construction contracts, and provisions for penalty clauses due to delays in relation to projects delivered in Croatia, and the fire at the Osnabruck plant.
- Profit before tax for the Group stood at EUR 0.9 million, decreased by 87.5% compared to EUR 8.01 million in the previous year 2015 (including provisions for operations in Cyprus).
- Net operating results (after tax) stood at loss of EUR 1.731 million (2015: profit of EUR 0.773 million) for the Group and at profit of EUR 1.19 million (2015: profit of EUR 2.46 million) for the Company. It is noted that Company profit has increased by EUR 9,572,240 due to income from dividends of subsidiaries (2015: EUR 1,740,000).
- As a result of profitability and the no-dividend distribution policy (subject to the approval of the General Meeting of Shareholders), the Company's equity increased from EUR 83.19 million to EUR 83.99 million. The Group's equity (except for the amount attributable to non-controlling interests) decreased from EUR 95.13 million to EUR 91.62 million. This decrease is mainly attributable to lower profits for the financial year.
- Short-term borrowings on a consolidated basis were reduced from EUR 2.35 million to EUR 1.90 million and comprises instalments payable over the next 12 months under long-term loans received by individual subsidiaries to pursue their investment plans. Long-term borrowings were reduced from EUR 6.01 million to EUR 4.01 million, due to the repayment of regular instalments under loans entered into for the implementation of investment plans of subsidiaries.

The Group's net borrowings as at 31.12.2016 and 31.12.2015 are detailed in the following table:

All amounts in EUR thousand.

	<b>Consolidated figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Total borrowings	5,907	7,008
Less: Cash and cash equivalents*	(14,848)	(30,149)
<b>Net borrowings</b>	<b>(8,941)</b>	<b>(23,141)</b>
<b>Total Equity</b>	<b>102,802</b>	<b>107,424</b>
<b>Total Capital</b>	<b>93,861</b>	<b>84,283</b>
<b>Gearing ratio</b>	<b>-</b>	<b>-</b>

\*Restricted cash (EUR 2,551 thousand) has been added to total Cash and cash equivalents of 2015 (EUR 30,149 thousand), while no restricted cash account exists for 2016.

Given that the Group holds net cash, the gearing ratio calculation as of 31.12.2016 and 31.12.2015 is not applicable. This ratio is defined as the quotient of net debt (i.e. total long and short-term bank borrowings), less cash and cash equivalents, to total capital (i.e. total equity plus net debt).

- Net cash outflows from operating activities at parent company level stood at -EUR 7.15 million (outflows), and at EUR 4.63 million on a consolidated basis (outflows). The respective amounts for 2015 were EUR 29.63 million (inflows) for the Parent and EUR 42.60 million (inflows) for the Group.

## EVENTS AFTER 31.12.2016

The construction of the first waste management PPP project in Greece in the Region of Western Macedonia which was awarded to EPADYM S.A. (50% interest held by HELECTOR S.A.) and the construction and operation of which has been undertaken by HELECTOR, continued smoothly with expected delivery on 10 June 2016. The Project, which is the first integrated waste management project in Greece, is a model on a European level, complying with the strictest specifications of the European environmental laws. The project includes a Waste Treatment Plant (WTP) with an annual capacity of 120,000 tons, a residue landfill, 10 Waste Transhipment Stations (WTS), nine of which already exist, and an Environmental Information - Training Centre. The total investment amounts to 48 million euros and is co-financed by the European Investment Bank (EUR 13 million), the Western Macedonia Urban Development Fund (Jessica) (EUR 13 million), the National Bank of Greece (funding the VAT corresponding to project construction of EUR 5.6 million), and own funds of AKTOR Concessions S.A. and HELECTOR S.A. (EUR 17 million).

Trial operation of the project began on 30 January 2017. On 17 March 2017, HELECTOR S.A. was awarded, on a temporary basis, project "Provision of biogas collection and operation services at the Mavrorachi landfill, for the purpose of producing electricity and supplying the power grid, subject to concession of operation".

Pursuant to the ruling of the Arbitration Court of 12.05.2017, the parent HELECTOR S.A., as member of "J/V HELECTOR S.A. - TH.-G. LOLOS - CH. TSOBANIDIS - ARSI S.A.", is required to pay the amount of EUR 5.15 million relating to a penalty clause enforced against a company participating in the project "Operation, Maintenance & Repair Services for the Mechanical Recycling Plant". The amount of EUR 2.7 million has been recognised in the Income Statement for the period, concerning additional provisions in relation to the above case; in previous years, the Group and the Company had already recognised provisions of EUR 2.45 million.



## **FUTURE ACTIONS - ESTIMATES**

### **A. OUTLOOK**

The environment remains a segment of particular interest, both in Greece and abroad. The obligation of Greece to adapt to EU requirements regarding waste management, the fines imposed on it for keeping illegal landfills, and atypical and high-cost solutions adopted in absence of an overall design, are factors that require the application of modern waste management methods, and, hence, the development of the sector in the country.

In terms of activities abroad, HELECTOR aims at expanding its operations in the greater geographical area of interest, which includes, in addition to Germany, the Eastern Europe and Middle East countries. HELECTOR is now taking concerted action to successfully penetrate the US and Chinese markets. Both markets are strategic for HELECTOR, both due to their size and the appeal that the Company's applications are expected to have in those markets.

The current backlog of HELECTOR from construction projects and contracts (including those signed after 31.12.2016) amounts to EUR 43 million.

### **B. RISKS AND UNCERTAINTIES**

On 15.06.2016, Helector Cyprus Ltd (a wholly-owned subsidiary of HELECTOR) was indicted for alleged unlawful practices of its former officers in the context of its activities in the Republic of Cyprus. If the company is convicted, penalties (e.g. a fine) will be imposed, which are not expected, though, to have a significant impact on the Group's financial position. It is reminded that the Group's consolidated statements include provisions of EUR 8 million relating to the potential risk of termination of the company's concession contract in Cyprus. The hearing regarding the above case is at a preliminary stage and is expected to be completed in 2018.

J/V HELECTOR - ELLAKTOR - CYBARCO continues operating the waste management plant in the districts of Larnaca and Famagusta in line with its contractual obligations, while the HELECTOR group has taken legal action to recover accrued revenue.

It is incontestably necessary to upgrade the domestic waste management infrastructure, but changes to the planning for the implementation of new waste management projects in Greece have adversely affected the time schedule for awarding new project in Greece. However, please note that the available funds from the NSRF 2014-2020 for waste management projects are clearly below the total required investment level, assessed at approximately EUR 1.5 billion, without any clear indication as to how that financing gap is to be covered.

In addition, the current dire straits and the limited liquidity from banks have made the funding of co-financed environmental projects more expensive and difficult.

Finally, another major risk for the sector can be identified in reactions of local communities and petitions filed with the Council of State in relation to landfills and waste treatment plants, as well as in the time-consuming procedures for the issue of permits and the approval of environmental conditions.

Following the foregoing overview of operating and financial activities and the explanations we provided acting as authorised management, Shareholders are invited to approve the Financial Statements for 2016 and the accompanying Directors' report, and release the members of the Board of Directors individually and the Board of Directors collectively, as well as the Auditor, from all liability to compensation for 2016.

Athens, 29 June 2017

For the Board of Directors  
The Chairman of the BoD & CEO  
Leonidas G. Bobolas



## **Independent Certified Auditor Accountant's Report**

To the Shareholders of HELECTOR SA

### **Audit Report on the Corporate and Consolidated Financial Statements**

We have audited the attached corporate and consolidated financial statements of "HELECTOR S.A.", comprised of the company and consolidated statement of financial position as at 31 December 2016, the company and consolidated profit and loss and comprehensive income statements, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting principles and methods, and other explanatory notes.

### **Management's Responsibility for the Corporate and Consolidated Financial Statements**

The Management is responsible for the preparation and fair presentation of these corporate and consolidated financial statements, in accordance with the International Financial Reporting Standards, as adopted by the European Union, and for those safeguards the management thinks necessary to enable the preparation of corporate and consolidated financial statements free of material misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these corporate and consolidated financial statements, on the basis of our audit. We have conducted our audit in accordance with the International Auditing Standards, as transposed into the Greek legislation (Government Gazette 2848/B/23.10.2012). These standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance whether the corporate and consolidated financial statements are free from any material misstatement.

An audit involves performing procedures to obtain audit evidence with regard to the amounts and disclosures in the corporate and consolidated financial statements. The procedures selected are based on the auditor's judgment including the assessment of risks of material misstatements in the corporate and consolidated financial statements, whether due to fraud or to error. In making such risk assessments, the auditor considers the safeguards related to the preparation and fair presentation of the corporate and consolidated financial statements of the company, with the purpose of planning audit procedures appropriate to the circumstances and the overall presentation of the corporate and consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

### **Opinion**

In our opinion, the accompanying company and consolidated financial statements present fairly, in all material respects, the financial position of "HELECTOR S.A." and of its subsidiaries as at 31 December 2016, of their financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards, as adopted by the European Union.



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

Having regard that the management is responsible for preparing the Directors' Report, pursuant to the provisions of Article 2(5) (part B) of Law 4336/2015, it is noted that:

(a) In our opinion, the Directors' Report has been prepared in accordance with the applicable legal requirements laid down in Article 43(a) and 107(a) of Codified Law 2190/1920, and its content is in agreement with the attached corporate and consolidated financial statements for the financial year ended 31/12/2016.

(b) On the basis of the information obtained during our audit in relation to HELECTOR S.A. and the environment it operates in, we did not identify any material misstatements in the Directors' Report.

Athens, 30 June 2017

The Certified Auditor Accountant

PriceWaterhouseCoopers

Audit Firm

Certified Auditors - Accountants

268 Kifissias Ave., 152 32 Halandri

SOEL Reg. No 113  
52861

Fotis Smirnis

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## Financial Position Statement

All amounts in EUR thousand.

	Note	Consolidated figures		Company figures	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>ASSETS</b>					
<b>Non-current assets</b>					
PPE	5	38,181	39,370	3,500	4,296
Intangible assets	6	9,894	12,335	16	25
Investments in subsidiaries	7	-	-	19,872	14,944
Investments in associates	8	5,351	5,981	5,472	5,433
Available-for-sale financial assets	10	295	312	-	-
Deferred tax assets	20	3,628	2,359	3,550	2,841
Other non-current receivables	13	6,826	9,017	13,863	14,361
		<b>64,176</b>	<b>69,374</b>	<b>46,273</b>	<b>41,899</b>
<b>Current assets</b>					
Inventories	12	1,764	1,597	105	304
Trade and other receivables	13	87,517	73,606	49,637	45,251
Available-for-sale financial assets	10	12,687	13,241	11,705	11,742
Restricted cash	14	-	2,551	-	2,551
Cash and cash equivalents	15	14,848	30,149	7,816	21,569
		<b>116,815</b>	<b>121,144</b>	<b>69,263</b>	<b>81,417</b>
<b>Total assets</b>		<b>180,991</b>	<b>190,517</b>	<b>115,536</b>	<b>123,316</b>
<b>EQUITY</b>					
<b>Attributable to shareholders of the parent</b>					
Share capital	16	2,010	2,234	2,011	2,234
Share premium	16	5,216	5,216	5,216	5,216
Treasury shares	16	-	(7,417)	-	-
Other reserves	17	6,004	5,913	4,578	4,759
Profits carried forward		78,386	89,182	72,179	70,984
		<b>91,617</b>	<b>95,128</b>	<b>83,985</b>	<b>83,193</b>
Non-controlling interests		8,484	12,295	-	-
<b>Total equity</b>		<b>100,102</b>	<b>107,424</b>	<b>83,985</b>	<b>83,193</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Long-term borrowings	18	4,010	6,013	-	-
Deferred tax liabilities	20	4,243	4,283	-	-
Retirement benefit obligations	21	456	403	354	310
Grants	22	9,318	12,670	350	2,942
Derivative financial instruments	11	486	741	-	-
Other long-term liabilities	19	602	480	-	-
Other non-current provisions	23	6,220	4,500	3,460	3,460
		<b>25,338</b>	<b>29,090</b>	<b>4,164</b>	<b>6,712</b>
<b>Current liabilities</b>					
Trade and other payables	19	32,528	38,600	22,151	30,118
Current income tax liabilities		2,049	995	754	817
Borrowings	18	1,897	2,347	1,783	2,476
Dividends payable		8,377	4,062	-	-
Other current provisions	23	10,700	8,000	2,700	-
		<b>55,552</b>	<b>54,004</b>	<b>27,388</b>	<b>33,411</b>
<b>Total payables</b>		<b>80,890</b>	<b>83,094</b>	<b>31,552</b>	<b>40,123</b>
<b>Total equity and liabilities</b>		<b>180,991</b>	<b>190,518</b>	<b>115,537</b>	<b>123,316</b>

The notes on pages 19 to 73 form an integral part of these financial statements.

## Income Statement

All amounts in EUR thousand.

	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Sales</b>		<b>108,520</b>	<b>121,499</b>	<b>68,133</b>	<b>81,690</b>
Cost of sales	24	(98,318)	(100,348)	(66,340)	(75,180)
<b>Gross profit</b>		<b>10,202</b>	<b>21,151</b>	<b>1,792</b>	<b>6,510</b>
Distribution costs	24	(1,584)	(1,547)	(1,508)	(1,516)
Administrative expenses	24	(5,406)	(5,271)	(2,889)	(2,400)
Other income/(expenses) & Other profits/(losses)	25	(579)	(4,334)	(4,117)	2,149
<b>Operating profit/(loss)</b>		<b>2,633</b>	<b>9,999</b>	<b>(6,722)</b>	<b>4,743</b>
Income from dividends		-	-	9,572	1,740
Loss from associates	8	(710)	(782)	-	-
Financial income	26	622	888	475	803
Financial expenses	26	(1,650)	(2,093)	(1,292)	(1,768)
<b>Profit before taxes</b>		<b>895</b>	<b>8,011</b>	<b>2,033</b>	<b>5,518</b>
Income tax	28	(2,626)	(7,239)	(842)	(3,057)
<b>Net profit for the year</b>		<b>(1,731)</b>	<b>773</b>	<b>1,191</b>	<b>2,461</b>
<b>Profit/(loss) for the financial year attributable to:</b>					
Owners of the parent		(3,495)	(1,373)	1,191	2,461
Non-controlling interests		1,764	2,146	-	-
		<b>(1,731)</b>	<b>773</b>	<b>1,191</b>	<b>2,461</b>
<b>ADDITIONAL INFORMATION</b>					
	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
A. Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	34	7,849	14,544	3,435	7,142
B. Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	34	10,549	22,544	6,135	7,142

The notes on pages 19 to 73 form an integral part of these financial statements.

## Statement of Comprehensive Income

All amounts in EUR thousand.

	Note	Consolidated figures		Company figures	
		12-month period to		12-month period to	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Net profit for the year</b>		<b>(1,731)</b>	<b>773</b>	<b>1,191</b>	<b>2,461</b>
<b>Other comprehensive income</b>					
<b>Items that may be subsequently reclassified to profit or loss</b>					
Currency translation differences	17	(185)	60	(135)	(10)
Fair value gains/(losses) on available-for-sale financial assets	17	(41)	(9)	(38)	(8)
Cash flow hedge	17	255	300	-	-
		<b>29</b>	<b>351</b>	<b>(173)</b>	<b>(18)</b>
<b>Items that will not be reclassified to profit and loss</b>					
Actuarial loss	17	(11)	(4)	(7)	(3)
		<b>(11)</b>	<b>(4)</b>	<b>(7)</b>	<b>(3)</b>
<b>Other comprehensive income/(loss) for the year (net of tax)</b>		<b>18</b>	<b>347</b>	<b>(179)</b>	<b>(21)</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(1,713)</b>	<b>1,120</b>	<b>1,012</b>	<b>2,440</b>
<b>Total Comprehensive Income/(Loss) for the year attributable to:</b>					
Owners of the parent		(3,476)	(1,025)	1,012	2,440
Non-controlling interests		1,762	2,146	-	-
		<b>(1,713)</b>	<b>1,120</b>	<b>1,012</b>	<b>2,440</b>

The notes on pages 19 to 73 form an integral part of these financial statements.

## Statement of Changes in Equity - Consolidated figures

All amounts in EUR thousand.

	Note	Attributed to Equity Holders of the Parent Company					Non-controlling interests	Total Equity
		Share capital	Share premium	Other reserves	Treasury shares	Results carried forward		
<b>1 January 2015</b>		<b>2,234</b>	<b>5,216</b>	<b>5,558</b>	<b>(7,417)</b>	<b>90,583</b>	<b>96,174</b>	<b>107,032</b>
Net profit for the year		-	-	-	-	(1,373)	(1,373)	773
<b>Other comprehensive income</b>								
Currency translation differences	17	-	-	60	-	-	60	60
Fair value gains/(losses) on available-for-sale financial assets		-	-	(9)	-	-	(9)	(9)
Changes in value of cash flow hedge	17	-	-	300	-	-	300	300
Actuarial loss	17	-	-	(4)	-	-	(4)	(4)
<b>Other comprehensive income/(loss) for the year (net of tax)</b>		<b>-</b>	<b>-</b>	<b>347</b>	<b>-</b>	<b>-</b>	<b>347</b>	<b>347</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>-</b>	<b>-</b>	<b>347</b>	<b>-</b>	<b>(1,373)</b>	<b>(1,025)</b>	<b>1,120</b>
Associate share capital increase expenses		-	-	-	-	(29)	(29)	(29)
Transfer to reserves		-	-	3	-	(3)	-	-
Effect of change in % participation in subsidiaries		-	-	5	-	3	8	(708)
<b>31 December 2015</b>		<b>2,234</b>	<b>5,216</b>	<b>5,913</b>	<b>(7,417)</b>	<b>89,182</b>	<b>95,128</b>	<b>107,424</b>
<b>1 January 2016</b>		<b>2,234</b>	<b>5,216</b>	<b>5,913</b>	<b>(7,417)</b>	<b>89,182</b>	<b>95,128</b>	<b>107,424</b>
Net profit/(loss) for the year		-	-	-	-	(3,495)	(3,495)	(1,731)
<b>Other comprehensive income</b>								
Currency translation differences	17	-	-	(185)	-	-	(185)	(185)
Fair value gains/(losses) on available-for-sale financial assets	17	-	-	(41)	-	-	(41)	(41)
Changes in value of cash flow hedge	17	-	-	255	-	-	255	255
Actuarial loss	17	-	-	(9)	-	-	(9)	(11)
<b>Other comprehensive income/(loss) for the year (net of tax)</b>		<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>18</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>(3,495)</b>	<b>(3,476)</b>	<b>(1,713)</b>
Share capital reduction	16	(223)	-	-	7,417	(7,193)	-	-
Transfer (from)/ to reserves		-	-	71	-	(71)	-	-
Effect of change in % participation in subsidiaries		-	-	-	-	(37)	(37)	88
Distribution of dividend		-	-	-	-	-	-	(5,698)

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31 December 2016

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2,010	5,216	6,004	-	78,386	91,616	8,484	100,101
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## Statement of Changes in Equity - Company figures

All amounts in EUR thousand.

	Note	Share capital	Share premium	Other reserves	Results carried forward	Total Equity
<b>1 January 2015</b>		<b>2,234</b>	<b>5,216</b>	<b>4,773</b>	<b>68,523</b>	<b>80,746</b>
Net profit for the year		-	-	-	2,461	2,461
<b>Other comprehensive income</b>						
Currency translation differences	17	-	-	(10)	-	(10)
Fair value gains/(losses) on available-for-sale financial assets	17	-	-	(8)	-	(8)
Actuarial loss	17	-	-	(3)	-	(3)
<b>Other comprehensive loss for the period (net of tax)</b>		<b>-</b>	<b>-</b>	<b>(21)</b>	<b>-</b>	<b>(21)</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>-</b>	<b>-</b>	<b>(21)</b>	<b>2,461</b>	<b>2,440</b>
Effect of change in % participation in subsidiaries	17	-	-	6	-	6
<b>31 December 2015</b>		<b>2,234</b>	<b>5,216</b>	<b>4,759</b>	<b>70,984</b>	<b>83,192</b>
<b>1 January 2016</b>		<b>2,234</b>	<b>5,216</b>	<b>4,759</b>	<b>70,984</b>	<b>83,192</b>
Net profit for the year		-	-	-	1,195	1,195
<b>Other comprehensive income</b>						
Currency translation differences	17	-	-	(135)	-	(135)
Fair value gains/(losses) on available-for-sale financial assets	17	-	-	(38)	-	(38)
Actuarial loss	17	-	-	(7)	-	(7)
<b>Other comprehensive loss for the period (net of tax)</b>		<b>-</b>	<b>-</b>	<b>(179)</b>	<b>-</b>	<b>(179)</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>-</b>	<b>-</b>	<b>(179)</b>	<b>1,195</b>	<b>1,016</b>
Share capital reduction	16	(223)	-	-	-	(223)
<b>31 December 2016</b>		<b>2,010</b>	<b>5,216</b>	<b>4,579</b>	<b>72,179</b>	<b>83,984</b>

The notes on pages 19 to 73 form an integral part of these financial statements.

## Cash flow statement

All amounts in EUR thousand.

	Note	Consolidated figures		Company figures	
		01.01.2016- 31.12.2016	01.01.2015- 31.12.2015	01.01.2016- 31.12.2016	01.01.2015- 31.12.2015
<b>Operating activities</b>					
Cash Flows from operating activities	29	(4,625)	42,601	(7,150)	29,627
Interest paid		(1,512)	(2,125)	(1,199)	(1,961)
Income tax paid		(5,228)	(3,944)	(3,130)	(2,356)
<b>Total Cash Inflows/(Outflows) from Operating Activities (a)</b>		<b>(11,365)</b>	<b>36,532</b>	<b>(11,479)</b>	<b>25,310</b>
<b>Investing activities</b>					
Purchase of tangible assets	5	(2,870)	(3,141)	(309)	(270)
Purchases of intangible assets	6	(16)	(27)	(3)	(7)
Sales of tangible assets	29	179	16	20	12
Dividends received		-	-	1,500	5,940
Acquisition of subsidiaries & share capital increase of subsidiaries	7	-	-	(2,047)	-
Additions to associates	8	(50)	(2,114)	(50)	(2,114)
Purchase of financial assets available for sale	10	-	(15,750)	-	(14,250)
Sale of available-for-sale financial assets	10	513	2,500	-	2,500
Interest received		138	45	82	397
Proceeds from loans repaid by related parties		-	-	240	1,921
Loans to related parties		-	(6,359)	(1,000)	(6,410)
Restricted cash		2,551	1,020	2,551	1,020
Collections of time deposits over 3 months		486	(2)	-	-
Proceeds from loans		240	-	-	-
<b>Total (inflows)/outflows from investing activities (b)</b>		<b>1,171</b>	<b>(23,810)</b>	<b>985</b>	<b>(11,260)</b>
<b>Financing activities</b>					
Share capital reduction		(223)	-	(223)	-
Dividends paid		(182)	(2,250)	-	-
Proceeds from borrowings		-	5,402	-	5,400
Repayment of borrowings		(2,454)	(16,297)	-	(13,440)
Settlements of loans taken out by related parties		-	-	(786)	(3,000)
Grants returned		(2,248)	-	(2,248)	-
<b>Total outflows from financing (c)</b>		<b>(5,107)</b>	<b>(13,145)</b>	<b>(3,258)</b>	<b>(11,040)</b>
<b>Net (decrease) / increase in cash and cash equivalents (a)+(b)+(c)</b>					
Cash and cash equivalents at year start	15	30,149	30,572	21,569	18,558
<b>Cash and cash equivalents at year end</b>	15	<b>14,848</b>	<b>30,149</b>	<b>7,816</b>	<b>21,569</b>

The notes on pages 19 to 73 form an integral part of these financial statements.

## Notes to the financial statements

### 1 General information

The financial statements include the company financial statements of HELECTOR SA (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (collectively the “Group”), for the year ended 31 December 2016, in accordance with the International Financial Reporting Standards (“IFRS”).

The Group mainly operates in construction, focusing on environmental construction (landfills) and solid and liquid waste management. The Group operates in Greece, Croatia, Slovenia, Bulgaria, Germany, FYROM, Cyprus and Jordan.

The Company was incorporated and established in Greece, with registered and central offices at 25 Ermou St, 145 64, Kifissia, Attica. In June of 2012, the Company opened a branch in Rijeka, Croatia, with the purpose of performing and serving the undertaken projects. Moreover, in January 2014 it established a branch in Ljubljana, Slovenia.

The Company is a subsidiary of ELLAKTOR S.A., a company listed on ATHEX, which holds 94.44% of its shares.

The financial statements were approved by the Board of Directors on 29 June 2017, subject to the approval of the General Meeting of shareholders, and are available on the company’s website: [www.helector.gr](http://www.helector.gr).

### 2 Summary of significant accounting policies

#### 2.1 Basis of preparation of the financial statements

The basic accounting principles applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all years presented, unless otherwise stated.

These consolidated and company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been endorsed by the European Union. The financial statements have been prepared under the historical cost convention, except for the financial assets available for sale at fair value through profit and loss (including derivatives) valued at fair value.

The preparation of the financial statements under IFRS requires the use of accounting estimates and assumptions by the Management in implementing the accounting policies adopted. The areas requiring large extent of assumptions or where assumptions and estimations have a significant effect on the financial statements are mentioned in note 4.

##### 2.1.1 Going concern

The financial statements of 31 December 2016 were prepared in accordance with the International Financial Reporting Standards (IFRS) and provide a reasonable presentation of the financial position, profit and loss, and cash flows of the Group, in accordance with the principle of going concern.

##### 2.1.2 Macroeconomic conditions in Greece

In 2016, the Greek showed signs of resilience, despite the initial cautiousness about the development of macroeconomic figures. The first evaluation of the third economic adjustment programme was successfully completed in June 2016, leading to the release of a EUR 10.3 billion loan from the European Stability Mechanism, while Greece and its international creditors agreed to release an instalment of EUR 8.5 billion on completion of the second evaluation in June 2017.

The capital controls imposed in the country on 28 June 2015 remain, although slightly eased, while in early 2017 a new wave of drain of deposits was seen in early 2017, and an increase in non-performing loans. Further, the effect on economic activity of the additional fiscal measures agreed upon in the first and second evaluation is not yet clear, while Greece also undertook the obligation, pursuant to the decision made by Eurogroup, to meet a primary surplus target of 3.5% of GDP for the next five years, aiming to adjust that target to just over 2% of GDP over the period 2023-2060, which could entail additional measures. Considering the current conditions, it is estimated that 2017 will be another challenging year for the Greek economy and, therefore, for the Group's domestic business.

The Management continually assesses the situation and its possible consequences on the Group and the Company, to ensure that all necessary and possible measures and actions are taken in good time to minimise any negative impact.

## **2.2 New standards, interpretations and amendments to existing standards**

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 Group'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 and not significantly altering the Financial Statements of the Group and the Company**

#### **IAS 19R (Amendment) "Employee Benefits"**

These narrow-scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service; for example, employee contributions that are calculated according to a fixed percentage of salary.

#### **IFRS 11 (Amendment) "Joint Arrangements"**

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'.

#### **IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation"**

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate, and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

#### **IAS 27 (Amendment) "Separate financial statements"**

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

#### **IAS 1 (Amendments) "Disclosure initiative"**

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

#### **IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment entities: Applying the consolidation exception"**

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

#### **Annual Improvements to IFRSs 2012**

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

*IFRS 2 'Share-based payment'*

The amendment clarifies the definition of a 'vesting condition', and, separately, defines 'performance condition' and 'service condition'.

*IFRS 3 'Business combinations'*

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 'Financial instruments: Presentation'. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

*IFRS 8 'Operating segments'*

The amendment requires disclosure of the judgments made by management in aggregating operating segments.

*IFRS 13 'Fair value measurement'*

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts, in cases where the impact of not discounting is immaterial.

*IAS 16 'Property, plant and equipment' and IAS 38 'Intangible assets'*

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

*IAS 24 'Related party disclosures'*

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**Annual Improvements to IFRSs 2014**

The amendments set out below describe the key changes to three IFRSs.

*IFRS 7 'Financial Instruments: Disclosures'*

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement, and clarifies that the additional disclosure required by the amendments to IFRS 7, 'Disclosure – Offsetting financial assets and financial liabilities' is not specifically required for all interim periods, unless required by IAS 34.

*IAS 19 'Employee benefits'*

The amendment clarifies that when determining the discount rate for post-employment benefit obligations, it is the currency in which the liabilities are denominated that is important, and not the country where they arise.

*IAS 34 'Interim Financial Reporting'*

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

**Standards and Interpretations effective for subsequent periods that have not entered in effect and have not been endorsed by the Group and the Company earlier.****IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9, 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 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 Group is currently investigating the impact of IFRS 9 on its financial statements.

**IFRS 15 ‘Revenue from Contracts with Customers’ (effective for annual periods beginning on or after 1 January 2018)**

IFRS 15 was issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers, in order 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 Group is currently investigating the impact of IFRS 15 on its financial statements.

**IFRS 16 ‘Leases’ (effective for annual periods beginning on or after 1 January 2019)**

IFRS 16 was issued in January 2016 and replaces IAS 17. The objective of the standard is to ensure that lessees and lessors provide useful information that fairly presents the essence of the lease-related transactions. IFRS 16 introduces a single model for the accounting treatment by the lessee, which requires that the lessee recognises assets and liabilities for all lease contracts with a term of over 12 months, except if the underlying asset has non-significant value. With regard to the accounting treatment by the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor continues classifying lease contracts into operating and finance leases and applying different accounting treatment for each type of contract. The Group is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

**IAS 12 (Amendments) ‘Recognition of deferred tax assets on unrealised losses’ (effective for annual periods beginning on or after 1 January 2017)**

The amendments clarify the accounting treatment relating to the recognition of deferred tax assets on unrealised losses incurred from loans measured at fair value. The amendments have not yet been endorsed by the EU.

**IAS 7 (Amendments) ‘Disclosure initiative’ (effective for annual periods beginning on or after 1 January 2017)**

The amendments introduce mandatory disclosures that enable the users of financial statements to assess the changes in liabilities from financing activities. 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 in applying the foreign currency transactions standard - IAS 21. The interpretation is applicable when an entity has received or paid advance consideration for contracts in a foreign currency. This interpretation has not yet been endorsed by the EU.

**Annual Improvements to IFRSs 2014 (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 “Disclosure of Interests in Other Entities”**

The amendment clarifies that the disclosure requirement of IFRS 12 applies to interests in entities classified as held for sale except for summarised financial information.

IAS 28 “Investments in Associates and Joint Ventures”

The amendments clarify that when venture capital organisations, mutual funds, unit trusts and similar entities elect measuring their investments in associates or joint ventures at fair value through profit or loss, this election should be made separately for each associate or joint venture at initial recognition.

## 2.3 Consolidation

### (a) Subsidiaries

Subsidiaries are economic entities over which the Group exercises control of their operation. The Group controls a company when exposed to or has rights in variable performances of the company, due to its holding in this company, and has the ability to affect these performances through its power in this company. The existence and effect of voting rights that can be exercised or converted are also taken into account to document that the Group is in control of the economic entity. There may also be control in cases where the holding in the share capital with voting rights is less than 50%, but the Group is able to exercise control over the financial and business policies on a de facto basis. There is de facto control where the number of voting rights held by the Group, in relation to the number and allocation of the rights held by other shareholders, enable the Group to exercise control over the financial and business policies.

Subsidiaries are fully consolidated from the date when control over them is acquired and cease to be consolidated from the date when control no longer exists.

Business combinations are accounted for using the acquisition method. Acquisition cost is calculated as the fair value of the assets assigned, of obligations undertaken or in place, and of the equity instruments issued as of the date of transaction.

The acquisition cost includes the fair value of the assets or liabilities arising from contingent consideration arrangements. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued initially at their fair values at the acquisition date. The Group recognises a controlling interest in the subsidiary, if any, either at the fair value or at the value of the share of the non-controlling interest in the net worth of the acquired company. The Group recognises non-controlling interests in proportion to the subsidiary's equity. The acquisition costs are posted in profit and loss as incurred.

In a business combination achieved in stages, the acquirer shall remeasure its equity interest previously held in the acquiree at fair value at the acquisition date and recognize any gain or loss in income.

Any contingent consideration to be paid by the Group is recognized initially at fair value at the acquisition date. Any changes in fair value of contingent consideration that qualify for classification as an asset or liability are recognized in accordance with IAS 39 either in profit or loss or as effect on other comprehensive income. A contingent consideration recognized as equity is not revalued and its subsequent settlement is accounted for within equity.

When the sum of (a) the cost of acquisition, (b) the amount recognised as non-controlling interests and (c) the fair value at the acquisition date of the Group's share, if the combination is achieved in stages, is greater than the net assets acquired, the excess is recognised as goodwill. If the above sum is less than the fair value of the net assets acquired, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, except if the transaction provides an indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity with the ones adopted by the Group. In the parent company's Statement of Financial Position, subsidiaries are valued at cost less impairment.

### (b) Changes to holdings in subsidiaries without loss of control

Any transactions with minority shareholders having no effect on the control exercised by the Group over the subsidiary are measured and recorded as equity transactions, i.e. they are handled in the same way as that followed for transactions with key Group shareholders. The difference between the price paid and the relevant share acquired in the carrying value of the subsidiary's equity is deducted from equity. Any profit or loss arising from the sale to majority shareholders is also posted under equity.

(c) *Sale of/ loss of control over subsidiary*

As soon as the Group ceases to exercise control on a subsidiary, the remaining percentage is measured at fair value, and any differences are posted in results. Subsequently, this asset is classified as an associate or financial asset, its acquisition value being that fair value. In addition, any amounts previously recorded under Other Comprehensive Income will be accounted for as in the case of sale of a subsidiary, and therefore they may be accounted for in profit or loss.

(d) *Associates*

Associates are economic entities on which the Group can exercise significant influence but not “control”, which is generally the case when the Group holds a percentage between 20% and 50% of a company’s voting rights. Investments in associates are accounted for using the equity method. In accordance with the equity method, an investment in an associate is recognised initially at acquisition cost, and the carrying value increases or decreases in order for the investor’s share to be recognised in the associate’s profit or loss following the date of acquisition. The “Investments in associates” account also includes the goodwill resulting on acquisition (reduced by any impairment losses).

In case of sale of a holding in an associate on which the Group continues, however, to exercise significant influence, only the portion of amounts previously posted directly in Other Comprehensive Income will be posted in results.

Following the acquisition, the Group’s share in the gains or losses of associates is recognized in the income statement, while the share of changes in Other Comprehensive Income following the acquisition is recognized in Other Comprehensive Income. The cumulative changes after the acquisition affect the book value of investments in associates, with a respective adjustment to the current value of the investment. When the Group’s share in the losses of an associate is equal or larger than the carrying amount of the investment, the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate.

The Group assesses at each balance sheet date whether there is evidence of impairment of investments in associates. If any investment must be impaired, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its book value. The amount of impairment is recognised in the income statement, in the row 'Profit/loss from associates'.

Unrealised profits from transactions between the Group and its associates are eliminated, according to the Group’s percentage ownership in the associates. Unrealised losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of affiliates have been adjusted in order to be in conformity to the ones adopted by the Group. In the parent company’s balance sheet, associates are valued at cost less impairment.

(e) *Joint Arrangements*

According to IFRS 11, the types of joint arrangements are reduced to two: joint operations and joint ventures. The classification depends on the rights and obligations of the parties with regard to the agreement and takes into account the structure and legal form of the agreement, the terms agreed upon by the parties and, where appropriate, other facts and circumstances.

*Joint operations* are joint arrangements where the parties (participants), which are jointly in control, have rights on the assets and are responsible as regards the entity’s obligations. The participants should account for the assets and obligations (as well as the revenues and expenses) related to their share in the entity.

*Joint ventures* are joint arrangements where the parties (venturers), which have joint control on the agreements, have rights to the net assets of the arrangement. These undertakings are accounted for under the equity method (proportional consolidation is no longer allowed).

Under IAS 31, the Group accounted for the joint agreements in which it participated by using the proportionate consolidation method. Exceptions were those which were inactive on the date of first IFRS adoption, or were not important, which were consolidated using the equity method. These agreements, following the implementation of IFRS 11, will continue to be consolidated by the Group under the equity method until their final clearance. The key joint arrangements where the Group participates pertain to the execution of construction contracts through jointly controlled vehicles. These joint arrangements are classified as joint operations because their legal form offers the parties immediate rights to assets, and makes them liable for the liabilities. According to IFRS 11, the Group accounts



for assets, liabilities, revenue and expenses based on its share in the joint operations. Note 9 presents in detail the share in the joint operations of the Group.

As joint ventures, the Group has classified the companies presented in note 8 (together with associates), in which the parties that participate have rights on the net assets of the companies, and are therefore consolidated using the equity method, in line with IAS 28.

## 2.4 Foreign exchange conversions

### (a) *Functional and presentation currency*

The items included in the financial statements of the joint operations and the branches of the Group are measured using the currency of the primary economic environment in which each entity operates ('functional currency'). The financial statements are reported in Euros, which is the functional currency and the reporting currency of the parent Company.

### (b) *Transactions and balances*

Currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Profits and losses from currency translation differences that arise from the settlement of such transactions during the financial year and from the translation of monetary items into foreign exchange at current rates, applicable on the balance sheet date, are recorded in profit and loss, except where they are transferred directly to Other comprehensive income, due to being related to cash flow hedges and net investment hedges.

### (c) *Group Companies*

The results and financial position of all group operations abroad (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) The assets and liabilities are converted using the rates in effect at the balance sheet date;
- ii) The income and expenses are converted using the average rates of the period (except if the average rate is not the reasonable approach of the accumulated impact of the rates in effect at the dates of the transactions, in which case, income and expenses are converted using the rates in effect at the dates of the transactions) and
- iii) Any differences arising from this process are posted under other comprehensive income and are transferred to the income statement upon disposal of these companies.

Currency translation differences arising from the conversion of the net investment in a foreign company, as well as of the borrowing characterized as hedging of this investment are posted under Other Comprehensive Income. Upon disposal of a foreign company in part or in whole, accumulated exchange differences are transferred to the income statement of the period as profit or loss resulting from the sale.

Gains and changes to fair value from the acquisition of foreign companies are deemed to be assets and liabilities of the foreign company and are measured at the currency rate applicable on the balance sheet date. The resulting foreign exchange differences are recorded in Other comprehensive income.

## 2.5 Leases

### (a) *Group Company as lessee*

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease expense is recognized in the income statement proportionally during the lease period and includes any restoration cost of the property if such clause is included in the leasing contract.

Leases of fixed assets where all the risks and rewards of ownership are maintained by the Group are classified as finance leases. Finance leases are capitalized at the leases inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The respective lease liabilities, net of finance charges, are included in borrowings. The part of the finance

charge relating to finance leases is recognised in the income statement over the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

*(b) Group Company as lessor*

The Group leases assets only through operating leases. Operating lease income is recognised in the income statement of each period proportionally during the period of the lease.

## 2.6 Prepayments for long-term leases

Prepayments for long-term leases include Group receivables from sundry debtors and mainly relate to subsidiaries' receivables advance payments of rents to lessors.

## 2.7 Property, Plant and Equipment

Fixed assets are reported in the financial statements at acquisition cost minus accumulated depreciation and possible impairment (note 2.9). Acquisition cost includes all expenditure directly attributable to the acquisition of the fixed assets. Subsequent costs are included in the asset's carrying value 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 Group, and the cost of the item can be measured reliably. The repair and maintenance cost is recorded in the results when such is incurred.

Land is not depreciated. Depreciation of other PPE is calculated using the straight-line method over their useful life as follows:

- Buildings	20 – 28	years
- Mechanical equipment	6 – 9	years
- Special mechanical equipment and facilities	18 – 28	years
- Transportation equipment	5 – 7	years
- Other equipment	1 – 5	years

Since 2014, the useful life of wind parks increased from 20 to 27 years, due to the seven-year extension to the operating contracts under Law 4254/2014.

The residual values and useful economic life of PPE are subject to reassessment, at least at each balance sheet date.

PPE under construction include fixed assets under construction that are shown at their cost. PPE under construction are not depreciated until the fixed asset is completed and enters in operation.

When the book values of tangible assets exceed their recoverable value, the difference (impairment) is posted in the income statement as expense (note 2.9).

Upon the sale of PPE, any difference between the proceeds and the depreciable amount is recorded as profit or loss in the results.

## 2.8 Intangible assets

*(a) Goodwill*

Goodwill arises from the acquisition of subsidiaries and is the difference between the sum of the acquisition price, the amount of non-controlling interests in the acquired company and the fair value of any prior participating interest in the acquired company as on the acquisition date and the fair value of the recognisable net assets of the acquired subsidiary. Goodwill arising from acquisitions of subsidiaries is recognized in intangible assets. Goodwill is not depreciable and is tested for impairment annually, or even more frequently if the circumstances indicate possible impairment, and recognized at cost, less any impairment losses. Goodwill losses cannot be reversed.

Goodwill is allocated to cash-generating units for impairment testing. Allocation is made to those units or cash-generating unit groups which are expected to benefit from the business combinations which created goodwill and is recognised in line with the operating segment.

Profit and losses from the disposal of an undertaking include the book value of the goodwill of the undertaking sold.

Negative goodwill is written off in profit and loss.

*(b) Software*

Software licenses are valued at acquisition cost less depreciation. Depreciation is accounted for with the straight-line method during their useful lives, which vary from 1 to 3 years.

*(c) Concession right*

Concession rights are valued at the acquisition cost, less depreciation. Depreciation is carried out using the straight line method during the Concession Contract (note 2.23).

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

Assets with an indefinite useful life are not depreciated and are subject to impairment testing on an annual basis and when certain events or changes in the circumstances suggest that their carrying value may not be recoverable. Assets that are depreciated are subject to impairment audit when indications exist that their carrying value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher between fair value, reduced by the cost required for the disposal, and the value in use (current value of cash flows anticipated to be generated, based on the management's estimates of future financial and operating conditions). For the calculation of impairment losses, assets are classified in the minimum cash generating units. Any non-financial assets, apart from goodwill, which have been impaired, are reassessed for possible impairment reversal on each balance sheet date.

## **2.10 Financial Assets**

### ***2.10.1 Classification***

The financial instruments of the Group have been classified into the following categories, according to the objective for which each investment was undertaken. The Management makes the decisions on classification at initial recognition.

*(a) Borrowings and receivables*

These include non-derivative financial assets with fixed or predefined payments, not traded on active markets. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Borrowings and receivables are included in the trade and other receivables account in the Statement of Financial Position.

*(b) Financial assets available for sale*

These include non-derivative financial assets that are either designated as such or cannot be included in any of the previous categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

### ***2.10.2 Recognition and Measurement***

The purchase and sales of investments are recorded on the trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at their fair value, plus expenses directly related to the transaction, with the exception of those assets, regarding expenses directly related to the transaction, which are valued at their fair value through profit and loss. Investments are written off when the right to cash flows from investments expires or is transferred, and the Company has materially transferred all risks and rewards incident to ownership.

Subsequently, financial assets held for sale are valued at fair value, and the relative gains or losses are recorded under Other Comprehensive Income, until those assets are sold or characterised as impaired. Upon sale or when assets are characterised as impaired, the gains or losses are transferred to the income statement. Impairment losses recognised in results may not be reversed through profit and loss.

Borrowings and trade payables are initially recognised at fair value and are subsequently valued at unamortised cost, based on the effective rate method.

The fair values of financial assets that are traded in active markets are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparable items that are traded and discounted cash flows.

### **2.10.3 Offsetting of financial receivables and liabilities**

Financial receivables and liabilities are offset, and the net amount is presented in the Statement of Financial position only where the Company holds the legal right to do so and intends to offset them on a clear basis between them, or to retrieve the financial asset and offset the liability at the same time.

### **2.10.4 Impairment of financial assets**

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity, which is the difference between the cost of acquisition and the fair value, shall be carried over to results. Impairment losses of equity instruments recognised in the income statement are not reversed through the income statement. Reversals of security impairments are recognised in profit or loss if the increase in the fair value of these items can be correlated objectively to a certain event that took place after recognition of impairment loss in profit or loss.

In case of objective indications that financial assets held to maturity and presented at net book acquisition value have been impaired, the amount of impairment loss is calculated as the difference between their carrying value and the current value of estimated future cash flows (except for future losses from credit risks not yet incurred), discounted at the initial effective rate. Impairment losses of financial assets held to maturity are posted in results.

The impairment test for receivables is described in note 2.13.

## **2.11 Financial derivatives**

Group companies evaluate, on a case by case basis, the making of financial derivative contracts to hedge the exposure to rate fluctuations connected to long-term loan agreements.

Upon commencement of a transaction, the Group establishes the relation between the hedging instruments and hedged assets, as well as the risk management strategy to take various hedging actions. This procedure includes the linking of all derivatives used as hedges to specific assets and liabilities or specific commitments or prospective transactions. Furthermore, when starting a hedge and thereafter, the extent is measured as to whether the derivatives used in hedging transactions are effective in eliminating fluctuations in the market value or cash flows of the hedged assets.

The fair values of derivatives used for hedging purposes are disclosed in note 11. Changes to the cash flow hedging reserve under Other comprehensive income are disclosed in note 17. The total fair value of hedging derivatives is classified under non-current assets or long-term liabilities when the remaining hedged asset has a maturity over 12 months, or under current assets or short-term liabilities when the residual maturity of the hedged asset is less than 12 months. Derivatives held for trade are classified under current assets or short-term liabilities.

### **Cash flow hedge**

Derivative assets are initially recognised at cost (fair value) as of the date of the relevant agreement and are then measured at fair value.

The portion of the change in the derivative's fair value considered effective and meeting the cash flow hedging criteria is recognised in Statement of Comprehensive Income. Profit or loss associated with the non-effective portion of change is directly recognised in the Income Statement under 'Financial expenses (income) - net'.

The cumulative amount posted under Equity is transferred in the Income Statement to the periods over which the hedged asset has affected period profit or losses. The profits or losses associated with the effective portion of the

hedging of floating rate swaps is recognised in the Income Statement under 'Finance income/(expenses) - net'. However, when a prospective transaction to be hedged results in the recognition of a non-financial asset (such as reserves or fixed assets), then earnings and losses previously posted in net equity are transferred from Equity and are accounted for at the original cost of such asset. These amounts are ultimately charged to results through the cost of sales in the case of reserves, and through depreciation in the case of tangible assets.

When a financial product matures or is sold, or when a hedging relation no longer meets the criteria of hedge accounting, the cumulative profits or losses posted to that time under Equity remain in Equity and are recognised when the prospective transaction is ultimately posted in the Income Statement. When a prospective transaction is no longer expected to be made, the cumulative profits or losses posted under Equity are directly transferred to the Income Statement under 'Other income/(expenses) & Other profits/(losses). ».

## **2.12 Inventories**

Inventories are valued at the lower of acquisition cost and net realisable value. The cost is calculated using the weighted average cost method. The cost of end products and semi-finished inventories includes the cost of design, materials, average working cost and a proportion of the general cost of production.

## **2.13 Trade and other receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, except if the discount outcome is not important, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due, according to the original terms of receivables.

Trade receivables comprise of commercial papers and notes payable from customers.

Serious problems that the customer encounters, the possibility of bankruptcy or financial reorganisation and the inability of scheduled payments considered to be evidence that the receivable value must be impaired. The amount of the provision is the difference between the asset's carrying value and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised as an expense in the income statement.

## **2.14 Restricted cash**

Restricted cash is cash equivalents not readily available for use. These cash equivalents may not be used by the Company until a certain point in time or an event is reached or occurs in the future. In the cases where restricted cash is expected to be used within one year from the date of the statement of financial position, these are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset. Restricted cash is disclosed in a separate row in the statement of financial position but is taken into consideration together with Cash and Cash Equivalents and Time Deposits over 3 months, when calculating the gearing ratio.

## **2.15 Cash and cash equivalents**

Cash and cash equivalents include cash, sight deposits, and short-term investments of up to 3 months, with high liquidity and low risk.

## **2.16 Share capital**

The share capital includes the Company's ordinary shares. Whenever, any Group company purchases shares of the Company (Own shares), the consideration paid is deducted from equity attributable to the Group's equity holders until the shares are cancelled or disposed of. The profit or loss from the sale of own shares is recognised directly in equity.

Direct expenses for the issue of shares appear net of any relevant income tax benefit, to the reduction of equity.

## 2.17 Trade and other payables

Trade liabilities are usually obligations to make payment for products or services obtained during performance of typical commercial activity by suppliers. The accounts payable are classified as short-term liabilities if the payment is due within not more than one year. If not, they are classified as long-term liabilities. Trade liabilities are recognised initially at fair value and are measured subsequently at net book cost by the use of the effective rate method.

## 2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at net book cost, using the effective interest rate method. 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 rate method.

Any borrowing expenses paid upon execution of new credit agreements are recognised as borrowing expenses, provided that part or all of the new credit line is withdrawn. In this case, they are recorded as future borrowing expenses until withdrawal is made. If the new borrowings are not used, in part or in all, these expenses are included in prepaid expenses and are recognised in profit or loss during the useful life of the relevant credit line.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

## 2.19 Current and deferred taxation

Income tax for the financial year comprises current and deferred taxation. Tax is recognised in the income statement, unless relevant to amounts recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or equity, respectively.

Income tax on profit is calculated in accordance with the tax legislation established as of the balance sheet date in the countries where the Group operates and is recognised as expense in the period during which profit was generated. The management regularly evaluates the cases where the applicable tax legislation requires interpretation. Where necessary, estimates are made for the amounts expected to be paid to tax authorities.

Deferred income tax is determined using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, as shown in the financial statements. 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 the accounting or the taxable gains or losses.

Deferred tax is determined using the tax rates and laws in force as of the date of the balance sheet, and expected to be in force when the deferred tax receivables will come due or deferred tax liabilities will be repaid.

Deferred tax receivables are recognised to the extent that there could be future taxable gains to use the temporary difference that gives rise to the deferred tax receivables.

Deferred tax receivables and liabilities are offset only if the offsetting of tax receivables and liabilities is permitted by law, and provided that deferred tax receivables and liabilities are determined by the same tax authority to the tax paying entity or different entities, and the intention has been expressed to proceed to settlement by way of offset.

## 2.20 Employee benefits

### (a) Post-employment benefits

The employee benefits after their retirement include defined contribution programs and defined benefit programs. The Group participates in various pension plans. Payments are defined by Greek law and the funds' regulations.

A defined benefit plan is a pension plan that defines a specific amount to a pension to be received by an employee when he retires, which usually depends on one or more factors such as age, years of service and level of salary.

A defined contribution scheme is a pension plan under which the Company makes fixed payments to a separate legal entity. The Company has no legal obligation to pay further contributions if the fund does not have sufficient assets to pay to all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to public social security funds on a mandatory basis. The Group has no obligation other than paying its contributions. The contributions are recognised as staff costs when the debt arises. Prepaid contributions are recognised as an asset if there is a cash refund possibility or offsetting against future debts.

The liability that is reported in the balance sheet with respect to defined benefit schemes is the present value of the liability for the defined benefit on the balance sheet date, less the fair value of the scheme's assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting future cash flows at a discount rate equal to the rate of long-term investment grade corporate bonds that have a maturity approximately equal to the pension plan.

The current service cost of the defined benefit scheme that is recognised in the income statement in Salaries and wages reflects the increase in the defined benefit obligation resulting from an employee's service in the current period, benefit changes, cutbacks and settlements. The recognised prior service cost is directly recognised in profit/(loss).

Net interest cost is assessed as the net amount between the obligation for the defined benefit scheme and the fair value of the assets of the scheme on the prepayment interest rate.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in the income statement.

#### *(b) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises these benefits at the earliest of the following dates: (a) when the Company can no longer withdraw the offer of such benefits, and (b) when the Company recognises restructuring costs falling within the scope of IAS 37 and includes the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, retirement benefits are calculated based on the number of employees expected to accept the offer. When such termination benefits are deemed payable in periods that exceed 12 months from the Balance Sheet date, then they must be discounted at their current value.

In the case of employment termination, where the number of employees to use such benefits cannot be determined, the benefits are disclosed as contingent liability but are not accounted for.

## **2.21 Provisions**

Provisions for pending litigation, unaudited years and other cases are recognised when an actual legal or assumed commitment exists as a result of past events, when settlement of such commitment will likely require an outflow of resources, and when the required amount can be reliably estimated.

When concession agreements (note 2.24) include the concessionaire's contractual obligation to maintain the infrastructure at a certain service level or restore the infrastructure to a certain state before delivering it to the conceder at the end of the concession period, the Group, as concessionaire, acknowledges and values this obligation under IAS 37.

Provisions are recognised on a discounted basis when the effect of the time value of money is significant, using a pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the liability. When provisions are discounted, the increase in provisions due to the lapse of time is recognised as a financial expense. Provisions are reviewed at each date of financial statements, and if an outflow of funds to settle the obligation is unlikely, they are reversed in the income statement.

## 2.22 Recognition of revenues

Revenue is generated from construction projects, from the generation and sale of power, and from waste management services.

The Group recognises revenue when this can be reliably measured, and it is probable that the economic benefits of the transaction will flow to the Group.

Income is recognised as follows:

### *i) Revenue and profit from construction contracts*

Revenue and profit from construction contracts are recognised according to IAS 11 as described in note 2.23 below.

### *ii) Income from the provision of services*

Revenue from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services provided.

In the case where the Group acts as a representative, it is the commission and not the gross revenue that is accounted for as revenue.

### *iii) Income from generation and sale of electricity*

Income from the generation and sale of electricity are accounted in the month of the generation and sale to the public authority in each case.

### *iv) Interest income*

Interest income is recognised on an accrual basis using the effective rate method. In the case of impairment of borrowings and receivables, interest income is recognised using the rate which discounts future flows for impairment purposes.

### *v) Income from dividends*

Dividends are accounted for as income when the right to receive payment is established.

## 2.23 Contracts for projects under construction

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Expenses associated with construction contracts are recognised in the period in which they are incurred.

When the result of a construction contract cannot be reliably assessed, only the expenses incurred or expected to be collected are recognised as income from the contract.

When the result of a construction contract can be reliably assessed, such contract's income and expenses will be recognised during the term of contract as income and expenses, respectively. The Group uses the percentage of completion method to estimate the appropriate amount of income and expense to be recognised for a certain period. The stage of completion is calculated based on the expenses which have been incurred up to the balance sheet date compared to the total estimated expenses for each contract. If it is possible that the total cost of the contract will exceed total income, then anticipated losses are directly recognised in profit and loss as expenses.



In order to determine the cost incurred by the end of the period, any expenses relating to future tasks included in the contract are exempted and presented as work in progress. The total cost incurred and recognised profit/loss for each contract is compared with sequential invoices till the end of the financial year.

Where the realised expenses plus the net profit (less losses) recognised exceed the sequential invoices, the occurring difference is presented as a receivable from construction contract customers in the account 'Trade and other receivables'. When the sequential invoices exceed the realized expenses plus the net profit (less losses) recognized, the balance is presented as a liability towards construction contract customers in the account "Trade and other payables".

## 2.24 Service Concession Arrangements

With regard to Service Concession Arrangements whereby a public sector body contracts with a private operator for the provision of services, the Group applies IFRIC 12, provided that the following two conditions are met:

- a) the grantor controls or determines which services the operator should provide to whom and at which price, and
- b) the grantor controls any other significant interests in the infrastructure upon completion of the concession arrangement period. In accordance with IFRIC 12, such infrastructures are not recognised as tangible assets of the operator, but as a Financing Contribution of the State under financial assets (financial asset model), and/or as a Concession Right under intangible assets (intangible asset model), depending on the contractually agreed terms.

### *i) Guaranteed receipt from grantor (Financial Asset model)*

As an operator, the Group recognises a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the construction services.

In the case of service concession contracts, the operator has the unconditional right to receive cash if the grantor contractually guarantees to pay the operator:

- a) specified or determinable amounts, or
- b) the shortfall, if any, between amounts received from users of the public service and specific or determinable amounts, provided for in the Service Concession contract.

The financial assets resulting from the application of IFRIC 12 are recorded in the Statement of Financial Position as 'Guaranteed receipt from grantor', and recognised at unamortised cost, based on the effective rate method, also deducting any impairment losses. The effective rate is equal to the average weighted capital cost for the operator unless otherwise stipulated in the Concession contract.

### *ii) Concession Right (Intangible Asset Model)*

As an operator, the Group recognises an intangible asset to the extent that it receives a right (licence) to charge users of the public service. The right to charge users of a public service does not constitute an unreserved right to collect cash since the amounts collected depend on whether the public uses such service.

Intangible assets resulting from the application of IFRIC 12 are recorded under Intangible Assets in the Statement of Financial Position, analysed as a 'Concession Right' and valued at acquisition cost less depreciation. Depreciation is carried out using the straight-line method during the Concession contract.

### *iii) Guaranteed receipt from grantor and Concession Right (Mixed-Model)*

When the service concession contract anticipates that the operator will be remunerated for the construction services partly with a financial asset and partly with an intangible asset, the Group recognises each component of its remuneration separately, according to the above (Guaranteed receipt from grantor and Concession Right).

The Group recognises and accounts for the revenues and costs associated with the construction or upgrading services in accordance with IAS 11 (note 2.22), while revenues and costs associated with operation services are recognised and accounted for in accordance with IAS 18 (note 2.22).

IFRIC 12, and in particular the Mixed Model (Guaranteed Receipt from Grantor and Concession Right) applies to Joint Venture Helector-Ellaktor-Cybarco, under a service concession arrangement with the Government of Cyprus for the Waste Treatment and Disposal Plants. The arrangement term is 13 years, 3 years of which correspond to the construction period.

Under the service concession contract, the Joint Venture will be paid for its services partly with payments for the construction works and partly with the right to charge the government for management services during the management period.

## **2.25 Distribution of dividends**

The distribution of dividends to equity holders of the parent company is recognised as a liability when the distribution is approved by the General Meeting of the shareholders.

## **2.26 Grants**

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all stipulated conditions.

Government grants relating to costs are deferred and recognised in the income statement to match them with the costs that they are intended to compensate.

Government grants regarding the purchase of fixed assets or the construction of projects are included in long term liabilities as deferred state grants and are recognised as income through profit and loss using the straight line method according to the asset expected useful life.

Grants received to finance Concession Contracts are presented in accordance with IFRIC 12 as a reduction to the Guaranteed receipt from grantor (note 2.24).

## **2.27 Reclassifications and rounding of items**

The amounts disclosed in these financial statements have been rounded to EUR thousand. Any differences that may occur are due to these roundings.

### 3 Financial risk management

#### 3.1 Financial risk factors

The Group is exposed to various financial risks, such as market risk (macroeconomic conditions of the Greek market, currency risk, interest rate risk, etc.), credit risk and liquidity risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, accounts payable and other liabilities and debt liabilities. The accounting principles referred to the above financial instruments are presented in Note 2.

Risk management is monitored by the finance division, and more specifically by the central Financial Management Division of the Group, and is determined by directives, guidelines and rules approved by the Board of Directors with regard to rate risk, credit risk, the use of derivative and non-derivative instruments, and the short-term investment of cash.

##### (a) Market Risk

Market risk is related to the business sectors where the Group operates. Indicatively, the Group is exposed to the risk of a change in the prevailing conditions of the constructions sector and raw materials markets, as well as to risks associated with the execution of projects under joint venture schemes, and the adequacy of capital required for participation in co-financed projects. The Group's departments are closely monitoring the trends in the individual markets in which it operates and plan actions for prompt and efficient adaptation to the individual markets' new circumstances.

##### i) Foreign currency risk

The Group is exposed to low currency risk mainly related to its activity in Croatia. Currency risk is primarily due to the local currency exchange rate (HRK). If, on 31.12.2016, the exchange rate of the local currency (HRK) was increased/decreased by 5% compared to the euro, the Company's profits before taxes would be down by EUR 100 thousand (2015: EUR 224 thousand).

##### ii) Cash flow risk and risk arising from fair value change due to a change in interest rates

The Group is exposed to risk from fluctuations in interest rates, arising from bank loans with floating rates. The Group is exposed to interest rate fluctuations seen on the market, which affect its financial position and cash flows. The cost of debt may increase as a result of these changes thus creating losses, or it can decrease on the occurrence of unexpected events. It should be noted that the fluctuation in interest rates in recent years has been caused primarily by the increase in spreads due to the lack of liquidity in the Greek banking market and the estimated risk of Greek companies, and, to a lesser extent, by the increase in base interest rates (e.g. Euribor).

As regards long-term borrowings, the Group's Management systematically and constantly monitors interest rate fluctuations and assesses the need to take relevant positions to hedge risks, when and if necessary. In the context of risk offsetting, Group companies may enter interest swap contracts and other derivatives.

6% of the Group's borrowings (31.12.2015: 6%) is linked to floating rates, and all borrowings are denominated in Euro. The Group constantly monitors interest rate trends, as well as the duration and nature of subsidiaries' financing needs. Decisions on loan terms as well as the relation between variable and fixed interest rate are considered separately on a case by case basis.

#### Interest Rate Sensitivity Analysis of Group Borrowings

If on 31 December 2016, borrowing rates were increased/decreased by 1%, all other variables being equal, the Group's results would appear reduced/increased by EUR 64 thousand (2015: EUR 137 thousand), while the Company's results would appear reduced/increased by EUR 21 thousand (2014: EUR 88 thousand), mainly due to the

increased/decreased financial cost of floating rate loans. Accordingly, this would also affect the Company and Group equity.

*(iii) Price risk*

The Group is exposed to the risk relating to the fluctuation of the fair value of its financial assets available for sale which can affect the financial statements, as relevant gains or losses from fair value adjustments will be recorded as a reserve under equity until these assets are sold or designated as impaired.

*(b) Credit Risk*

The Group has developed policies in order to ensure that transactions are conducted with customers of sufficient credit rating. Due to the conditions prevailing in the market, credit line approval results from a stricter procedure that involves all senior management levels. The Group has been monitoring its debtors' balances very carefully, and where receivables with credit risk are identified, they are assessed in accordance with established policies and procedures, and an appropriate impairment provision is formed.

Cash and cash equivalents, investments and financial derivative contracts potentially involve credit risk as well. In such cases, the risk may arise from counterparty failure to fulfil their obligations towards the Group. In order to manage this credit risk, the Group sets limits to the degree of exposure for each financial institution, within the scope of the policies of the Board of Directors.

*(c) Liquidity risk*

Given the current crisis of the Greek State and the Greek financial sector, the liquidity risk is higher, and the management of cash flows is urgent. To manage the liquidity risk, the Group budgets and regularly monitors its cash flows and ensures that cash on hand is available, including the options of intra-company loans and unused credit lines to meet its needs ((e.g. financing, guarantee letters, etc).

Group liquidity is regularly monitored by the Management. The following table presents an analysis of Group debt maturities as at 31 December 2016 and 2015 respectively:

All amounts in EUR thousand.

	<b>Consolidated figures</b>			
	<b>31-Dec-16</b>			
	<b>Up to 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total</b>
Bank borrowings	1,947	1,749	2,307	6,003
Trade and other payables	26,164	-	-	26,164
Financial derivatives	486	-	-	486
	<b>28,597</b>	<b>1,749</b>	<b>2,307</b>	<b>32,653</b>
	<b>31-Dec-15</b>			
	<b>Up to 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Total</b>
Bank borrowings	2,447	1,856	4,284	8,587
Trade and other payables	26,959	-	-	26,959
Financial derivatives	741	-	-	741
	<b>30,148</b>	<b>1,856</b>	<b>4,284</b>	<b>36,288</b>
	<b>Company figures</b>			
	<b>31-Dec-16</b>	<b>31-Dec-15</b>		
	<b>Up to 1 year</b>			
Bank borrowings	1,897	3,118		
Trade and other payables	17,091	19,010		
	<b>18,988</b>	<b>22,129</b>		

The above amounts are presented in the contractual, non discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements with respect to the Supplier accounts and other liabilities.

The Trade and Other liabilities breakdown is exclusive of Advances from customers, Amounts due to customers for contract work and investment plans, and Social security and other taxes.

### 3.2 Cash management

Regarding cash management, the Group's intention is to ensure its ability to continue its operations unhindered so as to secure returns for shareholders and benefits for other parties associated with the Group, and to maintain an optimum capital structure so as to achieve capital cost reductions.

In line with industry practice, the Group monitors the capital structure using the leverage ratio. Leverage is calculated as the ratio of net debt (long-term loans and short-term loans less cash available) over net debt plus equity capital.

The Group's gearing ratios as at 31.12.2016 and 31.12.2015 are presented in the following table:

All amounts in EUR thousand.

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Total borrowings	5,907	8,360	1,783	2,476
Less: Cash and cash equivalents**	(14,848)	(32,700)	(7,816)	(24,120)
<b>Net borrowings</b>	<b>(8,942)</b>	<b>(24,340)</b>	<b>(6,033)</b>	<b>(21,644)</b>
<b>Total Equity</b>	<b>100,102</b>	<b>107,424</b>	<b>83,985</b>	<b>83,193</b>
<b>Total Capital</b>	<b>91,160</b>	<b>83,084</b>	<b>77,951</b>	<b>61,548</b>
<b>Gearing ratio</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*\*Restricted cash (EUR 2,551 thousand for Group and Company) has been added to total Cash and cash equivalents for 2015 for the Group (EUR 30,149 thousand) and for the Company (EUR 21,569 thousand).

Given that the Group and the Company hold net cash, gearing ratio calculation as at 31.12.2016 and 31.12.2015 is not applicable. This ratio is defined as the quotient of net debt (i.e. total long and short-term bank borrowings), less cash and cash equivalents, to total capital (i.e. total equity plus net debt).

### 3.3 Fair value estimation

The financial instruments carried at fair value at the balance sheet date are classified under the following levels, in accordance with the valuation method:

- Level 1: for assets and liabilities traded in an active market and whose fair value is determined by the quoted prices (unadjusted) for identical assets or liabilities.

- Level 2: for assets and liabilities whose fair value is determined by factors related to market data, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3: for assets whose fair value is not determined by observations from the market, but is mainly based on internal estimates.

The table below presents a comparison of the carrying values of Group and Company financial assets held at amortised cost and fair values:

All amounts in EUR thousand.

<b>CONSOLIDATED FIGURES</b>	<b>Carrying value</b>		<b>Fair value</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Financial liabilities</b>				
Long-term & short-term borrowings	5,907	8,360	5,581	7,682

  

<b>COMPANY FIGURES</b>	<b>Carrying value</b>		<b>Fair value</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Financial liabilities</b>				
Long-term & short-term borrowings	1,783	2,476	1,783	2,476

The fair values of cash and cash equivalents, restricted cash, trade receivables and trade payables approximate their carrying values. The fair values of borrowings are estimated based on the discounted future cash flows.

The table below presents the Group's financial assets and liabilities at fair value as at 31 December 2016 and 31 December 2015.

All amounts in EUR thousand.

	<b>31 December 2016</b>		
	<b>CONSOLIDATED FIGURES</b>		
	<b>HIERARCHY</b>		
	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>TOTAL</b>
<b>Financial assets</b>			
Available-for-sale financial assets	295	12,687	<b>12,982</b>
<b>Financial liabilities</b>			
Derivatives used for hedging	-	486	<b>486</b>

	<b>31 December 2015</b>		
	<b>CONSOLIDATED FIGURES</b>		
	<b>HIERARCHY</b>		
	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>TOTAL</b>
<b>Financial assets</b>			
Available-for-sale financial assets	312	13,241	<b>13,553</b>
<b>Financial liabilities</b>			
Derivatives used for hedging	-	741	<b>741</b>

	<b>31 December 2016</b>		
	<b>COMPANY FIGURES</b>		
	<b>HIERARCHY</b>		
	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>TOTAL</b>
<b>Financial assets</b>			
Available-for-sale financial assets	-	11,705	<b>11,705</b>

	<b>31 December 2015</b>		
	<b>COMPANY FIGURES</b>		
	<b>HIERARCHY</b>		
	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>TOTAL</b>
<b>Financial assets</b>			
Available-for-sale financial assets	-	11,742	<b>11,742</b>

The fair value of financial assets traded on active money markets (e.g. derivatives, equities, bonds, mutual funds), is determined on the basis of the published prices available at the balance sheet date. An 'active' money market exists where there are readily available and regularly revised prices, which are published by the stock market, money broker, sector, rating organisation or supervising organisation. These financial tools are included in level 1. This level includes the Group's investment in shares of the Bank of Cyprus, which were transferred to subsidiary Helector Cyprus LTD, pursuant to the relevant deeds of the Central Bank of Cyprus and the final measures for the recapitalisation of the Bank of Cyprus, which have been classified as Financial Assets available for sale.

The fair value of financial assets traded on active money markets (e.g. derivatives traded outside a derivative market) are determined by measurement methods based primarily on available information on transactions carried out on active markets and using less the estimates made by the economic entity. These financial tools are included in level 2.

## 4 Critical accounting estimates and judgments of the management

Estimates and judgments are continuously evaluated and are based on historical data and expectations for future events, as considered reasonable under the circumstances.

### 4.1 Significant accounting estimates and assumptions

The annual financial statements and the accompanying notes and reports might contain certain assumptions and calculations pertaining to future events in relation to the Group's operations, growth and financial performance. Although such assumptions and calculations are based on the best knowledge of the Group's Management with regard to current conditions and actions, the actual results may be different from such calculations, and assumptions taken into account in preparing the annual consolidated financial statements.

Assessments and assumptions that involve important risk of causing future material adjustments to the assets' and liabilities' book values:

(a) *Estimates regarding the accounting treatment of construction projects, according to IAS 11 'Construction Contracts'*

- (i) Realisation of income from construction contracts, based on the estimation of the percentage completion of the project.

For the estimation of the percentage completion of the construction projects in progress according to which the Group recognises income from construction contracts, the Management estimates the expected expenses to be made until the completion of the projects.

- (ii) Requests for compensation for additional work made beyond the contractual agreement.

The Company's Management estimates the amount to be received from the Group for additional work and recognises revenue based on the percentage of completion, as long as it considers that the collection of this amount is probable.

(b) *Provisions*

- (i) Income tax

Estimates are required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises deferred taxes on provisional tax differences, taking into consideration the applicable tax provisions each time, and estimating the future benefits and future liabilities from taxes. During the recognition of deferred tax receivables, as well as during the evaluation of the recoverability, the best possible estimates by Management are taken into consideration for the progress of the tax results of the Group companies in the foreseeable future.

- (ii) Provisions for disputed cases

There are pending disputed cases relating to the Group. The Management assesses the outcome of these case and, where a negative outcome is possible, the Group establishes the required provisions. Provisions, where required, are calculated on the basis of the current value of the estimates made by the management of the cost to be incurred for settling the expected liabilities as of the Balance Sheet date. The current value is based on a number of factors that requires the exercise of judgment.

(iii) Provisions for contingent risks

The Group has established provisions for contingent risks in the framework of its activities. The Management assesses the outcome of these case and, where a negative outcome is possible, the Group establishes the required provisions. Provisions, where required, are calculated on the basis of the current value of the estimates made by the management of the cost to be incurred for settling the expected liabilities as of the Balance Sheet date. The current value is based on a number of factors that requires the exercise of judgment.

(c) *Impairment of PPE*

PPE are initially recognised at cost and subsequently depreciated over their useful lives. The Group assesses at each reporting period whether there is evidence of impairment of PPE. Impairment testing is based on market data and the management's estimates of future financial and operating conditions. During the impairment testing process, the management works with independent evaluators.

(d) *Impairment test of subsidiaries and associates*

The Company tests for impairment in the value of its investments in subsidiaries and associates, comparing the recoverable amount of each investment (the highest of the values between value of use and fair value less selling costs) with its book value Management makes assessments to determine the recoverable amount, following a methodology similar to the one it applies when testing goodwill for impairment, in order to determine the present value of the anticipated future cash flows of the subsidiary or associate.

(e) *Goodwill*

In cases where goodwill emerges, an impairment test is carried out on an annual basis, or whenever there are indications of impairment, comparing the book value of each cash flow generation unit, including the relevant goodwill, to the corresponding recoverable amount. The Group's management makes estimates on the determination of the recoverable amount, which include basic assumptions on the period of the estimated cash flows, the cash flows, the cash flow growth rate and the discount rate. Assumptions are disclosed in the consolidated financial statements in accordance with the relevant provisions of the IAS. 36.

## 4.2 Significant judgments of the Management on the application of the accounting principles

The Management has not made any considerable judgments in applying the accounting principles.



## 5 Property, plant and equipment

All amounts in EUR thousand.

### Consolidated figures

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
<b>Cost</b>						
<b>1 January 2015</b>	<b>12,841</b>	<b>1,591</b>	<b>61,230</b>	<b>1,808</b>	<b>1,469</b>	<b>78,938</b>
Additions	202	76	2,877	95	-	3,249
Sales	-	-	(142)	(11)	(1)	(154)
Write-off	(139)	(43)	(2,098)	(5)	-	(2,285)
Reclassifications from PPE under construction	-	-	8	-	(8)	-
<b>31 December 2015</b>	<b>12,903</b>	<b>1,624</b>	<b>61,875</b>	<b>1,886</b>	<b>1,460</b>	<b>79,748</b>
<b>1 January 2016</b>	<b>12,903</b>	<b>1,624</b>	<b>61,875</b>	<b>1,886</b>	<b>1,460</b>	<b>79,748</b>
Additions	15	9	2,375	450	-	2,850
Sales	-	(22)	(59)	(21)	-	(102)
Write-off	-	(8)	(211)	(6)	-	(224)
Reclassifications from PPE under construction	-	-	-	-	-	-
<b>31 December 2016</b>	<b>12,919</b>	<b>1,604</b>	<b>63,979</b>	<b>2,310</b>	<b>1,460</b>	<b>82,271</b>
<b>Accumulated Amortisation</b>						
<b>1 January 2015</b>	<b>(4,014)</b>	<b>(1,322)</b>	<b>(31,016)</b>	<b>(1,346)</b>	<b>-</b>	<b>(37,698)</b>
Depreciation for the year (note 24)	(1,219)	(87)	(2,199)	(101)	-	(3,605)
Sales	-	-	142	10	-	152
Write-off	-	43	725	5	-	773
<b>31 December 2015</b>	<b>(5,233)</b>	<b>(1,365)</b>	<b>(32,347)</b>	<b>(1,432)</b>	<b>-</b>	<b>(40,378)</b>
<b>1 January 2016</b>	<b>(5,233)</b>	<b>(1,365)</b>	<b>(32,347)</b>	<b>(1,432)</b>	<b>-</b>	<b>(40,378)</b>
Depreciation for the year (note 24)	(626)	(78)	(2,991)	(164)	-	(3,859)
Sales	-	22	50	10	-	81
Write-off	-	2	64	-	-	66
<b>31 December 2016</b>	<b>(5,859)</b>	<b>(1,420)</b>	<b>(35,225)</b>	<b>(1,586)</b>	<b>-</b>	<b>(44,089)</b>
<b>Net book value as at 31 December 2015</b>	<b>7,670</b>	<b>258</b>	<b>29,527</b>	<b>454</b>	<b>1,460</b>	<b>39,370</b>
<b>Net book value as at 31 December 2016</b>	<b>7,060</b>	<b>184</b>	<b>28,754</b>	<b>724</b>	<b>1,460</b>	<b>38,181</b>

**Company figures**

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
<b>Cost</b>						
<b>1 January 2015</b>	<b>216</b>	<b>674</b>	<b>10,678</b>	<b>936</b>	<b>912</b>	<b>13,415</b>
Additions	180	25	186	58	-	450
Sales	-	-	(142)	(11)	-	(153)
Write-off	-	(43)	(27)	(5)	-	(75)
<b>31 December 2015</b>	<b>396</b>	<b>656</b>	<b>10,696</b>	<b>978</b>	<b>912</b>	<b>13,637</b>
<b>1 January 2016</b>	<b>396</b>	<b>656</b>	<b>10,696</b>	<b>978</b>	<b>912</b>	<b>13,637</b>
Additions	-	9	35	97	-	141
Sales	-	-	(59)	(20)	-	(79)
Write-off	-	-	-	-	-	-
<b>31 December 2016</b>	<b>396</b>	<b>665</b>	<b>10,671</b>	<b>1,055</b>	<b>912</b>	<b>13,699</b>
<b>Accumulated Amortisation</b>						
<b>1 January 2015</b>	<b>(4)</b>	<b>(571)</b>	<b>(7,360)</b>	<b>(740)</b>	<b>-</b>	<b>(8,674)</b>
Depreciation for the year (note 24)	(5)	(35)	(805)	(49)	-	(894)
Sales	-	-	142	10	-	152
Write-off	-	43	27	5	-	75
<b>31 December 2015</b>	<b>(9)</b>	<b>(564)</b>	<b>(7,996)</b>	<b>(773)</b>	<b>-</b>	<b>(9,341)</b>
<b>1 January 2016</b>	<b>(9)</b>	<b>(564)</b>	<b>(7,996)</b>	<b>(773)</b>	<b>-</b>	<b>(9,341)</b>
Depreciation for the year (note 24)	(5)	(37)	(810)	(65)	-	(917)
Sales	-	-	50	10	-	60
Write-off	-	-	-	-	-	-
<b>31 December 2016</b>	<b>(14)</b>	<b>(601)</b>	<b>(8,756)</b>	<b>(828)</b>	<b>-</b>	<b>(10,199)</b>
<b>Net book value as at 31 December 2015</b>	<b>387</b>	<b>92</b>	<b>2,700</b>	<b>205</b>	<b>912</b>	<b>4,296</b>
<b>Net book value as at 31 December 2016</b>	<b>382</b>	<b>64</b>	<b>1,915</b>	<b>227</b>	<b>912</b>	<b>3,500</b>

Additions to mechanical equipment during the year in the amount of EUR 2,375 thousand (2015: EUR 2,877 thousand) for the Group relate to the subsidiary HERHOF RECYCLING CENTER OSNABRUCK GM (EUR 1,345 thousand, part of which relates to the repair of damages as a result of fire at the plant), and to the subsidiaries VEAL S.A. (EUR 392 thousand) and STERILISATION (EUR 563 thousand) for equipment upgrades.

Mortgage prenotations have been taken out on the Group properties, standing at EUR 1,536 thousand (2015: EUR 1,536 thousand), in favour of a bank as security for bank liabilities, which, as at 31.12.2016, stood at EUR 726 thousand (31.12.2014: EUR 726 thousand).

Leases of EUR 2,156 thousand (2015: EUR 1,907 thousand) for the Group and EUR 1,275 thousand (2015: EUR 1,312 thousand) for the Company relating to PPE operating leases are included in the income statement (note 24).

## 6 Intangible assets

All amounts in EUR thousand.

### Consolidated figures

	Software and others	Concession right	Goodwill	Total
<b>Cost</b>				
1 January 2015	372	24,236	1,985	26,593
Additions	27	-	-	27
Write-off	(11)	-	-	(11)
<b>31 December 2015</b>	<b>388</b>	<b>24,236</b>	<b>1,985</b>	<b>26,609</b>
1 January 2016	388	24,236	1,985	26,609
Additions	19	-	-	19
<b>31 December 2016</b>	<b>407</b>	<b>24,236</b>	<b>1,985</b>	<b>26,628</b>
<b>Accumulated Amortisation</b>				
1 January 2015	(293)	(11,512)	-	(11,805)
Acquisition/absorption of subsidiary	(55)	(2,424)	-	(2,479)
<b>Depreciation for the year (note 24)</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>
<b>31 December 2015</b>	<b>(337)</b>	<b>(13,936)</b>	<b>-</b>	<b>(14,273)</b>
1 January 2016	(337)	(13,936)	-	(14,273)
<b>Depreciation for the year (note 24)</b>	<b>(37)</b>	<b>(2,424)</b>	<b>-</b>	<b>(2,460)</b>
<b>31 December 2016</b>	<b>(374)</b>	<b>(16,359)</b>	<b>-</b>	<b>(16,734)</b>
<b>Net book value as at 31 December 2015</b>	<b>51</b>	<b>10,300</b>	<b>1,985</b>	<b>12,336</b>
<b>Net book value as at 31 December 2016</b>	<b>33</b>	<b>7,877</b>	<b>1,985</b>	<b>9,894</b>

### Company figures

	Software and others	Total
<b>Cost</b>		
1 January 2015	140	140
Additions	7	7
<b>31 December 2015</b>	<b>147</b>	<b>147</b>
1 January 2016	147	147
Additions	5	5
Write-off	(11)	(11)
<b>31 December 2016</b>	<b>141</b>	<b>141</b>
<b>Accumulated Amortisation</b>		
1 January 2015	(98)	(98)
Depreciation for the year (note 24)	(24)	(24)
<b>31 December 2015</b>	<b>(122)</b>	<b>(122)</b>
1 January 2016	(122)	(122)
Depreciation for the year (note 24)	(13)	(13)
Write-off	11	11
<b>31 December 2016</b>	<b>(124)</b>	<b>(124)</b>
<b>Net book value as at 31 December 2015</b>	<b>25</b>	<b>25</b>

Net book value as at 31 December 2016

17    17

### Concession right

The Joint Venture Helector-Ellaktor-Cybarco has reached an agreement with the government of Cyprus on the project DESIGN - CONSTRUCTION AND OPERATION OF FACILITIES FOR THE TREATMENT AND DISPOSAL OF WASTE OF THE DISTRICTS OF LARNACA - FAMAGUSTA.

The contract amount related to the construction of the project amounts to approximately EUR 43 million. The contractual object of the contract is the operation of the project by the Joint Venture for the 10-year period after completion of the construction, with the right to fees for services provided during the management period. The project construction period was 3 years (up to March 2010), whereas the period of operation will last up to March 2020. As regards the method in which the service concession arrangement is accounted for, the Joint Venture applies the provisions of Interpretation 12 'Service Concession Arrangements'.

Under the service concession contract, the Joint Venture will be paid for its services partly with payments for the construction works and partly with the right to charge the government for management services during the 10-year management period. According to the provisions of that Interpretation, the Joint Venture recognised the payments for construction works by reference to the completion stage of construction works, while the second component of the payment was recognised as an intangible asset.

Amortisation of the intangible asset started in 2010, upon completion of the construction works, and will extend until the end of the management period. Meanwhile, the legal case in which the Group is involved, as described in note 31, is in progress.

### Goodwill

The Group has recognised goodwill of 1.45 million, from the acquisition of Loock, which owned the technology for dry anaerobic digestion. The technology in question is used in Germany, while the Group's management expects that it will be applied in Greece as well in the future, therefore no indications of fair value impairment exist.

The remaining goodwill of EUR 462,162 mainly relates to STERILISATION S.A., as a result of its consolidation using the full method following acquisition of 60% by the parent HELECTOR S.A. in 2014.

## **7 Subsidiaries of the Group**

The change to the book value of the parent company's investments to consolidated undertakings was as follows:

All amounts in EUR thousand.

	<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>At year start</b>	<b>14,944</b>	<b>14,944</b>
Additions	4,952	-
(Sale of interest in subsidiary)	(35)	-
Transfer from Associates (note 8)	10	-
<b>At year end</b>	<b>19,872</b>	<b>14,944</b>

The additions of EUR 4,952 thousand made in 2016 referred to the acquisition of the remaining 50% in subsidiary Herhof GmbH by subsidiary Helector Cyprus (EUR 2.95 million) and the share capital increase of subsidiary HERHOF RECYCLING CENTER OSNABRUCK GM (EUR 2 million).

During the year ended 31 December 2016, HELECTOR S.A. sold part of its 12.78% interest in its subsidiary APOTEFROTIRAS S.A. of EUR 35 thousand, and the gain resulting from the sale was EUR 52 thousand (note 25).

Compared to the consolidated financial statements as of 31.12.2015, a change to the method of consolidation was made for the company BIOSAR HELECTOR-DOAL OE (ex HELECTOR SA- ENVITEC SA OE) from the equity method to that of full consolidation because the subsidiary DOAL SA acquired 25% of its share capital, and the Group exercises control.

Subsidiaries of the Group are analysed as follows:

Name	Registered office	Participation share	Participation share
		2016	2015
AIFORIKI DODEKANISOU SA	GREECE	100.00%	100.00%
AIFORIKI KOUNOU SA	GREECE	97,86%	97,86%
APOTEFROTIRAS SA	GREECE	65,00%	77,78%
VEAL SA	GREECE	50.00%	50.00%
HELECTOR CYPRUS (formerly ELEMEX LTD)	CYPRUS	100.00%	100.00%
HELECTOR GERMANY GMBH	GERMANY	100.00%	100.00%
HERHOF GMBH	GERMANY	100.00%	100.00%
HERHOF RECYCLING CENTER OSNABRUCK GMBH	GERMANY	100.00%	100.00%
HERHOF VERWALTUNGS GMBH	GERMANY	100.00%	100.00%
JV HELECTOR-ELLAKTOR-CYBARCO	CYPRUS	100.00%	100.00%
HELECTOR BULGARIA LTD	BULGARIA	100.00%	100.00%
HELECTOR SA- DOAL SA OE	GREECE	100.00%	75%
YLECTOR DOOEL SKOPJE	FYROM	100.00%	100.00%
DOAL SA	GREECE	100.00%	100.00%
K.G.E GREEN ENERGY LTD	CYPRUS	100.00%	100.00%
NEASACO ENTERPRISES LTD	CYPRUS	100.00%	100.00%
JV HELECTOR SA-BILFINGER BERGER (CYPRUS- PAPHOS LANDFILL)	CYPRUS	100.00%	100.00%
JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)	CYPRUS	100.00%	100.00%
STERILISATION SA	GREECE	60%	60%
EDADYM SA	GREECE	100%	100%

Note: -VEAL S.A. is consolidated using the full consolidation method, since the Group, albeit it has only a 50% holding, has control over the company.

### Subsidiaries with a significant percentage of non-controlling interests

The following tables present summary financial information about subsidiaries in which non-controlling interests have a significant percentage.

All amounts in EUR thousand.

#### Summary Statement of Financial Position

	VEAL SA		STERILISATION SA		APOTEFROTIRAS SA	
	50.00%	50.00%	40.00%	40.00%	35.00%	22,22%
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Non-current assets	22,470	23,836	2,164	1,827	159	138
Current assets	22,460	17,108	2,192	2,260	9,101	9,574
<b>Total assets</b>	<b>44,930</b>	<b>40,944</b>	<b>4,356</b>	<b>4,087</b>	<b>9,261</b>	<b>9,712</b>
Non-current liabilities	9,138	9,601	793	1,198	132	124
Current liabilities	23,508	13,720	1,440	797	8,205	2,410
<b>Total liabilities</b>	<b>32,646</b>	<b>23,321</b>	<b>2,233</b>	<b>1,995</b>	<b>8,337</b>	<b>2,534</b>
<b>Equity</b>	<b>12,284</b>	<b>17,623</b>	<b>2,124</b>	<b>2,092</b>	<b>924</b>	<b>7,178</b>

corresponding to:

Non-controlling interests	6,142	8,812	850	837	323	1,595
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### Summary Statement of Comprehensive Income

	VEAL SA		STERILISATION SA		APOTEFROTIRAS SA	
	1-Jan		1-Jan		1-Jan	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Sales	16,684	16,109	3,076	2,604	6,848	6,287
<b>Net profit / (loss) for the financial year</b>	<b>2,661</b>	<b>3,026</b>	<b>831</b>	<b>755</b>	<b>(50)</b>	<b>792</b>
Other Comprehensive Income/ (Expenses) for the period (net after taxes)	-	-	-	-	(79)	-
<b>Total Comprehensive Income/ (Expenses) for the year</b>	<b>2,661</b>	<b>3,026</b>	<b>831</b>	<b>755</b>	<b>(129)</b>	<b>792</b>
Profit / (loss) for the financial year attributable to non-controlling interests	1,331	1,513	332	302	(18)	176
Dividends attributable to non-controlling interests	(4,000)	-	(320)	-	(1,378)	(1,333)

### Summary Statement of Cash Flows

	VEAL SA		STERILISATION SA		APOTEFROTIRAS SA	
	1-Jan		1-Jan		1-Jan	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Total inflows from operating activities	2,210	4,254	1,164	206	655	470
Total inflows/(outflows) from investing activities	(125)	853	(582)	(8)	(36)	(35)
Total outflows from financing activities	-	(7,950)	(442)	(160)	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,085</b>	<b>(2,843)</b>	<b>140</b>	<b>38</b>	<b>619</b>	<b>435</b>

## 8 Investments in associates & joint ventures

All amounts in EUR thousand.

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	<b>At year start</b>	<b>5,981</b>	<b>4,318</b>	<b>5,433</b>
Increase of participation cost	50	2,114	50	2,114
Share of loss (net of tax)	(710)	(782)	-	-
Other changes to Other Comprehensive Income	(50)	42	-	-
Transfer (from)/to non-current liabilities	(4)	289	-	-
Derecognition of HELECTOR DOAL as an associate	93	-	-	-
Transfer to subsidiaries	(10)	-	(10)	-
<b>At year end</b>	<b>5,351</b>	<b>5,981</b>	<b>5,473</b>	<b>5,433</b>

In the year ended 31 December 2016, an amount of EUR 4 thousand (2015: EUR 289 thousand) was transferred to non-current liabilities, due to the negative equity of associates wholly owned by the Ellaktor Group. In 2015, an amount of EUR 289 thousand was transferred to non-current liabilities, due to the negative equity of associates wholly owned by the Ellaktor Group.

The Management of the Helector Group has the intention of supporting its investment in these companies with the necessary extra funds.

Associates are analysed as follows:

S/N	Name	Registered office	Participation share 2016	Participation share 2015
1	ENERMEL S.A.	GREECE	49.19%	49,18%
2	TOMI EDL LTD	GREECE	50.00%	50.00%
3	PROJECT DYNAMIC CONSTRUCTION	GREECE	32,32%	32,32%
4	ELLAKTOR VENTURES LTD	CYPRUS	25.00%	25.00%
5	LEVASHOVO WASTE MANAGEMENT PROJECT LLC	RUSSIA	25.00%	25.00%
6	HELECTOR S.A. - ENVITEC S.A. Partnership	GREECE	-	75,00%
7	EPADYM S.A.	GREECE	50.00%	50.00%

During the year ended 31.12.2016, HELECTOR-DOAL OE (ex HELECTOR SA - ENVITEC SA Partnership) was transferred to subsidiaries, as subsidiary DOAL SA acquired 25% of the company's share capital and control is now exercised by the Group.

The following tables present summary financial information on the most important associates of the Group. This information includes the amounts arising from the financial statements of the following associates, which have been amended in order to reflect adjustments TO fair value and differences in accounting policies.

All amounts in EUR thousand.

#### Summary Statement of Financial Position

	ENERMEL S.A.		EPADYM S.A.	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Non-current assets	8,522	8,522	36,443	5,315
Current assets	50	45	5,116	22,397
<b>Total assets</b>	<b>8,571</b>	<b>8,567</b>	<b>41,559</b>	<b>27,712</b>
Non-current liabilities	22	19	30,602	20,989
Current liabilities	6	66	8,846	3,271
<b>Total payables</b>	<b>28</b>	<b>85</b>	<b>39,448</b>	<b>24,261</b>
<b>Equity</b>	<b>8,544</b>	<b>8,482</b>	<b>2,111</b>	<b>3,452</b>

#### Agreement on summary financial statements

	ENERMEL S.A.		EPADYM S.A.	
	2016	2015	2016	2015
<b>Company equity 1 January</b>	<b>8,482</b>	<b>8,585</b>	<b>3,452</b>	<b>22</b>
Net losses for the year	(38)	(103)	(1,341)	(740)
Other comprehensive loss for the year (net of tax)	-	-	-	(57)
Share capital issue	100	-	-	4,227

<b>Company equity 31 December</b>	<b>8,544</b>	<b>8,482</b>	<b>2,111</b>	<b>3,452</b>
% participation in associates & JV	49%	49%	50%	50%
Group participation in equity of associates & joint ventures	4,203	4,171	1,056	1,726
<b>Investments in associates &amp; joint ventures</b>	<b>4,203</b>	<b>4,171</b>	<b>1,056</b>	<b>1,726</b>

**Summary Statement of Comprehensive Income**

	<b>ENERMEL S.A.</b>		<b>EPADYM S.A.</b>	
	<b>1-Jan</b>		<b>1-Jan</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Sales	-	-	30,719	5,312
Net losses for the year	(38)	(103)	(1,341)	(740)
Other comprehensive loss for the year (net of tax)	-	-	-	(57)
<b>Comprehensive total period losses</b>	<b>(38)</b>	<b>(103)</b>	<b>(1,341)</b>	<b>(798)</b>

**Non-significant associates and joint ventures**

	<b>2016</b>	<b>2015</b>
Accumulated nominal value of non-important associates and joint ventures	92	83
<b>Proportion of Group in:</b>		
Net losses for the year	(21)	(72)
Other comprehensive income/(loss) for the year (net of tax)	(50)	70
<b>Total comprehensive year losses</b>	<b>(71)</b>	<b>(2)</b>

## 9 Joint operations consolidated as a joint operation

Joint operations are broken down as follows:

S/N	Name	Registered office	Participation share 2016	Participation share 2015
1	J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	GREECE	40,39 %	40,39 %
2	JV DETEALA- HELECTOR-EDL LTD	GREECE	30.00 %	30.00 %
3	JV HELECTOR SA – MESOGEIOS SA (MAVRORACHI LANDFILL)	GREECE	65.00 %	65.00 %
4	JV HELECTOR SA – MESOGEIOS SA (FYLLIS LANDFILL)	GREECE	99.00 %	99.00 %
5	JV HELECTOR-MESOGEIOS (TAGARADES LANDFILL)	GREECE	30.00 %	30.00 %
6	JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	GREECE	60.00 %	60.00 %
7	J/V HELECTOR– ARSI	GREECE	80.00 %	80.00 %
8	J/V HELECTOR– ERGOSYN SA	GREECE	70.00 %	70.00 %
9	JV LAMDA – ITHAKI & HELECTOR	GREECE	-	30,00%
10	J/V BILFIGER BERGER - MESOGEIOS- HELECTOR	GREECE	29.00 %	29.00 %
11	J/V TOMI SA –HELEKTOR SA	GREECE	21.75 %	21.75 %
12	JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	GREECE	15.23 %	15.23 %
13	JV HELECTOR –ENVITEC (Recycling & Composting Plant)	GREECE	50.00 %	50.00 %
14	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	GREECE	70,00%	70,00%
15	J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	GREECE	49.85%	49.85%
16	J/V HELECTOR SA – ZIORIS SA	GREECE	51.00%	51.00%
17	J/V HELECTOR SA – EPANA SA	GREECE	50.00%	50.00%
18	J/V HELECTOR SA - KONSTANTINIDIS	GREECE	49.00%	49.00%
19	J/V HELECTOR SA - KASTOR SA (EGNATIA HIGH FENCING PROJECT)	GREECE	70,00%	70,00%



<b>20</b>	JV AKTOR SA - AKTOR BULGARIA SA	BULGARIA	60.00%	60.00%
<b>21</b>	J/V HELECTOR– ARSI	GREECE	70.00%	-
<b>22</b>	J/V HELECTOR S.A. - THALIS ES S.A.	GREECE	50.00%	-

The following amounts represent the Group and the Company's share in the assets and liabilities of joint ventures, consolidated using the proportional method and included in the Statement of Financial Position:

	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>Receivables</b>		
Non-current assets	1,060	1,247
Current assets	21,356	30,184
	<u>22,417</u>	<u>31,432</u>
<b>Liabilities</b>		
Non-current liabilities	442	442
Current liabilities	18,855	29,653
	<u>19,297</u>	<u>30,095</u>
<b>Equity</b>	<u>3,119</u>	<u>1,337</u>
Revenue	24,981	49,123
Expenses	(22,554)	(45,354)
<b>Earnings after taxes</b>	<u>2,426</u>	<u>3,769</u>

## 10 Available for sale financial assets

All amounts in EUR thousand.

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>At year start</b>	<b>13,553</b>	<b>455</b>	<b>11,742</b>	-
Additions, new	-	15,750	-	14,250
(Sales)	(513)	(2,500)	-	(2,500)
(Impairment) (note 25)	(17)	(143)	-	-
Adjustment to fair value of Other Comprehensive Income: decrease	(41)	(9)	(38)	(8)
<b>At year end</b>	<b>12,982</b>	<b>13,553</b>	<b>11,705</b>	<b>11,742</b>
Non-current assets	295	312	-	-
Current assets	12,687	13,241	11,705	11,742
	<u>12,982</u>	<u>13,553</u>	<u>11,705</u>	<u>11,742</u>

Available-for-sale financial assets include the following:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>Listed securities:</b>				
Shares – Abroad (in EURO)	295	312	-	-
<b>Non-listed securities:</b>				
Money Market Funds - International (in EUR)	12,687	13,241	11,705	11,742
	<u>12,982</u>	<u>13,553</u>	<u>11,705</u>	<u>11,742</u>

As at 31.12.2016, the amount of EUR 41 thousand (2015: EUR 9 thousand) in “Adjustment to fair value of Other Comprehensive Income: decrease” for the Group, and of EUR 38 thousand (2015: EUR 8 thousand) for the Company,

concerns the valuation of the Mutual Funds mentioned above. Accordingly, the amount of EUR 513 (2015: EUR 2,500 thousand) in “Sales” for the Group and the Company concerns sales of part of the above Mutual Funds.

As at 31.12.2015, the amount in “Additions - new” EUR 15,750 thousand for the Group and of EUR 14,250 thousand for the Company pertains to the purchase of low-risk Mutual Funds.

The fair value of non-listed securities is determined by discounting anticipated future cash flows, based on the market interest rate, and the required return on investments of similar risk; the value of mutual funds is based on the net asset value of each fund.

## 11 Derivative financial instruments

The amount of non-current liabilities shown in the table below corresponds to joint venture Helector - Ellaktor - Cybargo.

	Consolidated figures	
	31-Dec-16	31-Dec-15
<b>Non-current liabilities</b>		
Interest rate swaps for cash flow hedging	486	741
<b>Total</b>	<b>486</b>	<b>741</b>
<b>Details of interest rate swaps</b>		
Notional value of interest rate swaps	5,250	6,750
Floating rate	Euribor	Euribor

As at 31.12.2016 and 31.12.2015 the parent company held no financial derivatives.

## 12 Inventories

All amounts in EUR thousand.

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Raw materials	-	147	-	147
Finished products	562	603	-	-
Production in progress	1,097	732	(0)	42
Prepayment for inventories purchase	105	115	105	115
<b>Net realisable value</b>	<b>1,764</b>	<b>1,597</b>	<b>105</b>	<b>304</b>

The cost of inventories expensed in “expenses per category” amounts to EUR 23,240 thousand (2015: EUR 29,866 thousand) and EUR 23,494 thousand (2015: EUR 30,464 thousand) for the Group and the Company respectively (note 24).

### 13 Trade and other receivables

All amounts in EUR thousand.

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Trade	58,094	42,829	16,943	16,113
Less: Trade impairment provisions	(8,139)	(4,334)	(6,697)	(3,642)
<b>Trade Receivables - Net</b>	<b>49,955</b>	<b>38,495</b>	<b>10,246</b>	<b>12,471</b>
Prepayments	3,412	6,081	2,952	5,735
Amounts due from construction contracts	2,828	8,296	2,828	7,151
Dividends receivable (note 32)	-	-	5,709	1,836
Loans to related parties (note 32)	6,728	6,385	12,057	12,545
Long-term time deposits	-	486	-	-
Income tax prepayment	3,288	571	3,212	1,110
Public sector (prepaid and withholding taxes, insurance organisations)	9,521	5,925	6,235	3,661
Receivables from joint operations/joint ventures	2,562	5,353	1,908	4,380
Other receivables	11,893	8,882	3,076	1,975
Less: Other receivable impairment provisions	(666)	(347)	(233)	(347)
Receivables from related parties (note 32)	4,823	2,495	15,510	9,094
<b>Total</b>	<b>94,343</b>	<b>82,623</b>	<b>63,500</b>	<b>59,612</b>
Non-current assets	6,826	9,017	13,863	14,361
Current assets	87,517	73,606	49,637	45,251
	<b>94,343</b>	<b>82,623</b>	<b>63,500</b>	<b>59,612</b>

There is no credit risk concentration in relation to trade receivables since the Group has a large client base from several business segments.

The book value of receivables is approximate to their fair value.

The Group's other receivables include loans to third parties with a nominal value of EUR 1,793 thousand (2015: EUR 1,727 thousand). The Company's other receivables include a loan to third parties with a nominal value of EUR 1,793 thousand (2015: EUR 1,727 thousand).

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Not overdue and not impaired	27,846	24,467	11,056	10,941
<i>Overdue:</i>				
3 -6 months	9,855	7,526	1,031	1,394
6 months – 1 year	7,353	5,863	1,633	455
Over 1 year	13,039	4,973	3,222	3,324
	<b>58,094</b>	<b>42,829</b>	<b>16,943</b>	<b>16,113</b>
Less: Provision for impairment of receivables	(8,139)	(4,334)	(6,697)	(3,642)
<b>Trade Receivables - Net</b>	<b>49,955</b>	<b>38,495</b>	<b>10,246</b>	<b>12,471</b>

All Group and Company receivables are expressed in Euros.

The increase in the Group's receivables overdue for more than 1 year, as compared to 31.12.2015, is mainly due to the receivables of subsidiary J/V HELECTOR-ELLAKTOR-CYBARGO from the Cypriot public sector regarding the

concession project DESIGN-CONSTRUCTION and OPERATION OF FACILITIES FOR THE TREATMENT AND DISPOSAL OF WASTE OF THE DISTRICTS OF LARNACA-FAMAGUSTA. The Cypriot government has not paid invoices for services provided in 2015 and 2016, and non-payment of earned revenue is due to the usual delays in payments on the part of the Cypriot public sector, while the legal case in which the Group is involved, as described in note 31, is in progress.

The movement in the provision for doubtful trade and other receivables stands as follows:

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Balance as of 1 January</b>	<b>4,681</b>	<b>4,871</b>	<b>3,989</b>	<b>4,097</b>
Provision for impairment	5,051	-	3,862	-
Unused provisions reversed	(807)	-	(807)	-
Discount	(120)	(190)	(115)	(108)
<b>Balance as of 31 December</b>	<b>8,805</b>	<b>4,681</b>	<b>6,929</b>	<b>3,989</b>

The amounts recognised as provision are usually written-off to the extent that such amounts are not expected to be collected from the specific customers/debtors.

The Group and Company's maximum exposure to credit risk on 31 December 2016 is the fair value of the above trade and other receivables.

As at the balance sheet date, the Group and the Company held collaterals in the form of real estate property against receivables in the amount of EUR 2,993 thousand. Proper performance guarantees with customers are shown in note 30.

Construction contracts are broken down below:

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Contracts in progress as at the balance sheet date:</b>				
Amounts due from construction contracts	2,828	8,296	2,828	7,151
(Amounts due from construction contracts)	(873)	(2,936)	(873)	(4,654)
<b>Net Receivables/(Payables)</b>	<b>1,955</b>	<b>5,360</b>	<b>1,955</b>	<b>2,497</b>
Realised accumulated expenses plus posted gains less posted losses	263,645	241,504	252,205	225,685
Less: (Total invoices)	(261,690)	(236,144)	(250,250)	(223,188)
	<b>1,955</b>	<b>5,360</b>	<b>1,955</b>	<b>2,497</b>
Income from construction contracts of the current presented reference period	40,907	59,942	40,907	55,642
Advance payments collected for construction contracts	1,668	(4,963)	502	(4,963)
Withholdings from project customers	5,667	5,317	5,667	5,317

## 14 Restricted cash

In the year ended 31 December 2016, neither the Group nor the Company held restricted cash.

In the year ended 31 December 2015, the Group's restricted cash stood at EUR 2,551 thousand. All restricted cash refers to the parent HELECTOR S.A. and pertains mainly to subsidiaries under European research programmes, which are released with the gradual implementation of the programmes.

## 15 Cash and cash equivalents

Cash and cash equivalents are expressed in Euros.

All amounts in EUR thousand.

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Cash in hand	98	88	67	60
Short-term deposits with banks	14,750	30,062	7,749	21,509
<b>Total</b>	<b>14,848</b>	<b>30,149</b>	<b>7,816</b>	<b>21,569</b>

The following table shows the percentage of deposits per credit rating by Standard & Poor (S&P) as at 31/12/2016 and 31/12/2015, respectively.

	<b>Consolidated figures</b>	
	<b>2016</b>	<b>2015</b>
<b>Financial institution credit rating</b>	<b>Cash and cash equivalents</b>	<b>Cash and cash equivalents</b>
AA-	6.90%	7.92%
A	27.11%	18.29%
SD (Selective Default)	52.55%	43.68%
NR (Not rated)	13.43%	30.11%
	<b>100.00%</b>	<b>100.00%</b>
	<b>Company figures</b>	
	<b>2016</b>	<b>2015</b>
<b>Financial institution credit rating</b>	<b>Cash and cash equivalents</b>	<b>Cash and cash equivalents</b>
AA-	8.36%	6.64%
A	51.61%	25.55%
SD (Selective Default)	38.16%	47.97%
NR (Not rated)	1.87%	19.83%
	<b>100.00%</b>	<b>100.00%</b>

Out of the balances of sight and time deposit balances of the Group as at 31.12.2016, approximately 52.55% (31.12.2015: 43.68%) was deposited with systemic Greek banks with low or no credit rating, due to the Greek sovereign debt crisis. It should be pointed out, however, that these banks cover the largest part of total credit facilities (letters of guarantee, loans, etc.) granted to the Group. NR Financial Institutions include, among others, subsidiaries and branches of Greek banks abroad. The time deposit interest rates are determined after negotiations with selected banking institutions based on Euribor rates and are dependent on the period of investment.

## 16 Share Capital & Premium Reserve

All amounts in EUR, save the number of shares

<b>Consolidated figures</b>		<b>Number of Shares</b>	<b>Ordinary shares</b>	<b>Share premium</b>	<b>Treasury shares</b>	<b>Total</b>
<b>1 January 2015</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>(7,417)</b>	<b>33</b>
<b>31 December 2015</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>(7,417)</b>	<b>33</b>
<b>1 January 2016</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>(7,417)</b>	<b>33</b>
Share capital reduction		(21,858)	(223)	-	7,417	7,193
<b>31 December 2016</b>		<b>196,722</b>	<b>2,010</b>	<b>5,216</b>	<b>-</b>	<b>7,227</b>
<b>Company figures</b>		<b>Number of Shares</b>	<b>Ordinary shares</b>	<b>Share premium</b>	<b>Total</b>	
<b>1 January 2015</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>7,450</b>	
<b>31 December 2015</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>7,450</b>	
<b>1 January 2016</b>		<b>218,580</b>	<b>2,234</b>	<b>5,216</b>	<b>7,450</b>	
Share capital reduction		(21,858)	(223)	-	(223)	
<b>31 December 2016</b>		<b>196,722</b>	<b>2,010</b>	<b>5,216</b>	<b>7,227</b>	

The total number of approved ordinary shares is 196,722 (2015: 218,580 shares), with a face value of EUR 10.22 each (2015: EUR 10.22 per share). All issued shares have been paid up fully.

On 16.05.2016 the Extraordinary General Meeting of the Company's shareholders decided to reduce the share capital, as a result of cancellation of 21,858 treasury shares which were held by subsidiary Neasaco Enterprises Limited, with a face value of EUR 10.22 and a total value of EUR 223 thousand. The difference up to the amount of treasury shares, i.e. EUR 7,417 thousand, was transferred to results carried forward.

## 17 Other reserves

All amounts in EUR thousand.

**Consolidated figures**

	Statutory reserves	Special reserves	Untaxed reserves	Reserves Cash For sale	Foreign Exchange Difference Reserves	Changes in value of cash flow hedge	Actuarial profit/(loss) reserves	Total
<b>1 January 2015</b>	<b>1,426</b>	<b>4,099</b>	<b>422</b>	-	<b>(104)</b>	<b>(188)</b>	<b>(97)</b>	<b>5,558</b>
Currency translation differences	-	-	-	-	60	-	-	60
Effect of change in % participation in subsidiaries	-	6	-	-	-	-	-	6
Transfer from/(to) results carried forward	134	-	(131)	-	-	-	-	3
Change in value of available-for-sale assets (note 10)	-	-	-	(9)	-	-	-	(9)
Changes in value of cash flow hedge	-	-	-	-	-	300	-	300
Actuarial loss	-	-	-	-	-	-	(4)	(4)
<b>31 December 2015</b>	<b>1,560</b>	<b>4,106</b>	<b>291</b>	<b>(9)</b>	<b>(44)</b>	<b>112</b>	<b>(101)</b>	<b>5,914</b>
<b>1 January 2016</b>	<b>1,560</b>	<b>4,106</b>	<b>291</b>	<b>(9)</b>	<b>(44)</b>	<b>112</b>	<b>(101)</b>	<b>5,914</b>
Currency translation differences	-	-	-	-	(185)	-	-	(185)
Transfer from results carried forward	71	-	-	-	-	-	-	71
Change in value of available-for-sale assets (note 10)	-	-	-	(41)	-	-	-	(41)
Changes in value of cash flow hedge	-	-	-	-	-	255	-	255
Actuarial loss	-	-	-	-	-	-	(9)	(9)
<b>31 December 2016</b>	<b>1,631</b>	<b>4,106</b>	<b>291</b>	<b>(49)</b>	<b>(228)</b>	<b>366</b>	<b>(110)</b>	<b>6,005</b>

**Company figures**

	Statutory reserves	Special reserves	Untaxed reserves	Foreign exchange Cash For sale	Foreign Exchange Difference Reserves	Actuarial profit/(loss) reserves	Total
<b>1 January 2015</b>	<b>526</b>	<b>4,099</b>	<b>227</b>	-	<b>1</b>	<b>(80)</b>	<b>4,773</b>
Currency translation differences	-	-	-	-	(10)	-	(10)
Effect of change in % participation in subsidiaries	-	6	-	-	-	-	6
Change in value of available-for-sale assets (note 10)	-	-	-	(8)	-	-	(8)
Actuarial loss	-	-	-	-	-	(3)	(3)
<b>31 December 2015</b>	<b>526</b>	<b>4,106</b>	<b>227</b>	<b>(8)</b>	<b>(9)</b>	<b>(84)</b>	<b>4,759</b>
<b>1 January 2016</b>	<b>526</b>	<b>4,106</b>	<b>227</b>	<b>(8)</b>	<b>(9)</b>	<b>(84)</b>	<b>4,759</b>
Currency translation differences	-	-	-	-	(135)	-	(135)
Change in value of available-for-sale assets (note 10)	-	-	-	(38)	-	-	(38)
Actuarial loss	-	-	-	-	-	(7)	(7)
<b>31 December 2016</b>	<b>526</b>	<b>4,106</b>	<b>227</b>	<b>(45)</b>	<b>(143)</b>	<b>(90)</b>	<b>4,579</b>

**(a) Statutory reserves**

The provisions of articles 44 and 45 of Codified Law 2190/1920 regulate the formation and use of statutory reserves: At least 5% of each year's actual (book) net earnings must be withheld to form a statutory reserve, until the statutory reserve's accumulated amount equals at least 1/3 of the share capital. By decision of the Ordinary General Meeting of Shareholders, the statutory reserve may be used to cover losses, and therefore may not be used for any other purpose.

**(b) Special reserves**

Reserves of this category have been created by decision of the Ordinary General Meeting in past years, do not have any specific designation and may, therefore, be used for any purpose, by decision of the Ordinary General Meeting.

**(c) Untaxed reserves**

The foregoing reserves may be capitalised and distributed (having due regard to the applicable limitations), by decision of the Ordinary General Meeting of shareholders.

## 18 Borrowings

All amounts in EUR thousand.

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Long-term borrowings</b>				
Bank borrowings	3,810	5,653	-	-
Bond loans	200	360	-	-
<b>Total long-term borrowings</b>	<b>4,010</b>	<b>6,013</b>	<b>-</b>	<b>-</b>
<b>Short-term borrowings</b>				
Bank overdrafts	1	1	-	-
Bank borrowings	1,736	2,186	-	-
Bond loan	160	160	-	-
From related parties (note 32(j))	-	-	1,783	2,476
<b>Total short-term borrowings</b>	<b>1,897</b>	<b>2,347</b>	<b>1,783</b>	<b>2,476</b>
<b>Total borrowings</b>	<b>5,907</b>	<b>8,360</b>	<b>1,783</b>	<b>2,476</b>

Long-term borrowings mature by 2020.

The average effective rate of the Group as at 31 December 2016 was 1.01% (2015: 1.53%) for bank borrowings, and 4.68% for the Company for the current year (2015: 4.63%).

Mortgage prenotations have been taken out on the Group properties, standing at EUR 1,536 thousand (31.12.2015: EUR 1,536 thousand), in favour of a bank as security for bank liabilities, which, as at 31.12.2016, stood at EUR 726 thousand (31.12.2015: EUR 726 thousand) (note 5).

The Group's exposure to the risk of changes in borrowing rates, and the contractual dates for re-determination of rates are as follows:

	Consolidated figures			Company figures		
	Fixed rate	Floating rate up to 6 months	Total	Fixed rate	Floating rate up to 6 months	Total
<b>31 December 2016</b>						
Total borrowings	297	360	657	-	1,783	1,783
Effect of interest rate swaps	5,250	-	5,250	-	-	-
	<b>5,547</b>	<b>360</b>	<b>5,907</b>	<b>-</b>	<b>1,783</b>	<b>1,783</b>

All borrowings are expressed in Euros.



	<b>Consolidated figures</b>			<b>Company figures</b>		
	<b>Fixed rate</b>	<b>Floating rate up to 6 months</b>		<b>Fixed rate</b>	<b>Floating rate up to 6 months</b>	
		<b>Total</b>			<b>Total</b>	
<b>31 December 2015</b>						
Total borrowings	1,089	522	<b>1,610</b>	-	2,476	<b>2,476</b>
Effect of interest rate swaps	6,750	-	<b>6,750</b>	-	-	-
	<b>7,839</b>	<b>522</b>	<b>8,360</b>	-	<b>2,476</b>	<b>2,476</b>

The maturity of long-term borrowings is as follows:

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
	Between 1 and 2 years	1,720	1,790	-
2 to 5 years	2,290	4,224	-	-
	<b>4,010</b>	<b>6,013</b>	-	-

All borrowings are expressed in Euros.

## 19 Trade and other payables

All amounts in EUR thousand.

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Suppliers	10,209	10,220	6,791	6,006
Accrued interest	52	-	-	-
Accrued expenses	570	702	43	51
Advances from customers	2,410	601	1,120	10
Wages and salaries payable	883	551	611	451
Social security and other taxes	3,081	3,065	1,574	1,476
Amounts due to Joint Operations	1,427	1,252	50	166
Amounts due to construction contracts	873	2,936	873	4,654
Subcontractors	2,434	1,615	3,308	1,615
Other payables	10,168	12,120	3,782	4,024
Total liabilities – Related parties (note 32)	1,024	6,018	3,999	11,665
<b>Total</b>	<b>33,131</b>	<b>39,080</b>	<b>22,151</b>	<b>30,118</b>
Non-current	602	480	-	-
Current	32,528	38,600	22,151	30,118
<b>Total</b>	<b>33,131</b>	<b>39,080</b>	<b>22,151</b>	<b>30,118</b>

All liabilities are expressed in Euros.

The Company's liabilities from trade activities are free of interest.

## 20 Deferred taxation

All amounts in EUR thousand.

Deferred tax receivables and liabilities are offset when there is a legally vested right to offset current tax receivables against current tax liabilities and when the deferred income taxes involve the same tax authority. Offset amounts are as follows:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Deferred tax liabilities:</b>				
Recoverable after 12 months	4,243	4,283	-	-
	<b>4,243</b>	<b>4,283</b>	-	-
<b>Deferred tax assets:</b>				
Recoverable after 12 months	3,628	2,359	3,550	2,841
	<b>3,628</b>	<b>2,359</b>	<b>3,550</b>	<b>2,841</b>
	<b>615</b>	<b>1,924</b>	<b>(3,550)</b>	<b>(2,841)</b>

Total change in deferred income tax is presented below:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Opening balance</b>	<b>1,924</b>	<b>1,099</b>	<b>(2,841)</b>	<b>(1,683)</b>
Debit/ (credit) through profit and loss (note 28)	(1,254)	831	(706)	(1,154)
Other comprehensive income credit	(4)	(5)	(3)	(4)
Acquisition/absorption of subsidiary	(50)	-	-	-
<b>Closing balance</b>	<b>615</b>	<b>1,924</b>	<b>(3,550)</b>	<b>(2,841)</b>

Changes in deferred tax receivables and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

### Consolidated figures

#### Deferred tax liabilities:

	Different tax depreciation	Construction contracts	Other	Total
<b>1 January 2015</b>	<b>1,811</b>	<b>3,007</b>	<b>243</b>	<b>5,061</b>
Income statement debit/(credit)	977	216	(216)	977
<b>31 December 2015</b>	<b>2,788</b>	<b>3,224</b>	<b>26</b>	<b>6,038</b>
<b>1 January 2016</b>	<b>2,788</b>	<b>3,224</b>	<b>26</b>	<b>6,038</b>
Income statement debit/(credit)	171	(1,833)	17	(1,645)
<b>31 December 2016</b>	<b>2,959</b>	<b>1,391</b>	<b>43</b>	<b>4,394</b>

#### Deferred tax assets:

	<b>Different tax depreciation</b>	<b>Tax losses</b>	<b>Construction contracts</b>	<b>Actuarial gains/(losses) reserves</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2015</b>	<b>551</b>	<b>532</b>	<b>983</b>	<b>20</b>	<b>1,876</b>	<b>3,962</b>
Income statement debit/(credit)	222	142	(115)	-	(103)	146
Other comprehensive income credit	-	-	-	5	-	5
<b>31 December 2015</b>	<b>773</b>	<b>675</b>	<b>868</b>	<b>25</b>	<b>1,773</b>	<b>4,113</b>
<b>1 January 2016</b>	<b>773</b>	<b>675</b>	<b>868</b>	<b>25</b>	<b>1,773</b>	<b>4,113</b>
Income statement credit	(100)	(69)	(15)	-	(206)	(390)
Other comprehensive income credit	-	-	-	4	-	4
Acquisition/absorption of subsidiary	-	50	-	-	-	50
<b>31 December 2016</b>	<b>672</b>	<b>656</b>	<b>853</b>	<b>30</b>	<b>1,567</b>	<b>3,778</b>

**Company figures**
**Deferred tax liabilities:**

	<b>Different tax depreciation</b>	<b>Construction contracts</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2015</b>	-	<b>3,012</b>	<b>243</b>	<b>3,255</b>
Income statement debit/(credit)	2	(642)	(243)	(883)
<b>31 December 2015</b>	-	<b>2,370</b>	-	<b>2,372</b>
<b>1 January 2016</b>	-	<b>2,370</b>	-	<b>2,370</b>
Income statement debit/(credit)	2	(974)	-	(971)
<b>31 December 2016</b>	<b>2</b>	<b>1,396</b>	-	<b>1,398</b>

**Deferred tax assets:**

	<b>Impairment of holdings</b>	<b>Different tax depreciation</b>	<b>Construction contracts</b>	<b>Actuarial gains/(losses) reserves</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2015</b>	<b>2,809</b>	<b>11</b>	<b>983</b>	<b>15</b>	<b>1,119</b>	<b>4,937</b>
Income statement debit/(credit)	-	325	(115)	-	61	271
Other comprehensive income credit	-	-	-	4	-	4
<b>31 December 2015</b>	<b>2,809</b>	<b>336</b>	<b>868</b>	<b>19</b>	<b>1,181</b>	<b>5,213</b>
<b>1 January 2016</b>	<b>2,809</b>	<b>336</b>	<b>868</b>	<b>19</b>	<b>1,181</b>	<b>5,213</b>
Income statement debit	-	-	(15)	-	(250)	(265)
Other comprehensive income credit	-	-	-	3	-	3
Acquisition/absorption of subsidiary	-	-	-	15	(15)	-
<b>31 December 2016</b>	<b>2,809</b>	<b>336</b>	<b>853</b>	<b>37</b>	<b>916</b>	<b>4,950</b>

Deferred tax receivables are recognised for the transfer of tax losses, provided that it is probable to achieve a relevant financial benefit due to future taxable gains.

The Group recognised deferred tax assets of EUR 656 thousand (2015: EUR 675 thousand) for tax losses totalling EUR 2,179 thousand (2015: EUR 2,250 thousand) which may be transferred and offset against future taxable gains.

## 21 Retirement benefit obligations

All amounts in EUR thousand.

The amounts recognised in the Statement of Financial Position are the following:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Liabilities in the Statement of Financial Position for:</b>				
Retirement benefits	456	403	354	310
<b>Total</b>	<b>456</b>	<b>403</b>	<b>354</b>	<b>310</b>

The amounts recognised in the Income Statement are the following:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Charges /(credits) through profit and loss (note 27)</b>				
Retirement benefits	63	54	55	40
<b>Total</b>	<b>63</b>	<b>54</b>	<b>55</b>	<b>40</b>

The amounts posted in the Statement of Financial Position are as follows:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Present value of non-financed liabilities	456	403	354	310
<b>Liability in Statement of Financial Position</b>	<b>456</b>	<b>403</b>	<b>354</b>	<b>310</b>

The amounts posted in the Income Statement are as follows:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Current employment cost	55	51	41	37
Financial cost	7	6	6	5
Cut-down losses	-	(3)	8	(3)
<b>Total included in employee benefits (note 27)</b>	<b>63</b>	<b>54</b>	<b>55</b>	<b>40</b>

Change to liabilities as presented in the Balance Sheet is as follows:

	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>Opening balance</b>	<b>403</b>	<b>352</b>	<b>310</b>	<b>275</b>
Acquisition/absorption of subsidiary	-	-	-	-
Indemnities paid	(25)	(12)	(20)	(12)
Actuarial loss charged to Statement of Comprehensive Income	15	9	10	7
Total debit/ (credit) to results	63	54	55	40
<b>Closing balance</b>	<b>456</b>	<b>403</b>	<b>354</b>	<b>310</b>

The main actuarial assumptions used for accounting purposes for the company's figures, are the following:

	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Discount rate	1.60%	2.00%
Future salary raises	1.75%, + 0.5% = 2.25 %	2%, + 0.5% = 2.5 %

\*: Average annual long-term inflation = 1.75%

\*\* : Average annual long-term inflation = 2%

The average weighted duration of pension benefits is 18.78 years for the consolidated figures and 18.05 years for the company figures.

Analysis of expected maturity of non-discounted pension benefits:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
2 to 5 years	9	9	7	9
Over 5 years	570	545	483	457
<b>Total</b>	<b>579</b>	<b>553</b>	<b>490</b>	<b>466</b>

The sensitivity analysis of pension benefit from changes in the main assumptions are:

	<u>Consolidated figures</u>			<u>Company figures</u>		
	<u>Change in the assumption according to</u>	<u>Increase in the assumption</u>	<u>Decrease in the assumption</u>	<u>Change in the assumption according to</u>	<u>Increase in the assumption</u>	<u>Decrease in the assumption</u>
Discount rate	0.50%	-5.83%	+5.83%	0.50%	-5.8%	+5.8%
Payroll change rate	0.50%	+5.76%	-5.76%	0.50%	+5.73%	-5.73%

Actuarial loss recognised in the Statement of Comprehensive Income are:

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Loss from the change in financial assumptions	10	7	10	7
Losses	6	3	-	-
<b>Total</b>	<b>15</b>	<b>9</b>	<b>10</b>	<b>7</b>

## 22 Grants

All amounts in EUR thousand.

	<u>Consolidated figures</u>		<u>Company figures</u>	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>At year start</b>	<b>12,670</b>	<b>14,708</b>	<b>2,942</b>	<b>3,701</b>
Transfer to results (note 25)	(1,104)	(1,539)	(346)	(259)
Refunds	(2,248)	(499)	(2,248)	(499)
<b>At year end</b>	<b>9,318</b>	<b>12,670</b>	<b>349</b>	<b>2,942</b>

Out of the total Group's government grants:

i) The amortised amount of EUR 7,145 thousand (2015: EUR 7,724 thousand) corresponds to a grant received by subsidiary VEAL S.A. under the OPCE for the construction of a co-generation power plant, using biogas from the Ano Liosia landfill. The grant amount covers 40% of the investment's budget.

iii) The amortised amount of EUR 349 thousand (2015: EUR 608 thousand) relates to a government grant received by HELECTOR SA under the OPCE regarding project "Electrical power generation from Tagarades Thessaloniki Sanitary Landfill biogas", with a 5 MW capacity. The grant amount covers 40% of the investment's budget.

iii) The amortised amount of EUR 1,305 thousand (2015: EUR 1,425 thousand) relates to a government grant received by subsidiary AIFORIKI DODEKANISSOU S.A. under the OPCE regarding project 'Wind power utilisation for the production of electrical power on the islands of Rhodes (3.0 MW), Kos (3.6 MW) and Patmos (1.2 MW)'. The grant amount covers 30% of the investment's budget.

iv) The amortised amount of EUR 520 thousand (2015: EUR 579 thousand) relates to a grant received by the subsidiary STERILISATION S.A. from the Regional Administration of Thessaly for the project "Establishment of a medical waste treatment plant in Volos Industrial Zone B, Prefecture of Magnesia". The grant amount covers 50% of the investment's budget.

Refunds of EUR 2,248 thousand refer to the parent HELECTOR S.A. 31.12.2015: EUR 499 thousand) which returned collected grants to the European Commission, as the Management decided to not proceed with the construction of the GASBIOREF project.

## 23 Provisions

All amounts in EUR thousand.

### Consolidated figures

	<b>Litigations pending</b>	<b>Landscape restoration</b>	<b>Tax provisions</b>	<b>Other provisions</b>	<b>Total</b>
<b>1 January 2015</b>	<b>291</b>	<b>70</b>	<b>1,109</b>	<b>3,130</b>	<b>4,600</b>
Provisions for contingent risks	-	-	-	8,000	8,000
Additional provisions for the year	-	3	-	5	8
Used provisions for the year	-	-	(29)	(80)	(108)
<b>31 December 2015</b>	<b>291</b>	<b>73</b>	<b>1,081</b>	<b>11,055</b>	<b>12,499</b>
<b>1 January 2016</b>	<b>291</b>	<b>73</b>	<b>1,081</b>	<b>11,055</b>	<b>12,499</b>
Provisions for penalty clause enforcement	-	-	-	2,700	2,700
Additional provisions for the year	-	3	3	2,137	2,142
Used provisions for the year	-	-	-	(422)	(422)
<b>31 December 2016</b>	<b>291</b>	<b>76</b>	<b>1,083</b>	<b>15,470</b>	<b>16,920</b>

### Company figures

	<b>Litigations pending</b>	<b>Tax provisions</b>	<b>Other provisions</b>	<b>Total</b>
<b>1 January 2015</b>	<b>291</b>	<b>719</b>	<b>2,450</b>	<b>3,460</b>
<b>31 December 2015</b>	<b>291</b>	<b>719</b>	<b>2,450</b>	<b>3,460</b>
<b>1 January 2016</b>	<b>291</b>	<b>719</b>	<b>2,450</b>	<b>3,460</b>

Provisions for penalty clause enforcement	-	-	2,700	2,700
<b>31 December 2016</b>	<b>291</b>	<b>719</b>	<b>5,150</b>	<b>6,160</b>

Analysis of total provisions:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Non-current	6,220	4,500	3,460	3,460
Current	10,700	8,000	2,700	-
<b>Total</b>	<b>16,920</b>	<b>12,500</b>	<b>6,160</b>	<b>3,460</b>

Provisions have been posted in the income statement as follows:

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
Other income/(expenses) & Other profits/(losses)	4,842	8,008	2,700	-
Financial cost	(422)	-	-	-
	<b>4,421</b>	<b>8,008</b>	<b>2,700</b>	<b>-</b>

#### (a) Outstanding litigations

The entire amount of the provision formed pertains to third-party actions against the Company. The amount of the provision is based on estimates made by the Group's Legal Department. The company's management considers the provision amount sufficient, and no additional charges are expected to arise beyond the amounts disclosed as of 31.12.2015.

#### (c) Landscape restoration

In accordance with article 9(4) of Ministerial Decision 1726/2003, companies operating wind farms should remove the facilities and restore the landscape upon termination of operation of the Power Plant.

The Group has formed a cost provision for equipment removal and landscape restoration for the wind farms it operates via subsidiary Aiforiki Dodekanisou S.A. The provision has been calculated as the present value of expenses that will be borne for landscape restoration. The Management of the Group has estimated that the total future expenses will amount to approximately EUR 141 thousand. The amount of approximately EUR 3 thousand (2015: EUR 3 thousand) has been recognised in 2016 as financial cost (note 26).

#### (c) Other provisions

Other provisions mainly relate to the contingent risk of termination of concession contract of subsidiary J/V HELECTOR-ELLAKTOR-CYBARGO in Cyprus. This case is described in note 31 to the Financial Statements.

The Company, taking into account the ruling of the Arbitration Court of 12/05/2017 regarding project "Services of Support, Operation, Maintenance and Repair of the Mechanical Recycling Plant" recognised provisions of EUR 2.7 million, relating to the enforcement of a penalty clause (note 34 - Subsequent events).

## 24 Expenses per category

All amounts in EUR thousand.

### Consolidated figures

	Note	1-Jan to 31-Dec-16			Total
		Cost of sales	Distribution costs	Administrative expenses	
Employee benefits	27	14,788	87	967	15,842
Inventories used	12	23,169	9	62	23,240
Depreciation of tangible assets	5	3,836	-	23	3,859
Amortisation of intangible assets	6	2,365	-	96	2,460
Repair and maintenance expenses of tangible assets		1,379	-	39	1,418
Operating lease rents	5	1,898	27	231	2,156
Third party fees for technical works		36,491	787	120	37,399
Other		14,392	673	3,868	18,933
<b>Total</b>		<b>98,318</b>	<b>1,584</b>	<b>5,406</b>	<b>105,308</b>

	Note	1-Jan to 31-Dec-15			Total
		Cost of sales	Distribution costs	Administrative expenses	
Employee benefits	27	13,397	44	1,388	14,829
Inventories used	12	29,812	-	55	29,866
Depreciation of tangible assets	5	3,605	-	-	3,605
Amortisation of intangible assets	6	2,383	-	96	2,479
Repair and maintenance expenses of tangible assets		1,474	1	30	1,505
Operating lease rents	5	1,689	12	206	1,907
Third party fees for technical works		32,724	561	366	33,650
Other		15,265	929	3,131	19,325
<b>Total</b>		<b>100,348</b>	<b>1,547</b>	<b>5,271</b>	<b>107,166</b>

### Company figures

	Note	1-Jan to 31-Dec-16			Total
		Cost of sales	Distribution costs	Administrative expenses	
Employee benefits	27	9,108	87	489	9,684
Inventories used	12	23,482	9	3	23,494
Depreciation of tangible assets	5	916	-	1	917
Amortisation of intangible assets	6	13	-	-	13
Repair and maintenance expenses of tangible assets		415	-	5	420
Operating lease rents	5	1,062	27	186	1,275
Third party fees for technical works		23,333	787	340	24,459
Other		8,011	599	1,865	10,474
<b>Total</b>		<b>66,340</b>	<b>1,508</b>	<b>2,889</b>	<b>70,738</b>

	Note	1-Jan to 31-Dec-15			Total
		Cost of sales	Distribution costs	Administrative expenses	
Employee benefits	27	7,763	44	776	8,583
Inventories used	12	30,446	-	18	30,464
Depreciation of tangible assets	5	894	-	-	894
Amortisation of intangible assets	6	25	-	-	25
Repair and maintenance expenses of tangible assets		388	1	1	390
Operating lease rents	5	1,140	12	160	1,312



Third party fees for technical works	22,691	560	315	23,565
Other	11,832	899	1,131	13,862
<b>Total</b>	<b>75,180</b>	<b>1,516</b>	<b>2,400</b>	<b>79,095</b>

## 25 Other income/(expenses) & Other profits/(losses)

All amounts in EUR thousand.

	<u>Consolidated figures</u>		<u>Company figures</u>	
	1-Jan to		1-Jan to	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
Loss from the sale of available-for-sale financial assets	(2)	-	-	-
Impairment of available-for-sale financial assets (note 10)	(17)	(143)	-	-
Profit from the sale of subsidiaries	-	-	52	-
(Losses)/profit from the sale and write-off of other tangible assets	(1)	14	-	12
Amortisation of grants received (note 22)	1,104	1,539	346	259
Rents	653	648	899	667
Impairment provisions and direct write-offs	(5,051)	(38)	(3,862)	-
Loss from disposal of VEAL S.A. PPE (note 5)	-	(1,373)	-	-
Provisions for contingencies (note 23)	-	(8,000)	-	-
Provisions for penalty clause enforcement (note 23)	(2,700)	-	(2,700)	-
Default interest, based on a contract with the State	1,138	1,176	1,138	1,176
Extraordinary expenses from HRO plant losses	(2,770)	-	-	-
Income from compensations	6,907	-	-	-
Other profit, net	160	1,845	10	35
<b>Total</b>	<b>(579)</b>	<b>(4,334)</b>	<b>(4,117)</b>	<b>2,149</b>

The amount of “Income from compensations” of EUR 6,907 thousand refers to compensation from an insurance company for damage due to fire, which was received during the year by subsidiary HERHOF RECYCLING CENTER OSNABRUCK GM. The amount of EUR 2,770 thousand in “Extraordinary expenses from HRO plant losses” refers to extraordinary costs associated with the above compensation. The remaining expenses associated with the damage caused to the plant have been recognised in the cost of sales for the current year.

“Provisions for impairment and direct write-offs of receivables” in the amount of EUR 5,051 thousand mainly refers to provisions for impairment of withheld guarantees of the parent’s branch in Croatia (EUR 3,862 thousand), and provisions for impaired default interest of subsidiaries VEAL S.A. (EUR 751 thousand) and DOAL S.A. (EUR 401 thousand).

## 26 Financial income/(expenses) - net

All amounts in EUR thousand.

	<u>Consolidated figures</u>		<u>Company figures</u>	
	1-Jan to		1-Jan to	
	<u>31-Dec-16</u>	<u>31-Dec-15</u>	<u>31-Dec-16</u>	<u>31-Dec-15</u>
<b>Interest expenses</b>				
- Bank borrowings	(432)	(925)	(114)	(642)
- Financial cost for landscape restoration (note 23)	(3)	(3)	-	-
- Guarantee letter commissions	(1,142)	(1,100)	(1,125)	(1,076)
- Other financial expenses	(74)	(65)	(53)	(50)
<b>Total financial expenses</b>	<b>(1,650)</b>	<b>(2,093)</b>	<b>(1,292)</b>	<b>(1,768)</b>
Interest income	622	888	475	803
<b>Total financial income</b>	<b>622</b>	<b>888</b>	<b>475</b>	<b>803</b>
<b>Finance income/(expenses) - net</b>	<b>(1,028)</b>	<b>(1,206)</b>	<b>(818)</b>	<b>(965)</b>

## 27 Employee benefits

All amounts in EUR, save the number of employees.

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>1-Jan to</b>		<b>1-Jan to</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Wages and salaries	12,844	12,176	7,670	6,986
Social security expenses	2,747	2,405	1,885	1,543
Cost of defined benefit plans (note 21)	63	54	55	40
Other employee benefits	188	194	73	14
<b>Total</b>	<b>15,842</b>	<b>14,829</b>	<b>9,684</b>	<b>8,583</b>
Number of employees	608	522	489	314

## 28 Income tax

All amounts in EUR thousand.

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>1-Jan to</b>		<b>1-Jan to</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
Tax for the year	3,880	6,408	1,548	4,211
Deferred tax (note 20)	(1,254)	831	(706)	(1,154)
<b>Total</b>	<b>2,626</b>	<b>7,239</b>	<b>842</b>	<b>3,057</b>

Since FY 2011, Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited by legally appointed auditors are required to obtain an “Annual Certificate” under Article 82(5) of Law 2238/1994, which is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a ‘Tax Compliance Report’ and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically.

The table presenting the analysis of unaudited financial years of all joint operations under consolidation is shown in note 31. The tax on the Group’s profit before tax differs from the notional amount which would result using the tax rate applicable to the parent’s profit on the consolidated companies’ profit. The difference is as follows:

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>1-Jan to</b>		<b>1-Jan to</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Accounting profit/(losses) before tax</b>	<b>895</b>	<b>8,011</b>	<b>2,033</b>	<b>5,518</b>
Tax imputed, based on local applicable tax rates on the parent’s profit (29%)	260	2,323	589	1,599
Effect of change to tax rate	-	(36)	-	(207)
Untaxed income	-	-	(2,776)	(505)
Expenses not deductible for tax purposes:	3,086	4,141	2,792	1,612
Use of tax losses from prior financial years	(610)	-	(291)	-
Tax effect of local rates and Group taxation	(398)	(250)	91	-
Other taxes	10	(52)	(39)	-
Differences from tax audit	11	527	(38)	558
Tax losses for which no deferred tax asset was recognised	267	587	513	-
<b>Income tax</b>	<b>2,626</b>	<b>7,239</b>	<b>842</b>	<b>3,057</b>

The average weighted tax rate for the Group for 2016 is 136.18% (2015: 94.59%).

The tax corresponding to Other Comprehensive Income is:

**Consolidated figures**

	1-Jan to 31-Dec-16			1-Jan to 31-Dec-15		
	Before tax	Tax (debit)/credit	After tax	Before tax	Tax (debit)/credit	After tax
Currency translation differences	(185)	-	(185)	60	-	60
Fair value gains/(losses) on available-for-sale financial assets	(41)	-	(41)	(9)	-	(9)
Cash flow hedge	255	-	255	300	-	300
Actuarial gains/(losses)	(15)	4	(11)	(9)	3	(7)
Effect of the tax rate change on actuarial profits losses	-	-	-	-	3	3
	<b>14</b>	<b>4</b>	<b>19</b>	<b>342</b>	<b>5</b>	<b>347</b>

**Company figures**

	1-Jan to 31-Dec-16			1-Jan to 31-Dec-15		
	Before tax	Tax (debit)/credit	After tax	Before tax	Tax (debit)/credit	After tax
Currency translation differences	(135)	-	(135)	(10)	-	(10)
Fair value gains/(losses) on available-for-sale financial assets	(38)	-	(38)	(8)	-	(8)
Actuarial losses	(10)	3	(7)	(7)	2	(5)
Effect of the tax rate change on actuarial profits losses	-	-	-	-	2	2
	<b>(182)</b>	<b>3</b>	<b>(179)</b>	<b>(25)</b>	<b>4</b>	<b>(21)</b>

## 29 Cash flows from operating activities

All amounts in EUR thousand.

	Note	Consolidated figures		Company figures	
		01.01.2016- 31.12.2016	01.01.2015- 31.12.2015	01.01.2016- 31.12.2016	01.01.2015- 31.12.2015
Profit before taxes		895	8,011	2,033	5,518
<i>Adjustments for:</i>					
Depreciation of PPE	5	3,859	3,605	917	894
Depreciation of intangible assets	6	2,460	2,479	13	24
Impairment of available-for-sale financial assets	10	17	143	-	-
(Losses)/profit from the sale and write-off of other tangible assets	25	1	(14)	-	(12)
Loss from disposal of property, plant and equipment of VEAL S.A.	25	-	1,373	-	-
Amortisation of grants	22	(1,104)	(1,539)	(346)	(259)
Interest income	26	(622)	(888)	(475)	(803)
Income from dividends		-	-	(9,572)	(1,740)
Write-offs and provisions of receivables	25	5,051	-	3,862	-
Provisions for contingent risks	23	-	8,000	-	-
Provisions for penalty clause enforcement	23	2,700	-	2,700	-
Other provisions	23	1,721	(100)	-	-
Retirement benefits liabilities		53	42	35	27
Debit interest and related expenses	26	1,647	2,090	1,292	1,768
Loss from associates	8	710	782	-	-
		<b>17,388</b>	<b>23,985</b>	<b>460</b>	<b>5,418</b>
<b>Changes in working capital</b>					
(Increase)/decrease in inventory		(167)	(1,150)	199	(304)
Decrease/(increase) in receivables (non-current & current)		(3,901)	17,586	4,524	24,231
Increase/(decrease) in liabilities (non-current & current, except borrowings)		(17,945)	2,180	(12,334)	282
		<b>(22,013)</b>	<b>18,616</b>	<b>(7,610)</b>	<b>24,209</b>
<b>Net Cash Flows from operating activities</b>		<b>(4,625)</b>	<b>42,601</b>	<b>(7,150)</b>	<b>29,627</b>

## 30 Commitments

### Operating lease obligations

The Group leases property through operating leases. Such leases have varying terms regarding rent adjustment, renewal rights and other clauses, and usually, extend over a term of 3 or more years. All amounts in EUR thousand. Total future payable rents, under operating leases, are as follows:

#### Commitments from operating leases:

	Consolidated figures	
	31-Dec-16	31-Dec-15
Up to 1 year	428	240
From 1-5 years	1,048	890
Over 5 years	-	128
	<b>1,477</b>	<b>1,258</b>

### 31 Contingent assets and liabilities

(a) Disputes in litigation or in arbitration, as well as any pending decisions by judicial or arbitration bodies, are not expected to have a significant impact on the financial standing or operation of the company. The provisions formed in the Company are assessed as adequate.

(b) From FY 2011 onwards, Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited are required to obtain an “Annual Certificate” under article 82(5) of Law 2238/1994. This ‘Annual Certificate’ is issued following a tax audit performed by the legally appointed auditor or audit firm that audits the annual financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the company a ‘Tax Compliance Report’ and then the statutory auditor or audit firm submits it to the Ministry of Finance electronically. The list of open tax years of the companies being consolidated are presented below: The Group’s tax liabilities for these years have not been finalized; therefore it is possible that additional charges are imposed when the relevant audits are performed by the tax authorities. The provisions formed by the Group and the parent company for unaudited years stand at €1,083 thousand and €719 thousand respectively (note 23). Parent company Helector (excluding Joint Operations, the unaudited years of which are presented in the following table) has been audited in accordance with Law 2238/1994 for financial years 2011, 2012, 2013, 2014 and 2015 and has obtained a tax compliance certificate from PricewaterhouseCoopers S.A., without any qualification. The tax audit on years 2009 and 2010 was completed on 10.05.2017; the audit differences identified were not materially different from the provisions already formed. PricewaterhouseCoopers S.A. has already undertaken the parent’s tax audit for financial year 2016. Also, a tax audit for closing year 2016 is underway by the competent audit firms for the Group’s subsidiaries based in Greece. The Company’s management is not expecting significant tax liabilities, upon completion of the tax audit, other than those recorded and presented in the financial statements. Also, adequate provisions have been established, charging the results of the current and previous years, and no significant extra charges are anticipated.

#### Subsidiaries

Name	Unaudited years
AIFORIKI DODEKANISOU SA	2010** 2011-2015*, 2016
AIFORIKI KOUNOU SA	2010** 2011-2015*, 2016
APOTEFROTIRAS SA	2010** 2011-2015*, 2016
VEAL SA	2010** 2011-2015*, 2016
HELECTOR CYPRUS (formerly ELEMAX LTD)	2007-2016
HELECTOR GERMANY GMBH	2007-2016
HERHOF GMBH	2005-2016
HERHOF RECYCLING CENTER OSNABRUCK GMBH	2006-2016
HERHOF VERWALTUNGS GMBH	2006-2016
JV HELECTOR-ELLAKTOR-CYBARCO	2007-2016
HELECTOR BULGARIA LTD	2010-2016
HELECTOR SA- DOAL SA OE	2010**-2015
YLECTOR DOOEL SKOPJE	2010-2016
DOAL SA	2010**, 2011-2015*, 2016
K.G.E GREEN ENERGY LTD	2011-2016
NEASACO ENTERPRISES LTD	2012-2016
JV HELECTOR SA-BILFINGER BERGER (CYPRUS- PAPHOS LANDFILL)	2006-2016
JV HELECTOR SA-BILFINGER BERGER (MARATHOUNTA LANDFILL & ACCESS WAY)	2006-2016
STERILISATION SA	2012-2013, 2014-2015*, 2016
EDADYM SA	-

#### Associates

Name	Unaudited years
ENERMEL S.A.	2010**, 2011-2015*, 2016
TOMI EDL ENTERPRISES LTD	2010**-2016
PROJECT DYNAMIC CONSTRUCTION	2010-2016
ELLAKTOR VENTURES LTD	2011-2016

#### Joint Ventures

Name	Unaudited years
J/V TOMI SA – HLEKTOR SA (ANO LIOSIA LANDFILL - SECTION II)	2010**-2016

JV DETEALA- HELECTOR-EDL LTD	2010**-2016
JV HELECTOR SA – MESOGEIOS SA (MAVRORACHI LANDFILL)	2010**-2016
JV HELECTOR SA – MESOGEIOS SA (FYLIS LANDFILL)	2010**-2016
JV HELECTOR-MESOGEIOS (TAGARADES LANDFILL)	2006**-2016
JV HELECTOR – TECHNIKI PROSTASIAS PERIVALONDOS	2010**-2016
J/V HELECTOR– ARSI	2010**-2016
J/V HELECTOR– ERGOSYN SA	2010**-2016
JV LAMDA – ITHAKI & HELECTOR	2007**-2016
J/V BILFIGER BERGER - MESOGEIOS- HELECTOR	2010**-2016
J/V TOMI SA –HELEKTOR SA	2008**-2016
JV TOMI SA-HELECTOR SA & KONSTANTINIDIS	2010**-2016
JV HELECTOR –ENVITEC (Recycling & Composting Plant)	2015-2016
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA	2011-2016
J/V HELECTOR SA –TH.G.LOLOS- CH.TSOBANIDIS- ARSI SA- ENVITEC SA	2011-2016
J/V HELECTOR SA – ZIORIS SA	2011-2016
J/V HELECTOR SA – EPANA SA	2011-2016
J/V HELECTOR SA - KONSTANTINIDIS	2012-2016
J/V HELECTOR SA - KASTOR SA (EGNATIA HIGH FENCING PROJECT)	2013-2016
JV AKTOR SA - AKTOR BULGARIA SA	2010**-2016
J/V HELECTOR– ARSI	-
J/V HELECTOR S.A. - THALIS ES S.A.	-
JV HELECTOR - LANDTEK	2014-2016

\* The Group companies which are domiciled in Greece, are mandatorily audited by audit firms and have obtained a tax compliance certificate for FY 2011, 2012, 2013, 2014 and 2015, are marked with an asterisk (\*).

\*\*The company has not been audited by tax authorities for financial year 2010 and, considering that no order from the public prosecutor's office or any other order had been issued by 31.12.2016, the limitation period of the public sector's right to issue administrative or corrective tax assessment acts, and any other act imposing taxes, duties, fines or contributions, may not be extended in accordance with Article 97 of Law 4446/2016. As a result, the right to audit is considered to be time-barred.

(c) The Group has contingent liabilities in relation to banks, other guarantees, and other matters that arise from its normal business activity and from which no substantial charges are expected to arise.

(d) On 15.06.2016, Helector Cyprus Ltd (a wholly-owned subsidiary of HELECTOR) was indicted for alleged unlawful practices of its former officers in the context of its activities in the Republic of Cyprus. If the company is convicted, penalties (e.g. a fine) will be imposed, which are not expected, though, to have a significant impact on the Group's financial position. It is reminded that the Group's consolidated statements include provisions of EUR 8 million relating to the potential risk of termination of the company's concession contract in Cyprus. The hearing regarding the above case is at a preliminary stage and is expected to be completed in 2018.

J/V HELECTOR - ELLAKTOR - CYBARCO continues operating the waste management plant in the districts of Larnaca and Famagusta in line with its contractual obligations, while the HELECTOR group has taken legal action to recover accrued revenue.

## 32 Transactions with related parties

The aggregate amounts of sales and purchases from year start, as well as the closing balances of receivables and liabilities at year end, which have resulted from transactions with related parties under IAS 24, are as follows:

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
a) Sales of goods and services	4,350	7,935	9,546	11,813

- Sales to subsidiaries	-	-	<b>7,813</b>	<b>7,345</b>
Sales	-	-	7,422	6,852
Other operating income	-	-	341	113
Financial income	-	-	51	380
- Sales to associates	<b>343</b>	<b>61</b>	<b>343</b>	<b>62</b>
Other operating income	-	35	-	35
Financial income	343	26	343	27
- Sales to related parties	<b>4,007</b>	<b>7,874</b>	<b>1,390</b>	<b>4,406</b>
Sales	3,735	7,750	1,204	4,282
Other operating income	272	124	185	124
Financial income	-	1	-	-
<b>(b) Purchases of goods and services</b>	<b>1,811</b>	<b>1,409</b>	<b>6,590</b>	<b>8,208</b>
- Purchases from subsidiaries	-	-	<b>6,590</b>	<b>7,657</b>
Cost of sales	-	-	6,580	7,414
Administrative expenses	-	-	10	15
Financial expenses	-	-	-	228
Purchases from associates	<b>1,379</b>	<b>804</b>	-	-
Cost of sales	1,379	804	-	-
- Purchases from related parties	<b>432</b>	<b>605</b>	-	<b>551</b>
Cost of sales	423	506	-	466
Administrative expenses	10	99	-	85
<b>(c) Key management compensation</b>	<b>530</b>	<b>993</b>	<b>415</b>	<b>860</b>
<b>(d) Income from dividends</b>	<b>-</b>	<b>-</b>	<b>9,572</b>	<b>1,740</b>

	Consolidated figures		Company figures	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
<b>(e) Closing balance (Receivables)</b>	<b>4,823</b>	<b>2,495</b>	<b>15,510</b>	<b>9,094</b>
- Receivables from subsidiaries	-	-	<b>12,007</b>	<b>6,717</b>
Trade	-	-	5,072	4,171
Other receivables	-	-	6,935	2,546
- Receivables from associates	<b>3,503</b>	<b>1,619</b>	<b>3,503</b>	<b>1,619</b>
Trade	3,503	1,355	3,503	1,355
Other receivables	-	265	-	265
- Receivables from related parties	<b>1,320</b>	<b>875</b>	-	<b>758</b>
Trade	175	736	-	741
Other receivables	1,146	140	-	17
<b>(f) Closing balance (Liabilities)</b>	<b>1,024</b>	<b>5,944</b>	<b>3,999</b>	<b>11,645</b>
- Payables to subsidiaries	-	-	<b>3,706</b>	<b>1,049</b>
Suppliers	-	-	615	254
Other payables	-	-	3,091	795
- Payables to associates	<b>293</b>	<b>4,964</b>	<b>293</b>	<b>4,964</b>
Other payables	293	4,964	-	-
Advances from customers	-	-	293	4,964
- Payables to other related parties	<b>731</b>	<b>981</b>	-	<b>5,632</b>
Suppliers	206	32	-	343
Other payables	525	948	-	5,290
Amounts payable to key management	<b>104</b>	<b>73</b>	-	<b>20</b>
<b>(h) Dividends receivable</b>	<b>-</b>	<b>-</b>	<b>5,709</b>	<b>1,836</b>

Services to and from related parties, as well as sales and purchases of goods, are performed in accordance with the price lists that apply to non-related parties.

Amounts payable to and from related parties are not subject to securities, have no specific repayment terms and are interest-free.

**(j) Loans to related parties**

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Balance as of 1 January</b>	<b>6,385</b>	-	<b>12,545</b>	<b>7,649</b>
Financing during the year	-	6,359	1,000	6,410
Interest capitalized during the year	343	26	393	406
Repayments during the year	-	-	(1,881)	(1,921)
<b>Balance as of 31 December</b>	<b>6,728</b>	<b>6,385</b>	<b>12,057</b>	<b>12,545</b>

**s) Loans from related parties**

	<b>Consolidated figures</b>		<b>Company figures</b>	
	<b>31-Dec-16</b>	<b>31-Dec-15</b>	<b>31-Dec-16</b>	<b>31-Dec-15</b>
<b>Balance as of 1 January</b>	-	-	<b>2,476</b>	<b>5,669</b>
Interest capitalized during the year	-	-	93	264
Repayments during the year	-	-	(786)	(3,000)
Previous year interest, paid during the current year	-	-	-	(458)
<b>Balance as of 31 December</b>	-	-	<b>1,783</b>	<b>2,476</b>

The collectability of the above collectable amounts is considered safe, and therefore no impairment provision has been made.

### 33 Other notes

1. Mortgage prenotations have been taken out on the Group properties, standing at EUR 1,536 thousand (2015: EUR 1,536 thousand), in favour of a bank as security for bank liabilities, which, as at 31.12.2016, stood at EUR 726 thousand (31.12.2015: EUR 726 thousand) (note 5).
2. The total fees payable to the Group's legal auditors for the mandatory audit of the annual financial statements for FY 2015 stand at EUR 117 thousand (2015: EUR 110 thousand), and for other services, at EUR 30 thousand (2015: EUR 33 thousand).



### 34 Additional information

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
A. Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)		7,849	14,544	3,435	7,142
B. Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)		10,549	36,678	34,522	30,742
<b>A. Determination of Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>					
Profit before taxes		895	8,011	2,033	5,518
Plus: Financial results	26	1,028	1,206	818	965
Plus: Share of loss from associates and J/Vs	8	710	782	-	-
Plus: Depreciation and amortisation (notes 5, 6, 22)		5,216	4,544	585	659
<b>Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>		<b>7,849</b>	<b>14,544</b>	<b>3,435</b>	<b>7,142</b>
<b>B. Determination of adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>					
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)		7,849	14,544	3,435	7,142
Provisions for contingent risks	23	-	8,000	-	-
Provisions for penalty clause enforcement	23	2,700	-	2,700	-
<b>Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>		<b>10,549</b>	<b>22,544</b>	<b>6,135</b>	<b>7,142</b>

### 35 Events after the date of the Statement of Financial Position

- Pursuant to the ruling of the Arbitration Court of 12.05.2017, the parent HELECTOR S.A., as member of “J/V HELECTOR S.A. - TH.-G. LOLOS - CH. TSOBANIDIS - ARSI S.A.”, is required to pay the amount of EUR 5.15 million relating to a penalty clause enforced against a company participating in the project “Operation, Maintenance & Repair Services for the Mechanical Recycling Plant”. The amount of EUR 2.7 million has been recognised in the Income Statement for the period, concerning additional provisions in relation to the above case; in previous years, the Group and the Company had already recognised provisions of EUR 2.45 million (note 23 - Provisions).

Kifissia, 29 June 2017

The Chairman of the Board of  
Directors

The Director

The CFO

Leonidas G. Bobolas (ID Card No. Σ-  
237945)

Alexandros Ch. Ntekas (ID Card Φ-  
023403)

Georgios I. Pliatsikas (ID Card No.  
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