FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY SOCIÉTÉ ANONYME

- Management Report of the Board of Directors (BoD) of the Company 'Fraport Regional Airports of Greece Management Company SOCIETE ANONYME' for the period ended on 31 December 2017.

- Financial Statements for the year ended on 31 December 2017 in accordance with the International Financial Reporting Standards (IFRS)

- Independent Chartered Auditor - Accountant Audit Report

REGISTERED OFFICE: 10 GERMANIKIS SCHOLIS STR., AMAROUSIO ATTICA
GENERAL COMMERCIAL REGISTER NO. 136996801000
Tax Office FAE OF ATHENS

FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY SOCIÉTÉ ANONYME

Management Report of the Board of Directors (BoD) of the Company 'Fraport Regional Airports of Greece Management Company SOCIETE ANONYME' for the period ended on 31 December 2017.

BoD MANAGEMENT REPORT OF FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A.

TO THE GENERAL ASSEMBLY OF SHAREHOLDERS AS OF 24/5/2018

Dear Shareholders,

Pursuant to Article 43a of Codified Law 2190/20, we submit to the General Meeting this Management Report of the Board of Directors and the attached financial statements of FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY S.A. ("Company") which were prepared in line with the International Financial Reporting Standards (IFRSs) for the year which ended on 31 December 2017, and kindly request that you approve them along with remarks on them.

1. Annual review:

The Company was founded to provide all kinds of management/administration services to the companies "Fraport Regional Airports of Greece A S.A." and "Fraport Regional Airports of Greece B S.A." 2017 was a milestone for the Company, as on 11 April 2017 Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. undertook the operation of the 14 airports for the following 40 years and the Company started its operation providing its services.

At the General Meeting of 10 February 2017, the company's share capital increase was decided by the amount of € 1,579, divided in 1,579 shares. Following such increase, the company's share capital amounted to € 31,579, divided into 31,579 shares. The amount was paid up during February 2017.

2. Company performance:

The Company's normal operation, which (operation) depends on the undertaking of operations of the 14 regional airports by "Fraport Regional Airports of Greece A S.A." and "Fraport Regional Airports of Greece B S.A.", began in the year in question.

Operating income stood at 27.5 million euros and operating expenses at 26.1 million euros (including all depreciation for the year). Net financial expenses stood at 40.3 thousand euros and net profit before taxes at 1.4 million euros.

In general, the Company's performance is considered satisfactory given the above circumstances.

The evolution of certain key Financial ratios of the Company is as follows:

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

A) Profitability Ratios

			2017		2016	
Return on Invested Capital	=	Net Profit/(Loss) before tax	1,428,892	15.6%	(11,652)	-0.2%
		Total Assets	9,163,555		7,061,047	

			2017		2016	
Return on Equity	=	Net Profit/(Loss) before tax	1,428,892	145.8%	(11,652)	(73.7)%
		Equity	980,087		15,808	

B) Liquidity Ratios

			2017		2016	
Working Capital Ratio	=	Current Assets	6,554,906	83.7%	5,522,505	78.4%
		Short-term liabilities	7,829,417		7,044,399	

C) Financial/capital Structure Ratios

			2017		2016	
Equity to Total Capital	=	Equity	980,087	10.7%	15,808	0.2%
		Total equity and Liabilities	9,163,555		7,061,047	

			2017		2016	
Leverage Ratio	=	Net borrowing:	(2,158,301)	-%	2,100,716	99.2%
		Total capital employed	(1,178,214)		2,116,544	

D) Activity Ratios

			2017		2016	
Asset Turnover Ratio	=	Sales	27,579,913	301%	5,205,298	73.7%
		Total Assets	9,163,555		7,061,047	

3. Anticipated course of the Company:

There are positive prospects for 2018. On 11 April 2017, the companies "Fraport Regional Airports of Greece A S.A." and "Fraport Regional Airports of Greece B S.A." paid to the Greek State the total upfront concession fee of € 1.234 billion, commencing -in this manner- the 40-year concession of the 14 regional airports, marking a huge investment in the national infrastructures, and particularly in the tourism sector that is so vital for Greek economy. The Company's substantial activity, which is the provision of management services to the above companies, coincided with the commencement of the concession of the 14 regional airports. The Company's income is expected to increase and 2018 is expected to be profitable. The generation of income and the gradual generation of profit will allow the Company to implement its development plans, which encompass the modernisation, development, and/or expansion of airport infrastructures.

4. Major risks and uncertainties:

The risk management is monitored by the Company's Management and is developed in the framework of instructions, directions and approved rules.

A. Financial risk factors

The Company is exposed to financial risks, such as market risks (market values), credit risk and liquidity risk. The Company's general risk management plan seeks to minimise the potential negative impact of the financial markets' volatility on the Company's Financial performance.

The risk management is implemented by the Company's financial department, which operates under specific rules. The Board of Directors provides instructions and directions regarding the general risk management as well as specific instructions for the management of specific risks such as the credit risk.

Market risk

i. Price risk

The Company is not exposed to the changes in the prices of equity instruments because it does not have investments, which have been recognised in the statement of financial position, either as financial assets or as investments at fair value through profit and loss.

ii. Risk of cash flows and risk of changes in fair value due to change in the interest rates

The Company is not exposed to fluctuations of interest rates prevailing in the market and which (interest rates) affect its financial position as well as its cash flows, since it does not have any interest-bearing receivables or liabilities.

iii. Currency risk

There is currency risk due to the Company's transactions in foreign currency. The Company is not exposed to currency risk as its financial assets and liabilities arise/are in euros, the Company's operating and presentation currency.

Credit risk

The Company is exposed to credit risk and for this reason it has established and has been applying credit control procedures.

The credit risk arises from cash and cash equivalents and deposits in banks and financial institutions, as well as from open credit of clients, including the outstanding claims and binding transactions. As regards the credit risk arising from investments made, it is pointed out that the Company collaborates only with financial organisations of high credit rating. If a credit assessment is available for clients, then the said assessment is used. If there is no credit assessment, then client's credit rating is checked by taking into account its financial condition, previous experience and other factors. The individual credit limits are determined on the basis of internal or external assessments. The application of credit limits is monitored on a constant basis.

Liquidity risk

The liquidity risk is maintained at low levels by having sufficient cash available as well as by being provided with sufficient credit limits by the collaborating banks and the parent Company.

B. Risk related to the macroeconomic and business environment in Greece

The macroeconomic and financial environment in Greece shows signs of continuing stability, however, there is still a sense of uncertainty. The capital controls imposed on 28 June 2015 are still in place but have become less strict. Considering that the terms and conditions agreed upon for the third bailout program will be applied and capital controls will relax further and be lifted altogether in the short or medium term, the macroeconomic and business environment is not expected to negatively affect the Company's activity.

The Company, in conjunction with its parent company, is constantly assessing the situation and its potential impact, in order to ensure that all necessary and feasible measures and appropriate actions are promptly taken to minimise any impact on its operations.

5. Branches

The Company has no branches.

6. Treasury shares

The Company holds no treasury shares.

7. Environmental matters

By developing an environmental policy system, the Company acknowledges its responsibilities and obligations to the environment and man and is developing procedures and programs aimed at the constant improvement of its environmental performance and its compliance with applicable environmental legislation. In this context, environmental friendly methods have been adopted and will be applied upon commencement of construction works. In 2017, the Company prepared the first "Annual Environmental Strategy Report", which is posted on its website at www.fraport-greece.com. The Company has developed procedures to monitor power and water consumption for most of the airports and the Company with a view to attaining the goal of saving energy and water resources. In 2017, the Company's total power consumption was:

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Power consumption	398.28 MWh

Given that it is the first year in which the Company began its commercial activity, there are no comparable results for the previous year.

8. Employment matters

The Company hires and employs people on a non-discrimination basis. In 2017, the company had 168 employees, 93 men and 75 women. 99% of the employees are Greeks. The average salaries paid to the airport staff are much higher compared to the respective salaries that would be paid, if Fraport Greece adopted the wage terms of the Collective (Labour) Agreement. There is absolute respect for the rights of employees and there is a climate of peace at the workplace. There are no limitations to freedoms. The Company has an occupational physician and a safety technician. It trains its staff on new skills by way of seminars in their respective areas of responsibility based on the annual priorities set by the Management. Members of staff are constantly evaluated by the respective managers, and the evaluation reports are reviewed by the Management for purposes of promotions, salaries, employee transfers.

			2017		**2016**	
Gender composition of staff employed	=	Number of women employed	75	**44.64%**	44	**42.72%**
		Total employees	168		103	

			2017		**2016**	
Gender composition of staff employed	=	Number of men employed	93	**55.36%**	59	**57.28%**
		Total employees	168		103	

Athens 29/3/2018
For the BOD
THE PRESIDENT
STEFAN SCHULTE

German passport No
C5LP2YHTY

FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY SOCIÉTÉ ANONYME

Financial Statements for the year ended on 31 December 2017 in accordance with the International Financial Reporting Standards (IFRS)

REGISTERED OFFICE: 10 GERMANIKIS SCHOLIS STR., AMAROUSIO ATTICA
GENERAL COMMERCIAL REGISTER NO. 136996801000
Tax Office FAE OF ATHENS

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Statement of Financial Position

	Not.	31/12/2017	31/12/2016
Assets			
Non-current assets			
Tangible fixed assets	5	1,646,715	1,223,767
Intangible assets	5	903,074	247,699
Other long-term receivables	7	58,860	67,076
		2,608,649	**1,538,542**
Current Assets			
Receivables from associate companies	8	4,323,644	4,754,600
Other receivables	9	72,961	40,126
Cash and cash equivalents	10	2,158,301	727,779
		6,554,906	**5,522,505**
Total assets		**9,163,555**	**7,061,047**
Equity and liabilities			
Equity			
Share capital	11	31,579	30,000
Statutory and other reserves	11	47,425	-
Profit/(Loss) carried forward		901,083	(14,192)
Total equity		**980,087**	**15,808**
Liabilities			
Long-term liabilities			
Provisions for personnel compensation due to retirement or dismissal	19	266,025	-
Deferred tax liability	6	88,026	840
		354,051	**840**
Short-term liabilities			
Suppliers	12	3,300,480	2,005,582
Liabilities to associate/related companies	12.18	169,186	509,379
Loans to associate/related companies	12.18	-	2,828,495
Income tax	6	378,990	-
Other liabilities & accrued expenses	12	3,980,761	1,700,943
		7,829,417	**7,044,399**
Total liabilities		**8,183,468**	**7,045,239**
Total equity and liabilities		**9,163,555**	**7,061,047**

The notes in pages 14-40 form an integral part of these Financial Statements.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Statement of Comprehensive Income

		2017	2016
Income	13	27,579,913	5,205,298
		27,579,913	**5,205,298**
Operating expenses			
Cost of consumables and services rendered	14	(9,599,086)	(479,214)
Staff costs	15	(11,935,249)	(2,750,190)
Other operating expenses	16	(4,138,131)	(1,802,143)
Total operating expenses before depreciation		**(25,672,466)**	**(5,031,547)**
Profit/(loss) before taxes and depreciation		**1,907,447**	**173,751**
Depreciation	5	(438,250)	(55,948)
Operating profit / (loss)		**1,469,197**	**117,803**
Interest income	17	544	1,022
Interest expenses	17	(26,826)	(122,187)
Other financial expenses	17	(14,023)	(8,290)
Net financial (expenses)/ income		**(40,305)**	**(129,455)**
Profit / (loss) before taxes		**1,428,892**	**(11,652)**
Income tax	6	(466,176)	(840)
Profit/ (loss) after taxes		**962,716**	**(12,492)**
Other comprehensive income:		**-**	**-**
Aggregate total income after taxes		**962,716**	**(12,492)**

The notes in pages 14-40 form an integral part of these Financial Statements.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Statement of Changes in Equity

	Share capital	Statutory reserve	Profit and loss carried forward	Total equity
Balance as at 01 January 2016	**24,000**	-	**(1,700)**	**22,300**
Share capital increase	6,000	-	-	**6,000**
Net loss for the period	-	-	(12,492)	**(12,492)**
Balance as at 31 December 2016 & 1 January 2017	**30,000**	**-**	**(14,192)**	**15,808**
Net profit for the period	-	-	962,716	**962,716**
Share capital increase/share capital costs	1,579	-	(16)	**1,563**
Reserve formation	-	47,425	(47,425)	**-**
Balance as at 31 December 2016	**31,579**	**47,425**	**901,083**	**980,087**

The notes in pages 14-40 form an integral part of these Financial Statements.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Statement of Cash Flows

	Not.	**31/12/2017**	**31/12/2016**
Cash Flows from Operating Activities			
Net loss before tax		**1,428,892**	**(11,652)**
Adjustments for:			
Interest income	17	(544)	(1,022)
Interest paid	17	26,826	122,187
Provisions for personnel compensation due to retirement or dismissal	19	266,025	-
Tangible & intangible asset depreciation	5	438,250	55,948
		2,159,449	**165,461**
(Increase) / decrease			
Long-term receivables	7	8,216	(67,076)
Receivables	8.9	398,121	(4,794,335)
Interest paid		(146,988)	(2,025)
Increase / (decrease)			
Suppliers	12	1,294,898	2,003,791
Liabilities to associate/related companies	12	(340,193)	509,379
Other liabilities & accrued expenses	12	2,279,818	1,700,643
Net Cash Flows from Operating Activities		**5,653,321**	**(484,162)**
-	-		
Cash Flows from Investing Activities			
Purchase of tangible assets	5	(674,349)	(1,268,271)
Purchase of intangible assets	5	(842,224)	(259,143)
Collected interest		544	1,022
Net Cash Flows from Investing Activities		**(1,516,029)**	**(1,526,392)**
Cash Flows from Financial Activities			
Share capital increase	11	1,579	30,000
Share capital increase costs		(16)	-
Loans	12	-	3,000,000
Repayment of loan	18	(2,708,333)	(291,667)
Net Cash Flows from Financial Activities		**(2,706,770)**	**2,738,333**
Net Increase / (decrease) in cash and cash equivalents		**1,430,522**	**727,779**
Cash and cash equivalents in the beginning of period	10	727,779	-
Cash and cash equivalents in the end of period	10	**2,158,301**	**727,779**

Notes on the financial statements

1. General information

“Fraport Regional Airports of Greece Management Company S.A.” (hereinafter the "Company") has been founded to provide all kinds of management/administration services to the companies "Fraport Regional Airports of Greece A S.A." and "Fraport Regional Airports of Greece B S.A." and to implement all kinds of activities related to the design, financing, construction, completion, maintenance, operation and development of the works to be performed by the two above companies. The following services are cited indicatively and not restrictedly: consultation, computerisation and telecommunications services; all kinds of financial, legal, accounting and tax services; upgrade, maintenance, security, and cleaning services; design consultancy services and management services related to administration, assignment, and supervision of technical works and activities.

The Company is a Societe Anonyme that has been founded and seated in Greece. Its registered offices (seat) are located in the Municipality of Amarousio in Attica; in specific, at 10 Germanikis Scholis street, 151 23 Marousi.

The Company was founded on 02 December 2015 by FRAPORT AG FRANKFURT AIRPORT SERVICES WORLDWIDE ("FRAPORT AG"), having its registered office in Germany, and SLENTEL LIMITED ("SLENTEL LTD"), having its registered office in Cyprus (together the "Initial Shareholders"), with an initial holding in the Company of 72% and 28%, respectively. In December 2017, SLENTEL LIMITED transferred 10% of its holding, on the date of the transfer, to Marguerite Airport Greece S.A.R.L. ("MARGUERITE"). Next, considering the share capital increases which took place in 2017, the holdings of the three shareholders, FRAPORT AG, SLENTEL LTD, and MARGUERITE, were 73.40%, 16.60% and 10%, respectively.

On 11 April 2017, the societes anonymes listed above, which the Company supports by providing all manner of management services, undertook to manage the 14 regional airports. Therefore, the Company's substantial operation began on that date.

At the end of the current financial year there were 167 employees on employment contracts of indefinite term, compared to 103 at the end of 2016.

The Financial Statements have been approved for publication by the Company’s Board of Directors on **29/3/2018** and are subject to the approval by the Ordinary General Assembly of shareholders.

2. Summary of significant accounting principles

2.1. Financial statements preparation framework

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as these have been adopted by the European Union and IFRS that have been issued by the International Accounting Standards Board (IASB). The financial statements have been prepared in accordance with the historical cost rule, save financial assets, and at fair value through profit or loss, which have been valued at their fair value.

Preparing these financial statements in accordance with the IFRS requires that use be made of accounting estimates and the opinion of the Management in implementing the accounting principles that have been adopted. The areas that contain a significant level of judgement or complexity or where assumptions and estimates significantly affect the financial statements are given in Note 4.

2.1.1. Going concern basis

The financial statements as at 31 December 2017 are prepared in accordance with the International Financial Reporting Standards (IFRS) and fairly present the Company’s financial position, profit and loss, and cash flows based on the going concern principle.

These financial statements have been prepared on the going concern basis since, after evaluating all data and after taking into account the expressed commitment of shareholders, the Management believes that the Company will have sufficient funding to meet its financing and operating needs in the immediate future.

Macroeconomic conditions in Greece - Capital controls

The macroeconomic and financial environment in Greece shows signs of continuing stability, however, there is still a sense of uncertainty. The capital controls imposed on 28 June 2015 are still in place but have become less strict. Considering that the terms and conditions agreed upon for the third bailout program will be applied and capital controls will relax further and be lifted altogether in the short or medium term, the macroeconomic conditions are not expected to have a significant negative impact on the Company's activity.

The Company, in conjunction with its parent company, is constantly assessing the situation and its potential impact, in order to ensure that all necessary and feasible measures and appropriate actions are promptly taken to minimise any impact on its operations.

2.2. New standards, amendments of standards and interpretations

Standards and Interpretations mandatory for subsequent periods.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1.1.2017. The Company's estimate regarding the influence from application of these new standards, amendments and interpretations is cited below:

Standards and Interpretations effective for the current financial year

- **IAS 7 (Amendments) "Disclosure initiative"**

  These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

- **IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"**

  These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. These amendments did not have a significant impact on the Company's financial statements.

Standards and Interpretations effective for subsequent periods

Certain new accounting standards, amendments and interpretations have entered into force for subsequent periods and were not applied at the time of preparing these financial statements.

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 "Financial Instruments: Disclosures" (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the provisions of IAS 39 regarding classification and measurement of financial assets and financial liabilities and includes also a model of expected credit losses, which replaces the model of incurred credit losses that is currently applied. IFRS 9 establishes a hedge accounting approach based on principles and treats any inconsistencies and weaknesses in the current model of IAS 39. Based on the current estimate, IFRS 9 is not expected to have a significant impact on the Company's financial statements.

IFRS 9 (Amendments) "**Prepayment Features with Negative Compensation"** (effective for annual periods beginning on or after 1 January 2019)

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss. The Company cannot apply the amendments earlier as they have not yet been adopted by the European Union. These amendments are not expected to have a significant impact on the Company's 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 standard aims at providing a single and comprehensible model of recognition of revenue from all contracts with customers in order to improve the comparability between companies of the same sector, different sectors and different capital markets. It encompasses the principles that a financial entity must apply to determine the revenue measurement and the time point of their recognition. The main principle is that a financial entity will recognise revenue is such manner that reflects the transfer of goods or services to customers at the amount to which it expects to be entitled in return for these goods or services.

IFRS 15 establishes requirements for the recognition of revenue and expenses from contracts with customers and includes additional disclosure requirements. It includes a single five-step model to be applied to determine and recognize revenue that need to be applied to all contracts with customers. It requires that entities allocate revenue from contracts to individual enforceable obligations based on a relative standalone selling price based on the five-step model. The new standard applies to accounting periods starting on or after 1 January 2018. At this stage, the Company has not adopted the standard before the date of its entry into force. Based on analyses of the Company's business models and customary contracts with customers conducted in line with IFRS 15, the implementation of the five-step approach is not expected to create significant changes in terms of when and what revenue amounts will be recognized in the financial statements.

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

IFRS 16 was issued in January 2016 and supersedes/replaces IAS 17. The aim of the standard is to ensure that lessees and lessors provide useful information which fairly presents the substance of the lease-related transactions. IFRS 16 introduces a single model regarding the accounting handling on the lessee's part, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a non-significant/low value. As regards the accounting handling on the lessor's part, IFRS 16 encompasses substantially the requirements of IAS 17. Therefore, lessors continue to classify leases as operating or financing leases and follow a different accounting handling for every type of lease. The new standard applies to accounting periods starting on or after 01 January 2019. At this stage, the Company has not adopted the standard before the date of its entry into force. The Company estimates that the adoption of IFRS 16 will not have a significant impact on its financial statements.

IFRIC 22 " Foreign Currency Transactions and Advance Consideration" (effective for annual periods beginning on or after 01 January 2018)

This Interpretation provides guidance about determining the date of a transaction when the standard on transactions in foreign currency, IAS 21, is applied. This Interpretation is not applicable when an entity pays or collects advance consideration for contracts in foreign currency. The Interpretation has not yet been endorsed by the EU. The Interpretation is not expected to impact the Company's financial statements.

IFRIC 23 "Uncertainty over income tax treatments**"** (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Interpretation has not yet been endorsed by the EU. The Interpretation is not expected to have a significant impact on the Company's financial statements.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement" (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendments have not yet been endorsed by the EU. These amendments are not expected to have a significant impact on the Company's financial statements.

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

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

IAS 12 "Income taxes"

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

IAS 23 "Borrowing costs"

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

2.3. Tangible fixed assets

Fixed assets are presented in the acquisition cost less accumulated depreciation calculated on the basis of their useful life as determined by Company, less any impairment. The cost of acquisition also includes the expenses directly involved in acquisition of the said assets.

Subsequent expenses are either included in the carrying amount of tangible assets or -if deemed more appropriate- are recognised as a separate asset only where it is possible that future economic benefits will inflow in the Company and under the condition that the asset's cost can be measured reliably. The carrying amount of the part that was replaced is deleted. Repair and maintenance costs are entered as expenses in the statement of comprehensive income at the time they were incurred.

The depreciation of the items of tangible fixed assets are calculated based on the assets' useful life by means of annual charges of equal amount in the period of their expected useful life, so that the cost is deleted at its residual value. Land is not depreciated. The estimated useful lives are as follows:

Asset category	Useful life (years)
Additions to real estate property of third parties	9
Office furniture	13
PCs and peripherals	3 - 7
Mobile phones	3 - 7
Other equipment	5 - 10

2.4. Intangible assets

Recognition of an asset as a intangible asset requires the Company to prove that the asset meets: a) the intangible asset's definition/identifiability criteria and b) the recognition criteria. This requirement is applicable to the costs that were initially incurred for the acquisition or internal generation of an intangible asset and the costs incurred subsequently for its supplementation, replacement of a part thereof or its maintenance.

The intangible assets are initially measured at cost. Following initial recognition, they are reflected at their cost less any accumulated amortisation and any accumulated impaired losses (cost model/method).

The Company assesses whether the useful life of an intangible asset is finite or indefinite and, if finite, the duration or the number of productive or identical units comprising such useful life. The accounting handling for an intangible asset is based on its useful life. An intangible asset with finite useful life is amortised and an intangible asset with indefinite useful life is not amortised. The estimated useful lives are as follows:

Asset category	Useful life (years)
Software	3 - 5

2.5. Impairment of non-financial assets

Fixed assets (tangible and intangible) that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that their unamortised carrying amount may not be recoverable.

Impairment losses are immediately recognised as expenses and equal the difference between the unamortised and the immediately recoverable value of the underlying asset. The recoverable value is the highest amount resulting from comparison between the fixed asset's fair value less the required selling cost and its value in use. For impairment calculation purposes, the assets are grouped at the lowest possible level in order to be linked with separate identifiable cash flows (cash-generating units).

Impaired non-financial assets are reassessed for a possible reversal of the impairment loss at each balance sheet date, excluding goodwill.

2.6. Financial assets

2.6.1. Classification

The Company's financial assets are classified under the loans and receivables category. The Management establishes classification upon initial recognition.

Loans and receivables
These include non-derivative financial assets with fixed or determinable payments, which are not traded on active markets. The Company's loans and receivables are included in the items "Trade Receivables", "Other receivables", "Receivables from associated companies" and "Cash and cash equivalents" presented in the statement of financial position (notes 2.9 and 2.10).

2.6.2. Recognition and measurement

Acquisitions and sales of financial assets are recognised as at the date of the transaction which is also the date on which the Company undertakes to buy or sell the asset. Investments are initially recognized at their fair value plus transaction expenses. Investments are derecognised when the right to cash flows from investments ends or is transferred and the company has transferred substantially all ownership-related risks and benefits. Loans and receivables are subsequently recognised in unamortised cost using the effective interest method.

2.7 Offsetting of financial assets

Financial assets and financial liabilities should be offset and the net amount is reported in the statement of financial position when, and only when, an entity has a legal right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.8 Impairment of non-financial assets

At each reporting date, the company estimates whether there is objective evidence leading to the conclusion that financial assets have suffered impairment.

The impairment audit for trade receivables is described in Note 2.9.

2.9 Trade receivables

Trade receivables are the sums owed by customers for services provided to them during the Company's ordinary activities/operations. If the receivables are expected to be collected within 12 months after the period's end (or within the duration period of the business's normal operating cycle, if longer than 12 months), then they are entered in the current assets. Otherwise, they are entered in the non-current assets.

Receivables from customers are first carried at their fair value and are subsequently valued at unamortised cost by using the effective interest method, less any impairment losses. Impairment losses are recognised when there are objective indications that the company is unable to collect all sums owed under the terms of each agreement, under which the receivable was created. Significant economic difficulties of the debtor, possibility of bankruptcy, financial restructuring, and failure of regular payments are considered indications that the receivable has been impaired. The amount in the provision is the difference between the carrying amount of receivables and the present value of anticipated future cash flows discounted at the effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is recognised in the statement of comprehensive income. When a trade receivable cannot be collected, it is set off with the amount in the provision for trade receivables. Subsequently recoverable amounts that have been previously deleted, are credited in the statement of comprehensive income and are allocated accordingly to the assets that recovered their lost carrying amount (in whole or in part).

2.10. Cash and cash equivalents

The Company considers as cash and cash equivalents the cash, the sight deposits, and the high liquidity and low risk short-term investments up to 3 months.

2.11. Share capital

Share capital includes the Company's registered shares. Direct expenses for the issuance of shares appear -after deduction of the related income tax- into a reduction of the issued instrument.

2.12 Trade liabilities

The trade liabilities include the liabilities of paying for products and services that were acquired/received from suppliers during the Company’s ordinary activities. Trade liabilities are entered into the short-term liabilities when their payment must be effected within the next 12 months. If their payment can be made beyond the 12-month period, then they are entered into the long-term liabilities.

Trade liabilities are recognised in line with the unamortised cost method by using the effective interest rate.

2.13 Loans

Loans are initially entered at fair value into the proceeds/collected sums less any direct expenses incurred for their acquisition. Subsequently, they are valued at unamortised cost. Any difference between the proceeds (net of relevant transaction costs) and the redemption value is recognised in the statement of comprehensive income based on the borrowing’s duration, using the effective interest method.

Loan expenses paid at the time new credits are signed are recognized as loan expenses insofar as it is possible that part or all of the credit line will be withdrawn. In this event they are entered as future loan expenses until the withdrawal. If new loans remain totally or partly unused, such expenses are included in prepaid expenses and recognized in profit or loss during the life of the respective credit line.

Loans are classified as short-term liabilities, unless the Company holds the unreserved right to postpone payment of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

All borrowing costs are entered in the profit and loss upon incurred, except for the borrowing costs related to fixed assets under construction. The borrowing costs related to fixed assets under construction are encompassed in the acquisition value of the specific asset in accordance with the provisions of IAS 23 "Borrowing Cost".

2.14 Income Tax and Deferred Tax

The tax for the period is made up by current and deferred tax. Tax is recognized in the statement of comprehensive income, unless it is connected with amounts recognized in other comprehensive income or directly in equity. In this case, tax is also recognized in other comprehensive income or in equity, respectively.

Income tax

Income tax on profit is calculated in accordance with the Income Taxation Code effective in Greece. The expenditure for current income tax includes the income tax arising from the Company's profits as stated in its tax clearance statements, and any provisions for additional tax and surcharges for unaudited fiscal periods, and it is estimated in line with the statutory or substantially statutory rates of taxation.

Deferred income tax

Deferred income tax is recognised, using the liability method, arising from temporary differences between the carrying amount and the tax basis of assets and liabilities in the financial statements. Deferred income tax is not accounted for if it results from the initial recognition of an asset or liability in a transaction, with the exception of business consolidation/combination, which, when the transaction was carried out, did not affect the accounting or tax profit or loss. Deferred tax is determined in line with the tax rates and laws in force on the reporting date and are expected to be in force when the deferred tax assets are realized or the deferred tax liabilities paid.
Deferred tax liabilities are recognized insofar as there may be a future taxable profit from the use of the temporary difference generated by the deferred tax liability. Deferred tax assets and liabilities are offset only if allowed under the law and the deferred tax assets and liabilities relate to the same tax authority and there is intention to settle them by offsetting.

2.15 Unaudited periods

Until publication of the financial statements, the company received no order for audit by the tax authorities for the period 2017. The years 2016 & 2015 have also not been audited.

2.16 Employee Benefits

a) Retirement benefits

Retirement benefits include both defined contribution plans and defined benefits plans. The defined contribution plan is a pension plan under which the Company pays specific contributions to a separate legal entity. The Company has no legal or other implied obligation to pay additional contributions if there is lack of adequate assets in hand to pay to all employees the benefits corresponding to them in the current and previous time periods.

In respect of the defined contribution plans, the Company must pay contributions to public insurance funds. After having paid its contributions, the Company has no other obligation. Contributions are recognized as personnel expenses when there is a debt.

A defined benefit plan is a pension plan which establishes a specific pension amount which an employee will receive upon retirement and usually depends on one or more factors such as age, years of past service and remuneration.

The liability is entered in the statement of financial position for the defined benefit plans is the present value of the defined benefit liability on the reporting date. The defined benefit liability is calculated annually by an independent actuarial using the Projected Unit Credit Method. The present value of the defined benefit liability is calculated by discounting future cash outflows based on a discount factor equal to the rate for long-term high credit quality European corporate bonds.

The cost of the current service of the defined benefit plan recognized in the statement of comprehensive income as "Staff costs" reflects the increase in the defined benefit liability tied to an employee's service in the current period, changes in the benefit, cuts and settlements. The recognized cost of past service is recognised directly in profit or loss.

Actuarial profit or loss from empirical adjustments and changes in actuarial assumptions is charged or credited to other comprehensive income in the period in which it arises. There was no actuarial profit or loss in the financial year which ended on 31 December 2017 as it is the first period in which the Company used an actuarial study.

b) Employment termination benefits

Termination benefits are payable when employment is terminated before normal retirement date. The company recognizes such benefits when it is demonstrably committed to either terminate the employment of an employee based on a detailed plan from which there is no withdrawal possibility, or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to present value.

In case of employment termination where it is not possible to establish the employees who make use of such benefits, such benefits are not recognized but notified as contingent liability.

c) Bonuses

The Company recognizes expenses and liabilities for bonuses paid when defined financial and business goals are reached. The Company recognizes a provision for bonuses when there is a contractual obligation or past practice generating an incremental liability.

2.17 Provisions

Provisions are recognised when the Company has a current legal or deemed obligation arising from past events and cash outflow will be possibly required to pay the liability and the required amount may be reliably estimated. Provisions are not recognised with respect to future operating losses.

Where various similar liabilities exist, the possibility that an outflow will be required during liquidation is determined by examining the liabilities category in its entirety. A provision is recognised even when the outflow possibility with respect to any asset included in the same category of liabilities, is small.

Provisions are determined at present value of the anticipated expenses required to cover the present liability. The discount rate used to determine the present value is before taxes and reflects the current market estimates for the time value of money and the increases related to the specific liability. The increase of the provision due to lapse of time is recognised as financial expenditure.

2.18 Revenue recognition

Income includes the fair value of the collected or collectable consideration from the provision of services resulting from Company activities, net of value added tax, refunds and discounts.

The Company recognises revenues when the revenue amount can be reliably estimated; when it is possible that future economic benefits may flow into the entity and when certain criteria have been met for each one of the Company's activities. The revenue amounts is not considered as reliably estimated until all potentials related to sales have been resolved.

A) Sales/provision of services

The revenues coming from the provision of services are recognised when the Company has completed the service provision to the customer and the latter has accepted the services (there is no unfulfilled obligation that could affect the final acceptance of services by the customer).

B) Interest income

Interest income is recognised on time proportion basis by using the effective interest rate. When receivables are impaired, their carrying amount is reduced to their recoverable sum, which is the present value of the expected future cash flows discounted at the initial effective interest rate. Income interest or impaired loans are recognised by using the initial effective interest rate.

2.19 Leases

Leases where the risks and rewards of ownership are maintained by the lessor are classified as operating leases. Payments made for operating leases (net of any incentives offered by the lessor) are recognised in profit and loss with the straight line method during the lease period.

Leases where the Company acts as the lessee are characterised operating leases.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Financial Statements for the period during which the distribution is approved by shareholders.

3. Financial risk management

3.1. Financial risk factors

The Company due to its activity/operations is exposed to financial risks, such as market risks (market values), credit risk and liquidity risk. The Company's general risk management plan seeks to minimise the potential negative impact of the financial markets' volatility on the Company's financial performance. The Company is in the position of using Financial derivatives in order to hedge its exposure to specific risks.

The risk management is implemented by the Company's financial department, which operates under specific rules. The Board of Directors provides instructions and directions regarding the general risk management as well as specific instructions for the management of specific risks such as the credit risk.

a) Market risk

i. Price risk

The Company is not exposed to the changes in the prices of equity instruments because it does not have investments, which have been recognised in the statement of financial position, either as financial assets or as investments at fair value through profit and loss.

ii. Risk of cash flows and risk of changes in fair value due to change in the interest rates

The Company is not exposed to fluctuations of interest rates prevailing in the market and which (interest rates) affect its financial position as well as its cash flows, since it does not have any interest-bearing receivables or liabilities.

iii. Currency risk

There is currency risk due to the Company's transactions in foreign currency. The Company is not exposed to currency risk as its financial assets and liabilities arise/are in euros, the Company's operating and presentation currency.

b) Credit risk

The Company is exposed to credit risk and for this reason it has established and has been applying credit control procedures.

The credit risk arises from cash and cash equivalents and deposits in banks and financial institutions, including derivative financial instruments, as well as from open credit of clients, including the outstanding claims and binding transactions. As regards the credit risk arising from investments made, it is pointed out that the Company collaborates only with financial organisations of acceptable credit rating. If a credit assessment is available for clients, then the said assessment is used. If there is no credit assessment, then client's credit rating is checked by taking into account its financial condition, previous experience and other factors. The individual credit limits are determined on the basis of internal or external assessments. The application of credit limits is monitored on a constant basis. There was no reason to form an impairment provision for the year that ended on 31 December 2017.

Deposits in banks and credit institutions include sight and time deposits. Next follows the long-term credit rating as at 31 December 2017 and 2016 (by Standard and Poor's):

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	31 December 2017	31 December 2016
CCC+	2,157,901	726,338
Total	**2,157,901**	**726,338**

The difference between the amount shown in the above table and the above shown as cash and cash equivalents in the statement of financial position concerns the Company's cash in hand.

c) Liquidity risk

The liquidity risk is maintained at low levels by having sufficient cash available as well as by being provided with sufficient credit limits by the collaborating banks and the parent company.

The viability table of financial liabilities is as follows:

	31/12/2017	
	Short-term	**Long-term**
	within 1 year	**later than 1 year**
Trade liabilities	3,300,480	-
Liabilities to associate companies	169,186	-
Loans from associate companies	-	-
Other financial liabilities	1,893,663	-
Total	**5,363,329**	**-**

	31/12/2016	
	Short-term	**Long-term**
	within 1 year	**later than 1 year**
Trade liabilities	2,005,582	-
Liabilities to associate companies	509,379	-
Loans from associate companies	2,828,495	
Other financial liabilities	26,727	-
Total	**5,370,183**	**-**

The breakdown for Other financial liabilities does not include amounts for Customer down payments and Insurance Organizations and other taxes/duties.

3.2. Determination/measurement of fair values

The Company uses the following hierarchy for the measurement and disclosure of fair value of financial instruments by valuation technique:

Level 1: quoted (non-adjusted) prices in active markets for identical assets or liabilities.

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Level 2: other techniques for which all inputs significantly influencing the recorded fair value, are observable either directly or indirectly.

Level 3: techniques using inputs with significant impact on the recorded fair value and not being based on observable market data.

The fair value of the financial instruments is determined using the analysis of discounted cash flows (Tier 3), unless their maturity is under one year, in which case the carrying amount is taken to approach the fair value. For disclosure reasons, we note that the carrying amount of the accounts receivable and payable, as well as of the loans is considered approaching their fair values at the balance sheet preparation date.

The fair values and carrying amounts for the Company's financial assets for 2017 and 2016 are given below:

Classification under IAS 39	**Valued at amortized cost**		**31- Dec -17**
	Loans and receivables		
Financial assets	**Carrying amount**	**Fair value**	**Total Fair Value**
Cash and cash equivalents	2,158,301	2,158,301	**2,158,301**
Receivables from associate companies	4,323,644	4,323,644	**4,323,644**
Other receivables	1,279	1,279	**1,279**
Total	**6,483,224**	**6,483,224**	**6,483,224**

Other financial liabilities			
Financial liabilities	**Carrying amount**	**Fair value**	**Total Fair Value**
Suppliers	3,300,480	3,300,480	**3,300,480**
Liabilities to associate/related companies	169,186	169,186	**169,186**
Loans to associate/related companies	-	-	**-**
Other liabilities & accrued expenses	1,893,663	1,893,663	**1,893,663**
Total	**5,363,329**	**5,363,329**	**5,363,329**

Classification under IAS 39	**Valued at amortized cost**		**31- Dec -16**
	Loans and receivables		
Financial assets	**Carrying amount**	**Fair value**	**Total Fair Value**
Cash and cash equivalents	727,779	727,779	**727,779**
Receivables from associate companies	4,754,600	4,754,600	**4,754,600**
Other receivables	153	153	**153**
Total	**5,482,532**	**5,482,532**	**5,482,532**

Other financial liabilities			
Financial liabilities	**Carrying amount**	**Fair value**	**Total Fair Value**
Suppliers	2,005,582	2,005,582	**2,005,582**
Liabilities to associate/related companies	509,379	509,379	**509,379**
Loans to associate/related companies	2,828,495	2,828,495	**2,828,495**
Other liabilities & accrued expenses	26,727	26,727	**26,727**
Total	**5,370,183**	**5,370,183**	**5,370,183**

The above breakdown only includes financial assets.

3.3. Capital risk management

The Company's purpose as far as capital management is concerned, is to ensure the unhindered continuation of its activities in order to secure returns for its shareholders and benefits for the other parties related to the Company, and maintain an optimum capital structure achieving reduction of the cost of capital.

The Company monitors capital structure through the leverage ratio. The leverage ratio is determined as the ratio of net borrowing to total capital employed. Net borrowing is determined as "Total borrowing" (including "short-term and long-term borrowing" as listed in the Statement of Financial Position) less "Cash and cash equivalents". Total capital employed is determined as "Equity" as this is listed in the balance sheet, plus any net borrowing.

The company had no borrowing during the 2017 period.

4. Significant accounting estimates and judgements of the Management

The Management's estimates and judgements are constantly reviewed and are based on historical facts and on expectations for future events that are deemed reasonable in line with the prevailing conditions.

4.1. Critical accounting estimates and judgements

The Company proceeds to estimates and assumptions regarding evolution of future events. The estimates and assumptions that involve an important risk to lead to future material adjustments to the carrying amounts of assets and liabilities in the next 12 months pertain to the following:

Income tax

General tax risks for the Company concern the timely filing of correct tax returns, the payment of taxes and compliance with all tax laws and regulations as well as rules of reference, in particular those related to income tax.

The Company is subject to income tax, VAT and other taxes in Greece. The Company recognizes liabilities for issues that may arise following a tax audit, based on estimates that additional taxes may arise or tax losses may be reduced. Where the end tax result of those issues differs from the amounts initially recognized, differences are charged to the current tax, deferred tax and other tax assets and liabilities in the period when such differences will be determined.

4.2 Critical assessments in the accounting policies applied

There were no critical assessments regarding the application of the Company's accounting principles.

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5. Tangible and intangible assets

	Additions to real estate of third parties	Fixed equipment	Total tangible assets
Acquisition value			
Balance as at 1 January 2016	-	-	-
Additions during the period	538,924	729,347	1,268,271
Reductions during the period	-	-	-
Balance as at 31 December 2016	**538,924**	**729,347**	**1,268,271**
Additions during the period	127,836	547,432	675,268
Reductions during the period	-	(919)	(919)
Balance as at 31 December 2017	**666,760**	**1,275,860**	**1,942,620**
Depreciation			
Balance as at 01 January 2016	**-**	**-**	**-**
Balance as at 31 December 2016	**14,970**	**29,534**	**44,504**
Amortisations for the period	66,424	184,977	251,401
Amortisation of reductions	-	-	-
Balance as at 31 December 2017	**81,394**	**214,511**	**295,905**
Net carrying amount			
Balance as at 31 December 2016	**523,954**	**699,813**	**1,223,767**
Balance as at 31 December 2017	**585,366**	**1,061,349**	**1,646,715**

The tangible fixed assets (property, plant, and equipment) pertain to equipment, and more specifically office furniture, PCs and peripherals, mobile phones and other small appliances, as well as architectural design of the Company's office building. As regards the depreciation/amortisation rates set by the Company for year 2017, see Note 2.3.

	Intangible assets
Acquisition value	
Balance as at 01 January 2016	**-**
Additions during the period	259,143
Reductions during the period	-
Balance as at 31 December 2016	**259,143**
Additions during the period	842,224
Reductions during the period	-
Balance as at 31 December 2017	**1,101,367**
Depreciation	
Balance as at 01 January 2016	**-**
Balance as at 31 December 2016	**11,444**
Amortisations for the period	186,849
Amortisation of reductions	-
Balance as at 31 December 2017	**198,293**
Net carrying amount	
Balance as at 31 December 2016	**247,699**
Balance as at 31 December 2017	**903,074**

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The intangible assets pertain to software programmes. As regards the depreciation/amortisation rates set by the Company for year 2017, see Note 2.4.

6. Income tax and deferred tax liabilities

The domestic income tax is calculated by the 29% tax rate (2016: 29%) on the taxable income. The total income tax charged in the statement of comprehensive income is broken down as follows:

	31/12/2017	31/12/2016
Current income tax	378,990	-
Deferred income tax	87,186	840
Total	**466,176**	**840**

Deferred income tax arises from the temporary differences between the carrying amount and the tax basis of assets and liabilities and is determined based on the effective income tax rate.

Deferred tax assets and liabilities are set off when a legally enforceable right of setting off current tax receivables against current tax receivables is existent, and when deferred income tax pertains to the same tax authority.

Deferred tax Claims and Liabilities	**31/12/2017**	**31/12/2016**
Deferred tax receivables expected to be recovered after 12 months	(77,147)	-
Deferred tax liabilities expected to be settled after 12 months	165,173	135,100
Deferred tax liabilities (net)	**88,026**	**135,100**

The overall change in the deferred income tax account is as follows:

	2017	**2016**
Balance as at January 1st	**(840)**	**-**
Debit/charge in the income statement	(87,186)	(840)
Balance as at December 31st	**(88,026)**	**(840)**

The breakdown in the deferred income tax account is as follows:

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Deferred tax assets	**Tax losses**	**Liability for personnel compensation due to retirement or dismissal**	**Total**
Balance as at 1 January 2016	-	-	**-**
Credit / (charge) to profit or loss and to the statement of comprehensive income	(134,260)	-	**(134,260)**
As at 31 December 2016	**(134,260)**	**-**	**(134,260)**
Credit / (charge) to profit or loss and to the statement of comprehensive income	134,260	(77,147)	**57,113**
As at 31 December 2017	**-**	**(77,147)**	**(77,147)**

Deferred tax liabilities	**Tangible assets**	**Intangible assets**	**Total**
Balance as at 1 January 2016	-	-	**-**
Credit / (charge) to profit or loss and to the statement of comprehensive income	129,478	5,622	**135,100**
As at 31 December 2016	**129,478**	**5,622**	**135,100**
Credit / (charge) to profit or loss and to the statement of comprehensive income	15,633	14,440	**30,073**
As at 31 December 2017	**145,111**	**20,062**	**165,173**

Income tax as listed in the statement of comprehensive income agrees with the tax arising from application of the statutory tax rates.

	31/12/2017	**31/12/2016**
Accounting profit / (loss) before taxes	1,428,892	(11,652)
Corporate profits tax rate	29%	29%
Income tax	414,379	(3,379)
Expenses not deducted for taxation purposes	52,290	4,219
Tax difference from the 2016 tax return	(493)	-
Total income tax	**466.176**	**840**

The tax compliance audit for issuance of the tax clearance certificate for 2017 period is carried out by PwC and no additional substantial tax liabilities are expected to arise other than those reflected in the Financial Statements. The unaudited years were 2015, 2016, and 2017.

7. Other long-term receivables

Other long-term receivables	31/12/2017	31/12/2016
Guarantees granted	58,860	67,076

The long-term receivables pertain to rental deposits/guarantees.

8. Receivables from associate companies

Trade receivables from related parties	31/12/2017	31/12/2016
FRAPORT REGIONAL AIRPORTS OF GREECE A S.A.	2,142,122	2,472,102
FRAPORT REGIONAL AIRPORTS OF GREECE B S.A.	2,181,522	2,282,498
	4,323,644	**4,754,600**

Risk of Default Analysis

	31/12/2017	31/12/2016
Not delayed and impaired	4,323,644	4,754,600
	4,323,644	**4,754,600**

All receivables are initially recognized at their fair value, which coincides with their nominal value, given that the Company offers its customers short-term credits.

For detailed information regarding transactions with related parties, see note 18.

9. Other receivables

Other receivables	31/12/2017	31/12/2016
Receivables from the Greek State from taxes	82	153
Prepaid expenses for the next period	51,226	8,975
Prepaid expenses for collaborators	11,465	8,004
Down payments to suppliers	8,991	22,994
Other debtors	1,197	-
Total	**72,961**	**40,126**

There are no guarantees/collateral against the above receivables. The fair value of receivables equals their carrying amount.

10. Cash and cash equivalents

	31/12/2017	31/12/2016
Cash at hand	400	1,441
Short-term Sight deposits (in Euro)	2,157,901	726,338
	2,158,301	**727,779**

The sums of the sight deposits are in euro and are deposited in domestic bank accounts.

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11. Equity

	31/12/2017	31/12/2016
Share capital	31,579	30,000
Statutory reserve	47,425	-
Profit/(Loss) carried forward	901,083	(14,192)
	980,087	**15,808**

Share capital

The Company's share capital amounts in total to € 31,579, divided into 31,579 ordinary registered shares of € 1.00 par value each. The share capital is fully paid in. Any proposed change in the ownership regime should be disclosed to the Hellenic Republic Asset Development Fund (HRADF) and the Hellenic Republic (Greek State).
Its share capital was increased in 2017

	Number of shares	Face Value	Share capital
Balance as at 1 January 2016	**24,000**	**1.00**	**24,000**
Increases in the year	6,000	1.00	6,000
As at 31 December 2016	**30,000**	**1.00**	**30,000**
As at 1 January 2017	**30,000**	**1.00**	**30,000**
Increases in the year	1,579	1.00	1,579
As at 31 December 2017	**31,579**	**1.00**	**31,579**

	Statutory reserve
Balance as at 1 January 2016	**-**
As at 31 December 2016	**-**
As at 1 January 2017	-
Increases in the year	47,425
As at 31 December 2017	**47,425**

As regards composition of the Company's Share Capital s. Note 1 (General information).

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12. Suppliers and other liabilities

	31/12/2017	31/12/2016
Trade Liabilities		
Domestic suppliers	3,194,259	1,602,414
Foreign suppliers	106,221	403,168
Total	**3,300,480**	**2,005,582**
Liabilities to associate/related companies		
Other liabilities to associate/related companies	169,186	509,379
Loans from associate companies	-	2,828,495
	169,186	**3,337,874**
Other liabilities & accrued expenses		
VAT	1,151,150	887,336
Salaried Services Tax	494,265	545,002
Other Taxes and Duties	11,362	7,162
IKA	430,321	175,015
Other funds	-	59,701
Accrued expenses for the period	1,879,170	26,677
Other liabilities	14,493	50
Total	**3,980,761**	**1,700,943**

The loan liabilities from related parties pertain to loans concluded in 2016, the first one with the parent company ("FRAPORT AG") and the second with the related entity ("SLENTEL LTD").

The loan agreement with Fraport AG was concluded on 15 February 2016, with the purpose to fund the project development cost in line with the budget that was agreed upon between the shareholders. Under the loan agreement, the date of repayment of the initial principal of the loan in the amount of €1,950.000, including incurred interest, was 31 December 2016. The interest is calculated, from the date when the Company actually received the amount, at an interest rate by 5% on the unpaid amount arising from day to day and is paid at the loan's expiry.

The loan agreement with Slentel Ltd was concluded on 15 February 2016, with the purpose to fund the project development cost in line with the budget that was agreed upon between the shareholders. Under the loan agreement, the date of repayment of the initial principal of the loan in the amount of €1,050,000 , including incurred interest, was 31 December 2016. The interest is calculated, from the date when the Company actually received the amount, at an interest rate by 5% on the unpaid amount arising from day to day and is paid at the loan's expiry.

The total capital and corresponding interest have been paid to both lending companies during March 2017.

Liabilities from taxes-Duties and to social security funds pertain to deducted taxes and social security contribution payments for November and December 2017, which were not rendered overdue on the reporting date.

The carrying amount of all the above approaches the fair value.

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13. Income

Sales	**31/12/2017**	**31/12/2016**
Services provided	27,570,206	5,204,000
Revenues from rents	8,160	1,156
Other revenues	1,547	142
Total	**27,579,913**	**5,205,298**

The Company has invoiced the administrative support services it provided to the related companies Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. regarding implementation of their activities related to the design, financing, construction, completion, maintenance, operation and development of the works to be performed by the two above companies.
The revenues from rents pertain to sub-lease of the Company's offices to the associate companies Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. On the reporting date, the Company has agreements for the following minimum future rentals:

	2017	**2016**
Within 1 year	8,160	8,160
1-5 years	32,640	32,640
Over 5 years	23,324	31,484
Total	**64,124**	**72,284**

14. Cost of consumables and services rendered

	1/1/2017-31/12/2017	**1/1/2016-31/12/2016**
Maintenance costs (a)	4,975,178	69,716
Cleaning costs (a)	2,573,249	3.019
Costs of staff loans from the parent company	603,898	311,021
Technical support to Information Systems (b)	1,131,207	12.236
Cost of various consumables	315,554	83.222
Total	9,599,086	479,214

(a) Maintenance and cleaning costs concern repair, maintenance and cleaning services received for the 14 regional airports. Such costs were initially charged to Fraport Regional Airports of Greece Management Company S.A. and then passed on to Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A.
(b) Technical support to information systems concerns support and maintenance services for the technical infrastructure of the Company as well as of Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. Such costs were initially charged to Fraport Regional Airports of Greece Management Company S.A. and then passed on to Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

15. Staff costs

	1/1/2017-31/12/2017	01/01/2016-31/12/2016
Salaries and daily wages	9,675,900	2,355,389
Social security costs	1,993,324	394,801
Provision for personnel compensation due to retirement or dismissal	266,025	-
Total	**11,935,249**	**2,750,190**

Number of employees as at December 31st	**2017**	**2016**
Temporary employees	-	-
Permanent employees	168	103
Total	**168**	**103**

16. Other operating expenses

	1/1/2017-31/12/2017	01/01/2016-31/12/2016
Premiums	30,401	10,510
Advertising costs	497,274	171,331
Expenses for consultation, technical and audit services	1,318,366	971,096
Rental costs	440,379	66,040
Other taxes	11,650	75,084
Staff training costs	125,379	349
Other operating expenses	1,714,682	507.733
Total	**4,138,131**	**1,802,143**

Audit service costs are:

	1/1/2017-31/12/2017	01/01/2016-31/12/2016
Mandatory audit of the annual financial statements	20,000	20,000
Other assurance services	17,000	7,500
Total	**37,000**	**27,500**

17. Financial expenses

	1/1/2017-31/12/2017	01/01/2016-31/12/2016
Financial income		
Interest income	544	1,022
Total financial income	**544**	**1,022**
Financial expenses		
Interest on loans from associated undertakings	(26,826)	(122,187)
Other financial expenses	(14,023)	(8,290)
Total financial expenses	**(40,849)**	**(130,477)**
Total financial expenses	**(40,305)**	**(129,455)**

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

18. Transactions with related parties

In 2017, the transactions with related parties were as follows:

	31/12/2017	
	Services received	**Services provided**
FRAPORT REGIONAL AIRPORTS OF GREECE A S.A.		
Administrative support fees	-	14,274,708
Rents	-	4,080
FRAPORT REGIONAL AIRPORTS OF GREECE B S.A.		
Administrative support fees	-	13,295,385
Rents	-	4,080
FRAPORT AG		
Personnel and computerisation fees	1,807,240	-
AirIT Systems Gmbh		
IT fees	37,500	-

	31/12/2016	
	Services received	**Services provided**
FRAPORT REGIONAL AIRPORTS OF GREECE A S.A.		
Administrative support fees	-	2,602,000
Rents	-	578
FRAPORT REGIONAL AIRPORTS OF GREECE B S.A.		
Administrative support fees	-	2,602,000
Rents	-	578
FRAPORT AG		
Personnel and computerisation fees	593,328	-
PROMITHEAS GAS S.A.		
Rents	54,052	-

Also, the Company repaid during the period loans taken by related parties, which (loans) are presented in the table below:

	31/12/2017		31/12/2016	
	FRAPORT AG	**SLENTEL LTD**	**FRAPORT AG**	**SLENTEL LTD**
Principal	2,036,668	791,827	1,950,000	1,050,000
Interest for the year	19,770	7,056	86,668	35,519
Repayment	(2,056,438)	(798,883)	-	(293,692)
Loan liability	**-**	**-**	**2,036,668**	**791,827**

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

The open balances from/to related parties on 31/12/2017 are as follows:

	31/12/2017	
	LIABILITIES	**RECEIVABLES**
FRAPORT REGIONAL AIRPORTS OF GREECE A S.A.	-	2,142,122
FRAPORT REGIONAL AIRPORTS OF GREECE B S.A.	-	2,181,522
FRAPORT AG	156,686	-
AirIT Systems Gmbh	12,500	-

The respective amounts as at 31/12/2016 were

	31/12/2016		
	LIABILITIES	**LOAN LIABILITIES**	**RECEIVABLES**
FRAPORT REGIONAL AIRPORTS OF GREECE A S.A.	-	-	2,472,102
FRAPORT REGIONAL AIRPORTS OF GREECE B S.A.	-	-	2,282,498
FRAPORT AG	508,957	2,036,668	-
SLENTEL S.A.	-	791,827	-
PROMITHEAS GAS S.A.	422	-	-

The Company is a subsidiary of the company Fraport AG Frankfurt airport services worldwide, which holds 73.4% in Company’s share capital, related to the company Slentel Limited, which holds 16.6% in the Company’s share capital and related to Marguarite Airport Greece SARL, which holds 10% in the Company's share capital.

The Company is related to the companies Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. in accordance with the definition of IAS 24, para. 9, point b, due to the fact that both companies are also subsidiaries of Fraport AG Frankfurt airport services worldwide. In addition, the two companies share the same BoD Chairman and 2 BoD members out of the 5 other members.

The Company has been founded with the scope to provide all kinds of management/administration services to the companies Fraport Regional Airports of Greece A S.A. and Fraport Regional Airports of Greece B S.A. and to implement all kinds of activities related to the design, financing, construction, completion, maintenance, operation and development of the works to be performed by the two above companies.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Also, the Company paid fees to key management officers. The key Management executives consist of personnel authorised by the Board of Directors for the design, administration, and control of the Company's activities. The fees paid to them are analysed below:

	2017	2016
Fees to key Management officers	1,627,005	935,979

19. Liability for personnel compensation due to retirement or dismissal

It is noted that there are no comparative figures as at 31 December 2016 none of the Company's employees had established right to compensation due to retirement.

The amounts recognized in the statement of financial position are:

	31- Dec -17
Liabilities in the statement of financial position for:	
Pension benefits	266,025
Total	**266,025**

Next follows the change in the liability in the statement of financial position:

	31- Dec -17
Starting balance	-
Total charge in the statement of comprehensive income	226,025
Ending balance	**226,025**

For the year that ended on 31 December 2017 no actuarial profit or loss was recognized as a result of empirical adjustments and changes to actuarial assumptions.

The amounts recognized in the statement of comprehensive income are:

The main actuarial assumptions used for accounting purposes are:

Charges:	**31- Dec -17**
Current employment cost	226,025
Total	**226,025**

Discount rate	1.60%
Annual average long-term inflation	2.00%
Future salary increases	0.25%
Average weighted duration of retirement benefits	14.1 years
Staff turnover rate	1.20%

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2017 (AMOUNTS IN EURO)

Next follows the sensitivity analysis for retirement compensation as a result of anges in the main assumptions:

		Effect on benefits			
	Change in assumption by	Assumption increase		Assumption decrease	
Discount rate	0.50%	-8.80%	242,615	9.90%	292,373
Payroll change rate	0.50%	9.81%	292,127	-8.81%	242,593
Staff turnover rate	0.50%	-9.08%	241,876	10.15%	293,021

20. Contingent liabilities and receivables

Operating leases The payments for operating leases relate to rents paid by the Company for some of its vehicles, its offices, and for the executives' houses. In the current period, the operating leases payments amounted to € 338,976 and were recognised in the statement of comprehensive income for the period. On the reporting date, the Company had the following obligations arising from operating leases:

	2017	**2016**
Within 1 year	392,579	288,285
1-5 years	1,308,013	919,993
Over 5 years	596,880	792,000
	2,297,472	**2,000,278**

21. Reclassifications

The amount of €1,298 was transferred from "Other income" to "Income" in the statement of comprehensive income as at 31.12.2016, to make it comparable with the statement of comprehensive income as at 31.12.2017.

The amounts of €4,586,206 and €509,579 were transferred from "Service provision costs" and "Administration Expenses" to "Cost of consumables and services rendered", "Staff costs", "Other operating expenses" and "Other financial expenses" in the statement of comprehensive income as at 31.12.2016 make it comparable with the statement of comprehensive income as at 31.12.2017.

22. Events after the balance sheet date

There are no significant events past the balance sheet date

Athens 29/03/2018

THE PRESIDENT	**THE VICE CHAIRMAN**
STEFAN SCHULTE	CHRISTOPH HANS NANKE
German passport No C5LP2YHTY	German passport No C5J83LM8P
THE CHIEF FINANCIAL OFFICER	**THE HEAD OF ACCOUNTING DEPARTMENT**
EVANGELOS BALTAS	TAIRIDOU KIRIAKI
Police ID Card No AK096400	Police ID Card No AB 573682

FRAPORT REGIONAL AIRPORTS OF GREECE MANAGEMENT COMPANY SOCIÉTÉ ANONYME

Independent Chartered Auditor - Accountant Audit Report

Independent Chartered Auditor - Accountant Audit Report

Direct Translation of the independent auditor's report issued on the statutory financial statements of «Fraport Regional Airports of Greece Management Company S.A.» for the year ended 31 December 2017 from the original text in Greek. The below translation of the audit report should not be accompanied by any financial statements except for the statutory financial statements for the year ended 31 December 2017, prepared in accordance with International Financial Reporting Standards.

Independent auditor's report

To the Shareholders of « Fraport Regional Airports of Greece Management Company S.A.»

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of « Fraport Regional Airports of Greece Management Company S.A.» (Company) which comprise the statement of financial position as of 31 December 2017, the statements of comprehensive income, changes in equity and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

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

Independence

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

Other Information

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

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

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

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

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

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

In addition, in light of the knowledge and understanding of the Company « Fraport Regional Airports of Greece Management Company S.A.» and the environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

Athens, 20 April 2018
The Certified Auditor Accountant

PricewaterhouseCoopers S.A
Certified Auditors Accountants
SOEL Reg. No. 113

Dimitris Sourbis
Soel Reg. No 16891