



SEMI-ANNUAL FINANCIAL REPORT

OF THE GROUP AND EYDAP SA (COMPANY)

FOR THE 1ST HALF OF 2018

**IN ACCORDANCE WITH LAW 3556/2007 AND THE RELEVANT DECISIONS OF THE BOARD OF DIRECTORS
OF THE CAPITAL MARKET COMMISSION**

Athens Water Supply and Sewerage Company S.A.

GEMI NO. 121578960000

156 OROPOU GALATSI

Semi-Annual Financial Report

Period from 1st January – 30th June 2018

The current Semi-Annual Financial Report was prepared according to Law 3556/2007 and the relevant decisions of the Board of Directors of the Capital Market Commission and includes the following:

- a) Statements of the Members of the Board of Directors
- b) Semi-Annual Board of Directors Management Report
- c) Interim Financial Statements for the period 01.01.2018 to 30.06.2018
- d) Independent Auditor's Report
- e) Data and Information for the period 01.01.2018 to 30.06.2018

It is declared that the current Semi-Annual Financial Report is the one which has been approved by the Board of Directors of **"Athens Water Supply and Sewerage Company S.A."** on 26.09.2018 and is available on the internet at the web site address <http://www.eydap.gr>.

Contents

1.	STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS	3
2.	SEMI-ANNUAL BOARD OF DIRECTORS MANAGEMENT REPORT	4
	RELATED PARTY TRANSACTIONS (GROUP & COMPANY)	21
3.	INTERIM CONDENSED FINANCIAL STATEMENTS	23
	GENERAL INFORMATION FOR THE COMPANY	25
	INTERIM STATEMENT OF INCOME	26
	INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME	26
	INTERIM STATEMENT OF FINANCIAL POSITION	27
	INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	28
	INTERIM CASH FLOW STATEMENT	30
	NOTES ON THE INTERIM CONDENSED SEMI-ANNUAL FINANCIAL STATEMENTS	31
1.	GENERAL INFORMATION	31
2.	BASIS OF PREPARATION	32
3.	ADOPTION OF NEW AND REVISED INTERNATIONAL STANDARDS	32
4.	ACCOUNTING PRINCIPLES	33
5.	RESULTS FOR THE PERIOD	34
6.	INCOME TAX	35
7.	EARNINGS PER SHARE	36
8.	DIVIDENDS	37
9.	OTHER INTANGIBLE AND TANGIBLE ASSETS	37
10.	LONG-TERM ASSETS	37
11.	MATERIALS, SPARE PARTS & CONSUMABLES	37
12.	RECEIVABLES FROM CUSTOMERS & CONTRACTUAL ASSETS	37
13.	OTHER RECEIVABLES	39
14.	OPERATING SHORT-TERM LIABILITIES	39
15.	OTHER SHORT-TERM LIABILITIES	39
16.	INVESTMENTS IN SUBSIDIARIES	39
17.	FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH THE OTHER COMPREHENSIVE INCOME	40
18.	DEFERRED TAX ASSET	40
19.	SHARE CAPITAL	41
20.	LIABILITIES FOR EMPLOYEE BENEFITS (GROUP & COMPANY)	41
21.	RETAINED EARNINGS	42
22.	PROVISIONS	42
23.	COMMITMENTS AND CONTINGENT LIABILITIES – ASSETS	42
24.	SEASONALITY OF ACTIVITIES	43
25.	SUBSEQUENT EVENTS	43
26.	RELATED PARTY TRANSACTIONS (GROUP & COMPANY)	43
27.	“EYDAP FIXED ASSETS L.E.P.L.”	44
28.	IFRS 9 FINANCIAL INSTRUMENTS	45
29.	IFRS 15 REVENUES FROM CONTRACTS WITH CUSTOMERS – IMPACT OF ADOPTION, ANALYSIS OF REVENUE INTO CATEGORIES AND CHANGES IN ACCOUNTING POLICIES	49
4.	INDEPENDENT AUDITOR'S REPORT	55
5.	DATA AND INFORMATION	57

1. STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(according to article 5, paragraph 2 of Law 3556/2007)

The following Members:

1. Konstantinos Papadopoulos, Chairman of the Board of Directors,
2. Ioannis Benisis, Chief Executive Officer and
3. Michael Stavroulakis, Board Member, specially designated by the Board of Directors

According to what is specified in the paragraph 2 of article 5 of Law 3556/2007, we hereby declare that according to our knowledge:

- a. The Semi-Annual Financial Statements for the period 01.01.2018 – 30.06.2018 of EYDAP S.A. were prepared according to the International Financial Reporting Standards in effect, depict in a true manner the accounts of assets and liabilities, the net worth and the results for the period of EYDAP SA and the companies included in the consolidation, which are regarded as a whole, in accordance with the provisions of paragraphs 3 – 5, article 5 of Law 3556/2007, and
- b. The Semi-Annual Consolidated Management Report of the Board of Directors, depict in a true manner the information required based on paragraph 6, article 5 of Law 3556/2007.

Athens, 26 September 2018

The Chairman of the Board

The Chief Executive Officer

The Board Member

Konstantinos Papadopoulos
ID No. Π 720446

Ioannis Benisis
ID No. AB 521661

Michael Stavroulakis
ID No. AK 231180

2. SEMI-ANNUAL BOARD OF DIRECTORS MANAGEMENT REPORT

Dear Shareholders,

In accordance with paragraph 6 of the article 5 of law 3556/2007 and the delegated resolutions of the BoD and the Hellenic Capital Market Committee of the same Law, we hereby submit the Report of the Board of Directors for the period from 01/01/2018 to 30/06/2018.

The report presents an overview of the financial results of the Athens Water Supply and Sewerage Company S.A., under the title EYDAP S.A. (hereinafter referred to as the "Company " or " EYDAP ") and the Group, it provides an overview of the significant events that took place during the first half of 2017 and their effect on the financial statements of the same period, it describes the potential risks and uncertainties for the second half of 2017 and describes the significant transactions between the Company, the Group and related parties.

OPERATIONS AND FINANCIAL REVIEW FOR THE PERIOD STARTING AT THE 1ST JANUARY UNTIL 30TH OF JUNE 2017

I. Operations Overview – Progress of water consumption and of water and sewerage sales income.

In the first half of 2018, the **billed consumption** amounted to **139,774,320 m³**, compared to **140,186,595 m³** in the corresponding period of the previous year, showing a decrease of **0.3%**.

The **non-billed consumption** in H1 2018 amounted to **50,175,310 m³**, compared to **53,779,429 m³** in H1 2017, thus showing a decrease by **6.7%**.

Lastly, the **total water consumption** of EYDAP SA, which is the sum of billed, free of charge and non-billed water consumption, amounted to **189,952,816 m³**, compared to a total **193,970,632 m³** in the first half of the previous year, showing a marginal decrease by **2.1%**.

Due to the fact that, as we have seen above, in the first half of 2018, **non-billed consumption** decreased by a larger percentage than the one of the reduction in **total water consumption**, the percentage of unbilled consumption to total consumption decreased.

Indeed, in the first half of 2018, unbilled consumption to total consumption amounted to **26.4%**, compared to the non-billed consumption to total consumption in the first half of 2017, which was amounted to **27.7%**. Therefore, it decreased by **1.3** percentage points.

More precisely, the consumption progress described above is summarized in the following table 1:

1. Water Consumption				
Consumption Class	2018	2017	Nominal Change	Relative Change%
Billed Consumption (m3 – Mandatory Consumption is not included)	139,774,320	140,186,595	-412,275	-0.3%
Free of Charge Consumption (m3)	3,186	4,608	-1,422	-30.9%
Non- Billed Consumption (m3)	50,175,310	53,779,429	-3,604,119	-6.7%
Total Consumption of EYDAP S.A. (m3)	189,952,816	193,970,632	-4,017,816	-2.1%
Percentage of Non-Billed Consumption to Total Consumption (%)	26.4%	27.7%	-1.3%	-
Billed Consumption EYDAP Fixed Assets (m3)	4,475,109	5,790,921	-1,315,812	-22.7%
Total Consumption (EYDAP S.A. – EYDAP Fixed Assets) (m3)	194,427,925	199,761,553	-5,333,628	-2.7%

Regarding the main customer categories, the consumption of the category of **common consumers**, which represents the vast majority of customers, showed a **marginal decrease** by **0.4%** in H1 2018, compared to H1 2017.

Specifically, the water consumption in **common consumers'** category in H1 2018 amounted to **90,125,848 m³**, compared to **90,452,462 m³** in H1 2017.

Bulk Water Supply to municipal networks, which represents the second biggest customer category, also showed a **marginal decrease** by **0.2 %** in H1 2018, compared to H1 2017.

More specifically, **bulk water supply to local networks** amounted to **27,782,118 m³** in H1 2018 whereas in H1 2017 it amounted to **27,838,354 m³**.

In contrast, the category of **State-Local Authorities** showed a **marginal increase** by **0.2%** in H1 2018, compared to H1 2017.

The **industrial consumers'** category consumption increased by **12.6%** in H1 2018 compared to H1 2017.

Lastly, the consumption of the **other customer categories** showed a significant decrease by **33.8%** in the first half of 2018 compared to H1 2017.

More precisely, the progress of the billed water consumption for each customer category in **m³**, is summarized in the following table **2**:

2. Billed Water Consumption per Customer Category (in m ³ – Mandatory Minimum Consumption fee is not included)				
Customer Category	2018	2017	Nominal Change	Relative Change%
Common	90,125,848	90,452,462	-326,614	-0.4%
Industrial/Corporate	11,688,324	10,383,284	1,305,040	12.6%
Bulk Water Supply to Local Networks	27,782,118	27,838,354	-56,236	-0.2%
State-Local Authorities	7,542,382	7,530,591	11,791	0.2%
Other Categories	2,635,648	3,981,904	-1,346,256	-33.8%
Total Water Consumption	139,774,320	140,186,595	-412,275	-0.3%

Table **3** displays the **water sales revenue**, in €, for the H1 of 2018 and 2017 for the main customer categories:

3. Water Sales Income in H1 per Customer Category (in € – Mandatory Minimum Consumption fee is included)				
Customer Category	2018	2017	Nominal Change	Relative Change%
Common	67,602,575	68,369,627	-767,052	-1.1%
Industrial/Corporate	9,137,786	8,375,937	761,849	9.1%
Bulk Water Supply to Local Networks	13,606,545	13,633,286	-26,741	-0.2%
State-Local Authorities	7,585,877	7,583,073	2,804	0.0%
Other	1,356,311	1,546,742	-190,431	-12.3%
Total Water Consumption	99,289,094	99,508,665	-219,571	-0.2%

Table **4**, displays the revenue from **sewerage usage**, in €, for the main customer categories in H1 2018 and H1 2017:

4. Income from Sewerage Usage in H1 per Customer Category
(in € – mandatory minimum consumption fee included)

Customer Category	2018	2017	Nominal Change	Relative Change%
Common	38,397,207	38,341,318	55,889	0.1%
Industrial/Corporate	3,351,061	3,295,958	55,103	1.7%
Bulk Water Supply to Local Networks	0	0	0	-
State-Local Authorities	3,181,657	2,867,852	313,805	10.9%
Other	20,840	18,949	1,891	10.0
Total Water Consumption	44,950,765	44,524,077	426,688	1.0%

The combination of table 3 and 4 results to table 5, which includes the **total income of water supply and sewerage services** in the H1 of 2018 and 2017 for the main customer categories:

5. Total Income of Water Supply and Sewerage Sales in H1
(in € – mandatory minimum consumption fee included)

Customer Category	2018	2017	Nominal Change	Relative Change%
Common	105,999,782	106,710,945	-711,163	-0.7%
Industrial/Corporate	12,488,847	11,671,895	816,952	7.0%
Bulk Water Supply to Local Networks	13,606,545	13,633,286	-26,741	-0.2%
State-Local Authorities	10,767,534	10,450,925	316,609	3.0%
Other	1,377,151	1,565,691	-188,540	-12.0%
Total Water Consumption	144,239,859	144,032,742	207,117	0.1%

Lastly, table 6 depicts the average revenue per cubic meter of billed consumption in €, in H1 2018 and 2017, for the main customer categories separately for the water sales, the total of water supply and the sewerage services, corresponding to each of the customer category:

6. Average Total Water Sales and Sewerage per cubic meter, per Customer Category
(in € – mandatory minimum consumption fee included)

Customer Category	2018			2017		
	Water sales	Sewerage	Water sales & sewerage	Water sales	Sewerage	Water sales & sewerage
Common	0.75	0.43	1.18	0.76	0.42	1.18
Industrial/Corporate	0.78	0.29	1.07	0.81	0.32	1.12
Bulk Water Supply to Local Networks	0.49	0.00	0.49	0.49	0.00	0.49
State-Local Authorities	1.01	0.42	1.43	1.01	0.38	1.39
Other	0.51	0.01	0.52	0.39	0.00	0.39
Total	0.71	0.32	1.03	0.71	0.32	1.03

The changes of the average revenue - which we saw in table 6 above - in 2018 compared to 2017, are depicted on table 7:

7. Annual Change of Average Revenue per cubic meter, per Customer Category
(in € – mandatory minimum consumption fee included)

Customer Category	Nominal Change (€)			Relative Change (%)		
	Water sales	Sewerage	Water sales & sewerage	Water sales	Sewerage	Water sales & sewerage
Common	-0.01	0.00	0.00	-0.8%	0.5%	-0.3%
Industrial/Corporate	-0.02	-0.03	-0.06	-3.1%	-9.7%	-4.9%
Bulk Water Supply to Local Networks	0.00	0.00	0.00	0.0%	-	0.0%
State-Local Authorities	0.00	0.04	0.04	-0.1%	10.8%	2.9%
Other	0.13	0.00	0.13	32.5%	66.2%	32.9%
Customer Class	0.00	0.00	0.00	0.1%	1.3%	0.4%

According to the above table, the average revenue per cubic meter from water sales remained unchanged in H1 2018 when compared to the H1 2017.

(Nominal Change : **0.00 €**, Relative Change: **0.1 %**).

Likewise, the average revenue per cubic meter from sewerage usage remained unchanged. (Nominal Change : **0.00 €**, Relative Change: **1.3 %**).

Overall, the average revenue per cubic meter from water sales and sewerage usage remained unchanged. (Nominal Change : **0.00 €**, Relative Change: **0.4 %**).

II. Presentation of the Company's Major Financial Results

Due to the negligible effect of the subsidiary company (ISLANDS' EYDAP S.A.) on the financial accounts of the Group, the analysis of the financial results is performed on the basis of the parent company.

During the first half of 2018, turnover increased by 1.1% or +1.6 million € and settled at 153.4 million € from 151.8 million € in the corresponding period of 2017.

Revenues from water supply and related revenues posted an increase by 1.3 million € approximately (+1.3%) in the same pattern with the revenues from sewerage services which increased by 1.1 million € (+2.3%).

The remaining categories of revenues posted a decrease. Specifically, the revenues from construction works for third parties declined by 262 thousand €, the inventory sales decreased by 357 thousand € whereas the revenues from sale of electricity dropped by 128 thousand € (-11.7%).

With regard to the revenues from water supply and related revenues, there was an increase by 1,301 thousand € (+1.3%) in the revenues from water consumption which is the main category of water related revenues. There were also increases in all remaining categories of water related revenues except for the category of other income (mainly referring to reconnections) which posted a reduction of 28% (-313 thousand €).

More analytically, the revenues from new water supply connections rose by +23 thousand € (+2.4%), connection fees and contributions increased by +6% (+4 thousand €) and finally, the revenues from restoration works posted a significant increase by +842 thousand € (+334%), which relates to the upgrading plan for the replacement of water meters, which is part of the Company's investment plan.

<i>In € thousand</i>	1H 2016	1H 2017	1H 2018
Revenues from water consumption	101,364	99,477	100,222
New water supply connections	873	948	971
Connection fees and contributions	64	70	74

Restoration works	148	252	1,094
Other revenues	885	1,114	801
Revenues from water supply and related services	103,334	101,862	103,163

It should be also noted that the revenues from water consumption (as well as the revenues from sewerage usage rights) includes, apart from the invoiced income that is depicted in the issued water supply statements, the provision of this income on accrued basis. For the first half of 2018, these amounts settled at 99,290 thousand € and 932 thousand € respectively.

<i>In € thousand</i>	1H 2016	1H 2017	1H 2018
Revenues from sewerage usage	48,936	47,179	48,225
Connection fees	236	236	185
Sewage charges	712	767	844
Sewerage works	28	21	34
Revenues from sewerage services	49,913	48,203	49,289

The main category of sewerage revenue, which is the sewerage usage, posted an increase by 1 million € (+2.2%) whereas small changes were recorded in the other categories (sewage charges by +78 thousand € or +10%, sewerage works by +12 thousand € or +57% and connection fees by -50 thousand € or -21%). It is noted that the revenues from sewerage usage include invoiced revenues for the period of 44,988 thousand €, as well as the projected revenues on accrued basis of +3,237 thousand €.

The operating cost (cost of sales, administrative and distribution expenses) settled at 136.8 million €, demonstrating a decrease by 5.7 million € (or -4.0%). Specifically, the cost of sales during the first half of 2018 declined by 2.0 million € (-2.2%) and settled at 92.2 million € from 94.3 million € in the corresponding period of 2017. The administration expenses dropped by 6.4 million €, or by -18%, whereas the distribution expenses increased by +1.2 million € (+9.4%).

The above developments resulted into the increase of Gross Profit¹ by 3.7 million € (+6.4%) settling at 61.2 million € from 57.5 million € in the first half of 2017. The gross profit margin settled at 39,9% from 37.9% during the first half of 2017.

With regard to the evolution of operating expenses, depending on their category, the following changes are noted in comparison with the first half of 2017:

- Personnel fees and expenses decreased by € 3.4 million (-5.6%)
- Third party fees and expenses decreased by € 267 thousand (-1.2%)
- Third party contributions decreased by € 9 thousand (-0.1%)
- Depreciation increased by € 636 thousand (+3.4%)
- Sundry provisions decreased by € 2.6 million (-18.8%)
- Sundry expenses increased by € 3.8 million (+55.5%)
- Consumption of materials dropped by € 164 thousand (-4.1%)
- Self-construction cost rose by € 3.7 million (+152%)

With the application of IFRS 15 (Note 29 of the Interim Financial Statements), the trade receivables in the Interim Statement of Financial Position after 1/1/2018 are presented separately from the Contractual Assets which include the accrued non-invoiced income.

In addition, with the adoption of the IFRS 9 the Company recognized an aggregate doubtful receivable of € 95,475 thousand. The Company in the context of applying the IFRS 9, during the first half of 2018 it formed additional provisions – expense for bad debt receivables (doubtful customers) of € 1,450 thousand, which is presented separately in the interim statement of income

¹ Alternative Performance Measures: For explanations and calculation of these measures see Section titled "Alternative Performance Measures".

under the title “Impairment of financial assets”. In the respective period of 2017, the Company had formed a provision – expense for bad debt receivables of € 2,400 thousand, which had been recorded in the cost of goods sold. In total, the provision for bad debt receivables on 30/06/2018 amounted to € 96,926 thousand. The percentage of allowance for bad debt to the gross trade receivables balance during the first half of 2018 rose to 35% from 20% in the corresponding period of 2017.

<i>In € thousand</i>	<i>Balance of Doubtful Customers and Contractual Assets</i>	<i>Balance of Trade Receivables before Allowance for Bad Debt and Contractual Assets</i>	<i>Percentage</i>
	<i>(1)</i>	<i>(2)</i>	<i>(3)=(1)/(2)</i>
1H 2014	31,099	231,982	13%
1H 2015	37,585	258,500	15%
1H 2016	50,867	256,221	20%
1H 2017	54,006	275,125	20%
1H 2018	96,926	279,349	35%

In total, the provisions-expense during the first half of 2018 posted a decrease by € 2.6 million (-19%) compared to the same period of 2017 and settled in total at € 11.3 million versus € 13.9 million in the first half of 2017. These provisions for the first half of 2018 mainly include the provisions for doubtful customers (“Impairment of Financial Assets” – 1,450 thousand €), the provisions for litigation cases (10,044 thousand €) and the provisions for obsolete inventories / third party works (-240 thousand €).

<i>In € thousand</i>	<i>Provisions for Doubtful Customers / Impairment of Financial Assets</i>	<i>Provisions for Litigation Cases</i>
1H 2013	3,127	6,715
1H 2014	5,389	-890
1H 2015	0	645
1H 2016	5,574	-2,565
1H 2017	2,400	6,494
1H 2018	1,450	10,044

The provisions for litigation cases cover 20% of the total claims. With regard to the labor cases, the coverage rate is 12% (compared to a coverage rate in H1 2017 of 20%) while with regard to civil cases the rate settles at 32% (the respective coverage rate had settled at 34% in H1 2017).

<i>Provisions Percentage of litigation cases on the total amount of legal claims</i>			
	<i>Labor Cases</i>	<i>Civil Cases</i>	<i>Total Cases</i>
1H2013	72%	24%	45%
1H2014	14%	22%	21%
1H2015	36%	19%	22%
1H2016	23%	24%	23%
1H2017	20%	34%	27%
1H2018	12%	32%	20%

Earnings before interest, taxes, depreciation and amortization (EBITDA)² posted an increase by 26,5% or € +7.7 million and settled at € 36.7 million from € 29 million during the first half of 2017, whereas the EBITDA margin² settled at 23.9% from 19.1% in the same period last year.

Likewise, earnings before interest and taxes (EBIT)² rose to 17.4 million € from 10.4 million € in the first half of 2017. EBIT margin² settled at 11.4% from 6.8% in the first half of 2017.

² Alternative Performance Measures: For explanations and calculation of these measures see Section titled “Alternative Performance Measures”.

The financial income declined by 12% to 8.9 million € from 10.1 million € in the first half of 2017, whereas the financial expenses posted an increase by 0.1 million € and amounted to 0.3 million € from 0.2 million € in the first half of 2017.

During the first half of 2018 the earnings before taxes amounted to 26.1 million € from 20.3 million € in the first half of 2017 posting an increase by 28,5%.

Earnings after taxes amounted to 17.9 million € from 11.9 million € in the first half of 2017, posting an increase by 50,6%. Net profit margin settled at 11.7% from 7.8% during the first half of 2017.

Operating cash flows amounted to +52 million € from +35.6 million € in the corresponding period of 2017. Cash flows from investing activities were negative at -4,698 thousand € (due to purchases of tangible assets amounting to -8,384 thousand € and also due to collected interest of +4,172 thousand €) compared to -1,104 thousand € in the first half of 2017.

Cash flows from financing activities accounted for -20.2 million € from -50.1 million € in the first half 2017, as the accounts of the first half of 2017 include the recording of previous years' dividend (0.38 € per share) which was paid on 3 January 2017 as well as of the dividend of year 2016 (0.11 € per share) which was paid on 29 June 2017.

Free Cash Flows to the Firm (FCFF)³ increased to 47.3 million € from 34.5 million € in the first half of 2017. It is noted that during the first half of 2017, the Company proceeded with the implementation of a conciliation resolution concerning the 19105 / 21.12.2016 decision of the Board of Directors to resolve collective labor disputes and disburse approximately 17 million €. As of 30.06.2017 an amount of 15.6 million € approximately had been disbursed by the Company.

ALTERNATIVE PERFORMANCE MEASURES (“APM”)

The Group in the Semi-Annual Management Report as well as in the disclosures towards the investors' community utilizes Alternative Performance Measures (APM) apart from the financial figures depicted in its interim financial statements which are prepared according to the framework of financial information currently in effect.

The purpose of the presentation of these measures is that both the Management of the Company and the investors obtain a more complete view of the efficiency, capital structure, business activity and liquidity of the Group and in no case should be taken into consideration independently of the measurement ratios deriving directly from the interim financial statements.

The Alternative Performance Measures utilized by the Group are the following:

- **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

The particular indicator is widely known within the investors' community and is classified under the general section of profitability ratios, possessing the advantage that it isolates the effect from the financial and investment results, the income tax and the main category of non-cash expenses which concern the depreciation and amortization.

The Indicator is calculated by subtracting the cost of goods sold, the distribution expenses, the administrative expenses and the other expenses from the turnover and also by adding back the other operating income and the total depreciation and amortization. Furthermore, the “Impairment of financial assets” figure in the Statement of Income referring to the provision-expense for doubtful customer receivables is subtracted whereas it was included in the cost of goods sold in the previous periods. Other operating expenses. These figures are used without any adjustment made from the financial statements and their notes.

³ Alternative Performance Measures: For explanations and calculation of these measures see Section titled “Alternative Performance Measures”.

Table of EBITDA Reconciliation

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Turnover	153,426	151,776	153,416	151,776
Cost of goods sold	-92,215	-94,258	-92,215	-94,258
Administrative expenses	-28,991	-35,372	-28,965	-35,345
Distribution expenses	-14,184	-12,961	-14,184	-12,961
Impairment of financial assets	-1,450	0	-1,450	0
Other expenses	-770	-372	-770	-372
Other operating income	1,611	1,553	1,611	1,553
Depreciation and amortization	22,490	22,299	22,490	22,299
Amortization of grants	(3,204)	(3,650)	(3,204)	(3,650)
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	36,713	29,015	36,729	29,042

- **EBITDA Margin**

The EBITDA Margin derives from the above presented table if the EBITDA is divided by the Turnover. It expresses the percentage of Turnover that is possessed by the EBITDA or alternatively it demonstrates “how much” EBITDA earnings correspond to one unit of sales. The Management of the Company utilizes the particular Indicator in the context of the broader evaluation of the enterprise’s operating profitability.

Table of EBITDA Margin Reconciliation

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Turnover	153,426	151,776	153,416	151,776
EBITDA	36,713	29,015	36,729	29,042
EBITDA Margin	23.9%	19.1%	23.9%	19.1%

- **Earnings before Taxes, Financial and Investment Results or Earnings before Interest and Taxes (EBIT)**

This Indicator, as in the case of the previous one (EBITDA) is widely known within the investors’ community and is classified under the general section of profitability ratios, possessing the advantage that it isolates the effect deriving from the financial and investment results as well as from the income tax.

The Indicator is calculated by subtracting the cost of goods sold, the distribution expenses, the administrative expenses and the other expenses from the turnover and also by adding back the other operating income. Furthermore, the “Impairment of financial assets” figure in the Statement of Income referring to the provision-expense for doubtful customer receivables is subtracted whereas it was included in the cost of goods sold in the previous periods. Other operating expenses. These figures are used without any adjustment made from the financial statements.

Table of EBIT Reconciliation

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Turnover	153,426	151,776	153,416	151,776
Cost of goods sold	-92,215	-94,258	-92,215	-94,258
Administrative expenses	-28,991	-35,372	-28,965	-35,345
Distribution expenses	-14,184	-12,961	-14,184	-12,961
Impairment of financial assets	-1,450	0	-1,450	0
Other expenses	-770	-372	-770	-372
Other operating income	1,611	1,553	1,611	1,553
Earnings before Taxes, Financial and Investment Results or Earnings before Interest and Taxes (EBIT)	17,427	10,366	17,443	10,393

- EBIT Margin**

The EBIT Margin derives from the above presented table if the EBIT is divided by the Turnover. It expresses the percentage of Turnover possessed by the EBIT. The Management of the Company utilizes the particular Indicator in the context of the broader evaluation of the enterprise's operating profitability.

Table of EBIT Margin Reconciliation

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Turnover	153,426	151,776	153,416	151,776
EBIT	17,427	10,366	17,443	10,393
EBIT Margin	11.4%	6.8%	11.4%	6.8%

- Free Cash Flows to the Firm**

This Indicator is classified under the general section of profitability ratios as it demonstrates the amount of cash that is available for distribution to the shareholders and the lenders of the enterprise. It is also one of the major indicators of financial strength.

The Indicator is calculated by adding the total inflows / (outflows) from operating activities to the total inflows / (outflows) from investment activities at the statement of cash flows.

Table of Reconciliation of the Free Cash Flows to the Firm – FCFF

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Total inflows / (outflows) from operating activities	52,023	35,540	52,041	35,573
Total inflows / (outflows) from investment activities	(4,698)	(1,105)	(4,698)	(1,104)
Free Cash Flows to the Firm (FCFF)	47,325	34,435	47,343	34,469

- **Operating Cost before Depreciation (OPEX)**

The Indicator is used by the Management of the Company in the decision making as well as in the communication with investors as it includes all the categories of expenses which are allocated into different operations, meaning the cost of goods sold, the administrative expenses and the distribution expenses after the deduction of the depreciation. Furthermore, the “Impairment of financial assets” item in the Statement of Income referring to the provision-expense for doubtful customer receivables is subtracted whereas it was included in the cost of goods sold in the previous periods. Other operating expenses which cannot be allocated into different operations are excluded from this indicator.

Table of Reconciliation of Operating Cost before Depreciation

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Cost of goods sold	92,215	94,258	92,215	94,258
Administrative expenses	28,991	35,372	28,965	35,345
Distribution expenses	14,184	12,961	14,184	12,961
Impairment of financial assets	1,450	0	1,450	0
Depreciation and amortization	(22,490)	(22,299)	(22,490)	(22,299)
Amortization of grants	3,204	3,650	3,204	3,650
Operating Cost before Depreciation	117,554	123,942	117,528	123,915

- **Gross Profit Margin (%)**

This Indicator derives from the division of the Gross Profit by the Turnover as exactly these two figures are depicted in the financial statements. It is utilized by the Management of the Company on complementary basis with the Gross Profit in terms of value. It is stated that since 1/1/2018 the provision-expense for doubtful customer receivables is not included in the cost of goods sold (and as a result is not included in the Gross Profit Margin either) whereas it was included in the previous periods. This specific provision is depicted separately from 1/1/2018 in the item “Impairment of financial assets” in the Statement of Income.

Table of Gross Profit Margin Reconciliation (%)

<i>Amounts in EUR thousand</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Turnover	153,426	151,776	153,416	151,776
Gross Profit	61,211	57,518	61,201	57,518
Gross Profit Margin %	39.9%	37.9%	39.9%	37.9%

SIGNIFICANT EVENTS OF FIRST HALF 2017

Passing of L. 4512/2018

On January 17, 2018, Law 4512/2018 was passed, by which the majority of EYDAP shares, between others, were transferred to the Hellenic Corporation of Assets and Participations S.A." (HCAP S.A.). The objective of the HCAP is to reform the management framework in the interest of the public interest so that the country can capitalize on its national wealth.

Proposal for a revision of the EU Water Directive

On 1 February 2018, the European Commission proposed a revision of the European legislation about water, that will improve the quality of drinking water and access to it and will provide better information to citizens. The right of access to basic services of good quality, including water, is one of the principles of the European Social Rights Pillar, adopted unanimously by the Heads of State and Government at the Gothenburg Summit. This legislative proposal aims to guarantee this right and therefore to respond to the first successful European Citizens' Initiative "Right2Water", which has collected 1.6 million signatures to support

improved access to safe drinking water for all Europeans. In addition, the proposal seeks to enable consumers to ensure that water suppliers provide consumers with clearer information on water consumption, cost structure and price per liter, allowing for comparison with the value of bottled water. This will contribute to the environmental objectives of reducing the unnecessary use of plastics and limiting the EU carbon footprint, as well as achieving the goals of sustainable development. The rules the Commission intends to update will improve the quality and safety of water by adding new and emerging substances to the list of criteria for determining the safety of water.

Change of shareholder's percentage of voting rights

EYDAP received a notification from the Ministry of Finance on March 2nd, 2018 that the total number of voting rights (indirectly and directly) controlled by the Greek State amounts to 65.319.740 (61.33%), of which the direct voting rights refer to 53.250.001 (50%+1 share) common registered shares and the indirect voting rights refer to 12.069.739 (11.33 %) common registered shares. This change in the direct and indirect shareholding of the Greek State in EYDAP S.A. is due to the transfer of 17,004,761 shares (15.97%) from HRADF directly to the Greek State, following the execution of an over-the-counter transaction, free of charge, according to decision 262 of the Interministerial Committee for Restructuring and Privatizations (GG tB / 614/22.02.2018), and the correction of the error (GG B 697/1.3.2018) which partially revoked the decision 195/27.10.2011 (GG B 759) of the Interministerial Committee for Restructuring and Privatization, following the decision 1906/2014 of the Council of State.

The total participation percentage (direct and indirect) of the Greek State has not changed.

On March 21st 2018, EYDAP received a notification from the Ministry of Finance, that the total number of indirect voting rights controlled by the Greek State amounts to 65.319.740 (61.33%). This change in the voting rights is due to the transfer of 53,250,001 shares of EYDAP S.A., from the Greek State to the "Hellenic Corporation of Assets and Participations S.A." (HCAP S.A.) following the execution of an over-the-counter transaction on March 20th 2018, free of charge, according to paragraph 20, article 380 of L. 4512/2018, which replaced paragraph 1, article 197 of L. 4389/2016, as in force from 1/1/2018.

The total (100%) of the shares of HRADF is held by the "Hellenic Corporation of Assets and Participations S.A." (HCAP S.A.), which now controls directly the voting rights of 53.250.001 shares (50%+1 share) and indirectly the voting rights of 12.069.739 shares (11.33%) via HRADF. Consequently, to total percentage of voting rights (indirect and direct) of HCAP S.A. amounts to 61.33%. The Greek State controls HCAP S.A. by 100%.

Honorary Award for EYDAP S.A

EYDAP received the 2nd Business Award in the category "Best State-owned Company" at the event 'Hrima Business Awards', organized for the 15th consecutive year by *ETHOS MEDIA S.A.* and the investment and financial magazine *Hrima*.

Memorandum of cooperation between the Municipality of Athens and EYDAP S.A

The Mayor of Athens George Kaminis and the Chairman of EYDAP Konstantinos Papadopoulos signed a Memorandum of Cooperation aimed at sustainable water management, on 4 June 2018.

The rational use of water and the promotion of its importance as a valuable public commodity, is the goal of the municipality of Athens collaboration with EYDAP. Within this context, public taps will be placed in three central locations in Athens and the utilization of Hadrian's Aqueduct, located in Kolonaki, will be investigated.

The purpose of the memorandum is to record and understand the "Blue Footprint" of the municipality of Athens. The Blue Water Footprint is a composite index, which describes the consumption both of the surface, and underground water and includes quantitative, qualitative, geographical and time data. This indicator will support the municipality of Athens in the exploration and recording of water use for each service provided, giving useful information on sustainable water management.

Additional axes of Athens municipality cooperation with EYDAP, are the following:

1) Pilot installation of public taps in three central locations.

The Athens municipality and EYDAP promote the value of water as a social commodity and the right to its access for all citizens. The aim is to increase by 20% the access to public taps by 2030. This summer, in collaboration with EYDAP, a pilot installation of public fountains starts, in three locations in the city center: a) Ermou str. and Nikis str. , b) Asomaton Square c) entrance of metro station "KERAMEIKOS".

2) Utilization of Hadrian's Aqueduct water for the needs of the City of Athens

EYDAP and the municipality of Athens are investigating the potential use of water abstracted from the Hadrian aqueduct, in services provided by the municipality. These services include indicatively, the watering of parks and street and garbage bins

washing. The Hadrian aqueduct was constructed at 2nd century A.D., by the Roman Emperor Hadrian in order to supply water to the city of Athens from the rainwater at the mountains Pendeli and Parnitha. The 25 km length tunnel started from the Tatoi region and transferred water up to Lykavittos in the center of Athens, where it was stored in a stone reservoir.

Special Minority Shareholder's Meeting

The Special Minority Shareholder's Meeting was held on June 11, 2018, at the premises of the Athens Stock Exchange, where they elected Mr. Panayotis Skoularikis and Mr. Christos Mistriotis as Members of the BoD of EYDAP S.A., on behalf of the Minority Shareholders.

Board of Directors Inaugural Meeting

After the election of the two (2) new Members of the Board of Directors, from the Minority Shareholders' Special Meeting on June 11th 2018, the Board of Directors met on June 13th 2018 and held its inaugural meeting, consisting of the following members:

Konstantinos Papadopoulos – Chairman of the BoD, Non-Executive Member

Ioannis Benisis - CEO, Executive Member

Konstantinos Vafeiadis - Executive Member

Ioannis Kardaras - Non-Executive Member

Georgios Makrinos - Non-Executive Member

Alexandros Pouliasis - Independent, Non-Executive Member

Nikolaos Sarantis - Non-Executive Member

Michail Stavroulakis - Independent, Non-Executive Member

Georgios Halambalakis - Non-Executive Member

Christos Mistriotis - Non-Executive Member

Panayotis Skoularikis - Non-Executive Member

Emmanouel Aggelakis - Non-Executive Member

Georgios Alexandrakis - Non-Executive Member

Ordinary Shareholder' General Meeting

The Annual Ordinary General Shareholders' Meeting was held on June 18, 2018, at the Athens Stock Exchange, and among others, approved the Individual and Consolidated Annual Financial Statements of EYDAP SA, the exemption of the BoD members, a dividend distribution of 0.20 euro per share gross, for the fiscal year 2017, the remunerations paid for the Chairman of the BoD and the Chief Executive Officer, the remunerations paid and compensations for the BoD Members, the Secretary of the BoD, the Members of the Audit Committee, the Director of Legal Services Division and the Legal Advisor of the Company. The Meeting also selected the Audit Company SOL S.A., it ratified the non-exercise of the preemptive right of EYDAP S.A. to the increase of the share capital of Attica Bank, it elected Mr. Stavroulakis Michail as Chairman of the Audit Committee, and Mr. Pouliasis Alexandros and Mr. Kardaras Ioannis as members of the Audit Committee of EYDAP SA. and finally, ratified the modification of the Articles of Association of EYDAP SA.

Extension of tenure for 9 Members of the BoD

Following the BoD meeting on 28th of July 2018, the tenure of nine members of the BoD of EYDAP S.A, elected by the majority shareholders, namely Messrs. Konstantinos Papadopoulos, Ioannis Benisis, Konstantinos Vafeiadis, Ioannis Kardaras, Georgios Makrinos, Alexandros Pouliasis, Nikolaos Sarantis, Michail Stavroulakis and Georgios Halambalakis, has been extended for a period of one year, until 28.06.2019.

Local Authorities (OTA)

During 2018, EYDAP continued its intensive efforts to reduce the overdue debts of the Local Authorities and to avert the formation of new ones.

On June 30 2018 ,the overdue debts from OTA to EYDAP, amounted to 36,6 million euros. From this amount ,11,4 million euros have already been under a settlement via payment of installments. Respectively, on December 31st 2017, the overdue debts of local authorities amounted to 39.7 million euros.

Regarding the overdue debts of 23.3 million euro, corresponding to the Municipalities of Marathon, Fylis, Korydallos, Dionysos, Oropos and Megara, the Company initiated procedures for forced recovery.

Total debt collections from Local Authorities in first half 2018 amounted to 23,3 million euro compared to 19.9 million euro in the first half of 2017, an increase of 17%. In total, in May and June, the Company received 4.2 million euro from the Municipality of Salamina.

State

During the first half of 2018, various issues concerning public sector entities were resolved. Among other things: EYDAP signed a Water Supply Contract on 11-5-2018 with the Ministry of Shipping & Island Policy regarding the years 2017-2018. Also the issue of sewerage fees from various authorities was solved.

The State's overdue debts for the first six months of 2018 amounted to 11,9 million euro versus 9,8 million euro of the first half of 2017.

The total debt collections from the State amounted to 8.1 million euros for the first half of 2018 compared to 5.8 million euros for the first half of 2017.

Large Clients – WWTPM

The newly formed Large Customers Division, has created a large customers database. The first 154 Customers were recorded, based on respective criteria. EYDAP aims to provide the highest level of service via special treatment.

For the first six months of 2018 the overdue debts of the Large Customers amounted to 3.4 million Euro, out of which 1.08 million were under settlement.

Total debt collections amounted to € 10.37 million for the first half of 2018.

During the first semester of 2018, the procedures for designing and installing a new tracking system in the septic tank evacuation area were completed and put into full production. From 2017 until the end of the first half of 2018, 120 Private Transit Agreements were signed at Waste Water Treatment Plant of Metamorfoosi, by using a modern Electronic Transit Control System and 230 septic tanks have been registered and allocated.

The total revenues of WWTPM amounted to € 1.04 million (including VAT) for the first half of 2018.

EYDAP NISON DEVELOPMENT SA

The purpose of EYDAP NISON DEVELOPMENT SA is the provision of consultancy services in the field of water supply, sewerage and rainwater collection as well as a number of activities related to the above, in the island Greek Territory. Information about EYDAP NISON DEVELOPMENT SA as well as its financial statements is available at <http://www.eydapnison.gr/>.

Detailed actions of EYDAP NISON DEVELOPMENT SA in the first half of 2018 are presented below:

Deposits & Loans Fund (TPD)

Following a series of discussions and actions by the Management of EYDAP, EYDAP NISON DEVELOPMENT SA participated in the promotion of the Deposits and Loans Fund programme titled "Subsidiarity of Projects Determination of Local Authorities". It selected 46 island municipalities, by utilizing the list of "Beneficiaries' Table" and who it contacted both by telephone and online in order to inform them and to assist them in submitting the suitable proposal for inclusion in the programme. 18 of those municipalities had expressed an initial interest for projects under the company's responsibility, but none of the projects was finalized to be suitable for financing. Eventually, the Municipality of Antiparos requested cooperation with EYDAP NISON DEVELOPMENT SA for desalination projects.

Astypalea Island

EYDAP NISON DEVELOPMENT SA signed a contract with the Municipality of Astypalea in May, regarding the evacuation and cleaning of septic tanks as well as for the maintenance of the Wastewater Treatment Plants facilities of in the B' area of Pounta, in Astypalea. The work was successfully completed and the project was delivered to the island.

Kalymnos Island

The Municipality of Kalymnos submitted a request for financial offer regarding the:

- i) Cleaning of a pre-treatment unit of the Biological Wastewater Treatment of Kalymnos
- ii) Cleaning of 2 drainage pumping stations.

Kassos Island

The Municipality of Kassos expressed the interest to assign the digital mapping of the existing drinking water networks and the control of the operation and hydraulic behavior of the distribution networks of the city of Kassos to EYDAP NISON

DEVELOPMENT SA. EYDAP NISON DEVELOPMENT SA took the necessary actions in order to take on this work and sign the relevant contract.

The contract was signed on 10/8/2018 and the works are in progress.

Municipality of Chios

The court decision regarding the lawsuit against the DEYA Chios with number 33/2018 was issued, according to which EYDAP NISON DEVELOPMENT SA was vindicated.

Based on the court decision 33/2018, the contract (GG 602/15-07-2014) regarding the implementation of the "Service for the creation of pressure zones in the Water Supply Network of the city of Chios" amounting to 22,620.00 €, was repaid on 12/9 / 2018.

Investment Program FILODIMOS I

EYDAP NISON DEVELOPMENT SA, following a series of discussions and actions by EYDAP's Management, participated in the promotion of the programme of the Ministry of Interior titled "FILODIMOS I".

It has approached municipalities which have the capability to participate in the programme in order to inform them and, on the other hand, to assist them in submitting a suitable proposal for inclusion in the programme.

Programme contracts have already been compiled and will be put to vote by the relevant Municipal Councils, in the following municipalities:

- Municipality of Tilos for Water Supply and Sewerage projects with a total budget of 1,421,000.00 €
- Municipality of Antiparos for Desalination projects with a total budget of 500,000.00 €
- Municipality of Emmanouil Pappa for sewerage projects with a total budget of 3,750,000.00 €.

Cash Reserves Management

An amount of € 950,969.00 from the cash reserves of EYDAP NISON DEVELOPMENTS SA, has been placed in a time deposit to NBG with an interest rate equivalent to that of EYDAP SA.

SIGNIFICANT EVENTS AFTER THE FIRST HALF 2018

Water supply network of the Municipal Unity Magoula

The water supply network of the Municipality of Magoula, joined the EYDAP water supply system from September 1st, 2018. A concession contract was signed between the CEO of the company, Ioanni Benisi and the Mayor of Elefsina George Tsoukalas, which completed the integration processes of the networks. Such concession contracts, are part of the strategic planning of the EYDAP, regarding the expansion of operation into new regions, in response to requests of the municipalities. The network of Magoula is of 42 km, and serves approximately 2,300 facilities.

Award and distinctions

The Silver Award was given to the Internal Audit Directorate of EYDAP during the 11th ceremony of "Responsible Management Excellence Awards" organized by EBENGR, in July 2018, for its business ethics, social responsibility and Corporate Governance. The Internal Audit Directorate was assessed in accordance with the EBENRME Model that include specific assessment criteria in the field of business ethics and Corporate responsibility and, received after successful documentation following a special certification. The EBENRME Model is the unique certification model in Greece and was selected, as one of the most important models of corporate excellence for the configuration of the index DAX of the German Stock Exchange. During the ceremony 15 organizations received a prize and received a certificate, among which EYDAP is the first and only public organization

EYDAP was honored by two gold awards for its contribution to environmental protection and sustainability in Environmental Awards 2018, held July 10, 2018. More specifically, the Company won the first gold award in the category Water Stewardship/Water Management and Conservation / wastewater management for the project "Innovative phosphorus and nitrogen recovery process from the sludge of Wastewater Treatment Plant under the European research project « 'SMART-Plant» ". The «SMART-PLANT» aims to create and implement innovative solutions to the wastewater treatment process, which achieves the required quality of the treated waste water, with simultaneous recovery of materials (nitrogen, phosphorus and

biodegradable organic material) and energy (biogas). The second gold award relates to the company's lasting contribution to environmental education and awareness of children around the water cycle. The company excelled in the category Environmental Leadership with the environmental education program " The Stagonouli journey " which enjoys the participation of more than 15,000 children each year in the last 30 years.

FUTURE OUTLOOK FOR THE 1ST HALF OF 2018

During the second half of 2018, EYDAP SA is expected to continue its strategy, which is oriented towards the People, the Society and the Environment. During the second half of each year, an increase in consumption in the summer months is noted, boosting the company's turnover compared to the first half.

At the same time, the Company will continue to apply strict frameworks in the cooperation with the local authorities and other categories of customers, aiming at further increasing the collection rate of receivables from them and at protecting the valuable natural resource it manages. The primary objective remains to further rationalize costs and to reduce operating costs by continually improving and simplifying corporate processes that enhance the Company's operating profitability as well as its steady profitability, which is reflected every year in the significant dividend distribution.

With a view to the signing of the new contract with the Greek State, the general framework of the contract is expected to be formed in the second half of 2018, as the existing one expires in October 2019.

EYDAP SA has prioritized the transition towards digital transformation.

In the context of modernizing the company, supporting innovation and promoting the strategic direction of its digital development, EYDAP has already launched, among others, the following:

- Data Governance as the main pillar for the company's Digital Transformation and the utilization of corporate data through large data analysis within Big Data systems.
- Research on the use of advanced Engineering Learning & Artificial Intelligence techniques.
- Strengthening extroversions by proposing and bridging actions and strategies between public-private actors, universities and independent authorities with the digital transformation of the Company as top priority.

MAJOR RISKS AND UNCERTAINTIES FOR THE 1ST HALF 2018

The Company manages its capital in such way in order to meet its objectives as these are mentioned in paragraph 4a of article 1 of Law 2744/99. In addition, according to paragraph 8 of the same article the placement of its fixed real estate assets used for water supply and sewerage purposes as collateral is prohibited. It is noted that according to article 5 of the same law there is no provision for compulsory administration of the assets of EYDAP used for water supply and sewerage purposes.

In the current period, the Company did not proceed with the signing of any bank liability either long-term or short-term. Following its listing on the Athens Exchange in 2000 and until 2013, the Company held mainly short-term debt, in order to meet its operating needs due to the fact that it had not collected payments for water supply bills from certain municipalities and other public entities.

The Company maintains sufficient capital in order to serve its business objectives and to apply the appropriate dividend policy.

(a) Credit Risk

The Company's exposure with respect to the credit risk it is eliminated to the financial assets which at the reporting date of the Financial Statements are analyzed as follows:

Financial Assets categories	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	31.12.2017
Available for sale financial assets	-	3.659	-	3.659
Financial Assets at fair value through other total income	2.332	-	2.332	-
Cash and cash equivalents	322.075	294.921	321.090	293.920
Trade and other receivables and Conventional Assets	203.056	237.299	203.011	237.252
Long-term receivables	13.622	19.034	13.622	19.034

Investments in subsidiaries	0	0	1.210	1.210
Total	541.085	554.913	541.265	555.075

Trade and other receivables include receivables from private customers which carry a relatively low level of loss risk mainly because of the extensive dispersion of claims, while for the receivables from Local Governments (OTA), the Company examines the possibility of collecting the respective due amounts through contract agreements (management of networks and settlements) or based on legislative arrangements.

The Group and the Company have revised the methodology for measuring the impairment of financial assets in accordance with IFRS 9. IFRS 9 replaces the provisions of IAS 39 relating to the recognition, classification and measurement of financial assets and financial liabilities, the de-recognition of financial instruments, the impairment of financial assets and the hedge accounting policy. The application of IFRS 9 "Financial Instruments" as of January 1, 2018 results in a change in the accounting policy and adjustments to the financial statements. The initial application from the effect of the new impairment policy is recognized as an adjustment to the opening balance of retained earnings as at 1 January 2018 and does not affect the items of the statement of financial position as at 31 December 2017 (Note 29).

The effect of applying the new model to "retained earnings" as a consequence of the new methodology is illustrated as follows:

Amounts in thousands euro	Notes	Group	Company
Retained earnings 31.12.2017 - IAS 39/IAS 18		458.503	458.666
Increase in the provision for impairment of receivables and conventional assets		(37.954)	(37.954)
Total impact from reclassification of equity investments		12.827	12.827
Total adjustments IFRS9		(25.127)	(25.127)
Retained earnings on 1.1.2018 - IFRS 9 before adjustment from IFRS 15		433.376	433.539

It is noted that the application of IFRS 9 has reassessed all of the Company's trade receivables. The cash and cash equivalents are subject to an impairment test in accordance with the requirements of IFRS 9 and the estimated impairment loss is not material. Credit risk management is carried out by concentrating most of the Company's cash available at the Bank of Greece and restricting the exposure to other domestic credit institutions (mainly Systemic Banks). The higher percentage of its cash available (around 60%) is in the Bank of Greece.

The Department of Revenue & Trade Receivables Management, as well as the Department of Special Customers Management, continuously monitor the claims of the Company, either separately or based on groups (invoice codes, customer categories) and incorporate this information into the credit risk control procedure.

With regard to credit risk management, the Department of Collection Enforcement of the Legal Services Division reviews on constant basis and settles via judicial procedures (LD 356/1974 «Code for the Collection of Public Revenues») overdue receivables concerning water supply, utilization rights and property connection rights from retail customers and local government authorities (OTA).

None of the financial assets has been placed as collateral or in any other form of credit insurance.

Correspondingly, the Company has not ceded any financial instruments of the Assets in the form of guarantee to any third parties.

(b) Liquidity Risk

The liquidity risk is being managed by the preservation of sufficient cash available and by the assurance of bank credits for use. There is no liquidity risk due to the existence of sufficient cash reserves which can cover the current operating and investment needs.

(c) Market Risk

Market risk is related to the Company's equity portfolio, which is a long-term, strategic investment and as a result is limited to pre-defined Position Limits.

(d) Relations with Greek State

With a joint ministerial decision of 03.12.2013 which was issued according to the above law provisions, it was defined that the overdue amounts payable to the Company from the Greek State concerning investment plan's subsidized expenditures of € 294 million for the decade 2000 – 2010 as stipulated from the agreement of 09.12.1999 between the Greek State and the Company, were offset with equivalent in value non tax related amounts payable to the Greek State from the Company, until 30.6.2013, concerning the cost of the collected crude water for the period 25.10.2004 – 30.6.2013. With the same joint ministerial decision, the other claims until 30.06.2013 between the Greek State and EYDAP SA were also settled and amortized. With the decision of the Extraordinary General Shareholders' Meeting on 27th December 2013, the above ministerial decision was accepted.

On the other hand, the signing of a written agreement - as it is defined in the article 15 of the agreement on 09.12.1999 between the Greek State and the Company - which will determine the price paid to "L.E.P.L. EYDAP Fixed Assets" for the crude water collected is pending from the year 2004. In absence of a written agreement, the Company continues, after 30/06/2013, to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "L.E.P.L. EYDAP Fixed Assets" (Note 27), affecting accordingly its financial results.

Changes in the pricing of water and sewerage services will stem from the application of JMD 135275 (No. 3, par. 9), GG 1751 / 22.05.2017 "Approval of general Costing and Pricing Rules of water services. Method and procedures for recovering the cost of water services in its various uses". At the current phase it is not possible to estimate any potential impact stemming from this process on the up to now applied policy by the Company.

(e) Risks due to capital controls in Greece

With the Act of Legislative Content on 28th June 2015, Greek banks were placed in a holiday status and capital controls were imposed. The bank holiday ended on 20th July 2015. The capital controls have been gradually relaxed, but on the other hand a significant part of these controls remains in effect. Due to the special nature and inelasticity of the product, its demand is not affected by the imposed capital controls, therefore the relevant financial developments in Greece have not affected the cash collections, payments and turnover of the Company.

(f) Regulatory risk

On May 22, 2017, the Joint Ministerial Decision published in GG B 1751, had as its subject: "Approval of general rules for the costing and pricing of water services. Method and procedures for recovering the cost of water services in its various uses". EYDAP SA examines the application of the general rules for the costing and pricing of water services in accordance with the aforementioned Joint Ministerial Decision.

From the preliminary examination of the Joint Ministerial Decision by the Company, issues have emerged for clarification concerning:

- The price of raw water, as a basic cost element,
- The environmental costs and the resource costs per cubic meter of water as this will be communicated to the Company by 31 October 2018 by the Directorate of Waters of Decentralized Management,
- The opportunity cost of the invested capital and, in particular, the reasonable annual return on the private venture capital used,

By a Joint Ministerial Decision, issued on 03.12.2013, it was decided that the Greek State's obligations to the Company from subsidized investment project expenditures for the period 2000-2010, resulting from the Greek Government's agreement with the Company of 09.12.1999, approximately of 294 million, are amortized with the Company's non-tax liabilities of equal value towards the Greek State, which relate to the cost of the non-refined water supplied to the Company for the period 25.10.2004-30.06.2013.

However, it is still pending from 2004 the conclusion of a written agreement as defined in article 15 of the contract of 09.12.1999 between the Greek State and the Company, which will determine the price of the collected crude water. In the absence of a written agreement, the Company continues to offset, even after 30.06.2013, the price of the collected crude water with the maintenance and operation services that it provides for the fixed assets that belong to the company " EYDAP L.E.P.L. ", burdening its results.

Until the date 31.12.2018, when the invoice approved by GG 3188B / 16.12.2013 will be effective, no issue arises regarding the Company's burden with any price for the collected crude water. Such a fact would lead to an increase of the price of water and create an additional charge for citizens.

RELATED PARTY TRANSACTIONS (GROUP & COMPANY)

There are no essential changes in the nature of transactions regarding the related parties as compared to the annual financial statements.

A) Transactions and Amounts Outstanding with Members of the Board

<i>Amounts in € thousands</i>	30.06.2018	30.06.2017
Fees (Chairman & CEO, and Executive Directors)	57	57
Fees & attendance expenses of BoD members	116	40
Total	<u>173</u>	<u>97</u>

B) Transactions and amounts outstanding with the Greek State and the Municipalities

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
1) Transactions				
- Income	25,056	27,879	25,056	27,879
- Cost of Goods Sold (cost of construction works)	-	247	-	247
2) Outstanding amounts	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Long-term receivables (Projects for the Greek State)	-	4,297	-	4,297
Effect due to adoption of IFRS 15 (01.01.2018)	-	(4,297)	(4,297)	(4,297)
Long-term customer receivables (Arrangements for Municipalities)	9,068	12,961	9,068	12,961
Customer receivables (Municipalities, Greek State)	54,662	53,286	54,662	53,286
Receivable from Islands' EYDAP	-	-	24	24
Other receivables (from the Greek State for deficit coverage and staff indemnities)	258	258	258	258

The transactions with the Greek State and the Local Government Authorities concern revenues of water supply, invoiced and accrued, as well as accrued income from the construction cost for the account of Ministry of Infrastructure & Transport and "EYDAP Fixed Assets L.E.P.L."

Galatsi, 26 September 2018

The members of the Board of Directors

Name	Position
Konstantinos Papadopoulos	Chairman of the BoD, Member
Ioannis Benisis	Chief Executive Officer, Executive Member
Konstantinos Vafeiadis	Executive Member
Ioannis Kardaras	Member
Alexandros Pouliasis	Independended Member
Georgios Makrynos	Member
Nikolaos Sarantis	Member
Michail Stavroulakis	Independent Member
Georgios Chalambalakis	Member
Panayotis Skoylarikis	Member
Christos Mistriotis	Member
Emmanouel Aggelakis	Member
Georgios Alexandrakis	Member

Exact Copy of No. 1287
Minutes of the Board of Directors of 26th September 2018

The Chief Executive Officer

Ioannis Benisis

3. INTERIM CONDENSED FINANCIAL STATEMENTS

**OF THE PERIOD 1 JANUARY TO 30 JUNE 2018
IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (I.F.R.S.)
OF THE GROUP AND E.YD.A.P. SA (THE COMPANY)**

DOMICILE: 156 OROPOU ST. – GALATSI, ATHENS, GREECE
SOC. ANON. REG. NO. 44724/06/B/99/52
GEMI NO. 121578960000

CONTENTS

- General Information for the Company
- Interim Statement of Income for the period ended on 30th June 2018 & 2017
- Interim Statement of Total Comprehensive Income for the period ended on 30th June 2018 & 2017
- Interim Statement of Financial Position of 30th June 2018 & 31st December 2017
- Interim Statement of Changes in Shareholders' Equity of 30th June 2018 & 2017
- Interim Cash Flow Statements of 30th June 2018 & 2017
- Notes on the Semi-Annual Financial Statements for the period ended on 30th June 2018

The present Condensed Interim Financial Statements of the Company, pages 31-54, were approved during the meeting of the Company's Board of Directors on 26 September 2018 and were signed, on mandate by the Board of Directors, from the following:

Athens, 26 September 2018

The Chairman of the Board of
Directors

The Chief Executive Officer

The Director of Financial Services

The Head of Accounting
Department

Konstantinos Ant. Papadopoulos
ID No. Π 720446

Ioannis Emm. Benisis
ID No. AB 521661

Lemonia Mark. Skylaki
ID No. Ξ 971227
Economic Chamber of Greece
Accounting License Reg. No.
A/17806

Dimitra Vas. Zarkadoula
ID No. AB 253061
Economic Chamber of Greece
Accounting License Reg. No.
A/112285

GENERAL INFORMATION FOR THE COMPANY

Company Name:	Athens Water Supply and Sewerage Company S.A.
Distinctive Title:	EYDAP S.A.
Domiciliation:	156 Oropou St. – Galatsi
Date of Establishment:	25.10.1999
Company Duration:	100 years
Main Activity:	Water Supply - Sewerage
G.E.MI. (Greece's General Electronic Commercial Registry) Number	121578960000
Pertinent Ministry:	Infrastructure and Transport
Tax Registration Number:	094079101
Members of the Board of Directors:	K. Papadopoulos, I. Benisis, K. Vafeiadis, I. Kardaras, A. Pouliasis, G. Makrinos, G. Chalambalakis, M. Stavroulakis, N. Sarantis, P. Skoularikis, Ch. Mistriotis, Emman. Aggelakis, G. Alexandrakis
Ending Date of the Current Period:	30 June 2018
Duration of the Period:	6 months
Form of Financial Statements (which have been the basis in compiling the condensed financial statements):	Condensed – First Half of the Year
Date of Approval of Financial Statements (which have been the basis in compiling the condensed financial statements):	26 September 2018
Chartered Auditors Accountants:	Efstratios Papparidis SOEL Reg. No. 14351 Dimitrios Stavrou SOEL Reg. No. 14791
Auditing Firm:	«S.O.L.» S.A. CERTIFIED PUBLIC ACCOUNTANTS SOCIETE ANONYME SOEL REG. NUMBER 125
Audit Report on the Semi-Annual Financial Statements from Chartered Auditor Accountant:	UNQUALIFIED OPINION - Includes Emphasis of Matter
Internet address where the Financial Statements are registered:	www.eydap.gr

INTERIM STATEMENT OF INCOME

GROUP	NOTES	GROUP		COMPANY	
		30.06.2018	30.06.2017	30.06.2018	30.06.2017
<i>Amounts in € thousands</i>					
Turnover	5	153,426	151,776	153,416	151,776
Cost of Goods Sold	5	(92,215)	(94,258)	(92,215)	(94,258)
Gross Profit		61,211	57,518	61,201	57,518
Other Operating Income		1,611	1,553	1,611	1,553
General and Administration Expenses	5	(28,991)	(35,372)	(28,965)	(35,345)
Distribution and Selling Expenses	5	(14,184)	(12,961)	(14,184)	(12,961)
Impairment of Financial Assets	5	(1,450)	-	(1,450)	-
Operating Profit		18,197	10,738	18,213	10,765
Other Expenses		(770)	(372)	(770)	(372)
Financial Income		8,942	10,126	8,940	10,125
Financial Expenses		(326)	(240)	(326)	(240)
Profit before Taxes	5	26,043	20,252	26,057	20,278
Income Tax	6	(8,144)	(8,382)	(8,144)	(8,382)
Net Profit after Taxes	5	17,900	11,870	17,913	11,896
Number of Shares		106,500	106,500	106,500	106,500
Earnings per Share for the Period (in €)	7	0.17	0.11		

INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME

	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
<i>Amounts in € thousands</i>				
Net Profit for the Year	17,900	11,870	17,913	11,896
Valuation of financial assets at fair value through the other comprehensive income	(925)	4,530	(925)	4,530
Total Comprehensive Income after Taxes	16,975	16,400	16,988	16,426

The Company applied the IFRS 9 and IFRS 15 by recognizing their entire effect in the account "Retained Earnings" (earnings carried forward) without the adjustment of the comparative items of year 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

INTERIM STATEMENT OF FINANCIAL POSITION

<i>Amounts in € thousands</i>	NOTES	GROUP		COMPANY	
		30.06.2018	31.12.2017	30.06.2018	31.12.2017
ASSETS					
NON-CURRENT ASSETS					
Goodwill		3,357	3,357	3,357	3,357
Other Intangible Assets	9	1,009	1,026	1,009	1,026
Tangible Assets	9	839,147	852,522	839,147	852,520
Investments in Subsidiaries	16	-	-	1,210	1,210
Investments Available for Sale	17	-	3,659	-	3,659
Financial assets at fair value through the other comprehensive income	17	2,332	-	2,332	-
Long-term Assets	10	13,622	19,034	13,622	19,034
Deferred Tax Assets	18	97,716	104,685	97,716	104,685
Total Non-Current Assets		957,183	984,283	958,393	985,491
CURRENT ASSETS					
Materials and Spare Parts	11	11,237	10,940	11,237	10,940
Trade Receivables & Contractual Assets	12	182,434	215,971	182,423	215,955
Other Receivables	13	20,622	21,328	20,588	21,297
Current Tax Receivables	6	-	5,178	-	5,178
Cash and Cash Equivalents		322,075	294,921	321,090	293,920
Total Current Assets		536,368	548,338	535,338	547,290
Total Assets		1,493,551	1,532,621	1,493,731	1,532,781
LIABILITIES					
SHAREHOLDERS' EQUITY					
Share Capital	19	63,900	63,900	63,900	63,900
Share Premium		40,502	40,502	40,502	40,502
Reserves		365,371	379,123	365,371	379,123
Retained Earnings (earnings carried forward)	21	448,751	458,503	448,926	458,666
Total Shareholders' Equity		918,524	942,028	918,699	942,191
LONG TERM LIABILITIES					
Liabilities for Employee Benefits	20	302,986	301,006	302,986	301,006
Provisions	22	47,042	35,245	47,042	35,245
Investment Subsidies		146,894	183,187	146,894	183,187
Consumers' Guarantees		18,437	18,387	18,437	18,387
Total Long-Term Liabilities		515,359	537,825	515,359	537,825
SHORT-TERM LIABILITIES					
Operating Short Term Liabilities	14	40,561	38,889	40,557	38,882
Current Tax Liabilities	6	4,966	-	4,966	-
Other Short Term Liabilities	15	14,141	13,879	14,150	13,883
Total Short-Term Liabilities		59,668	52,768	59,673	52,765
Total Equity & Liabilities		1,493,551	1,532,621	1,493,731	1,532,781

The Company applied the IFRS 9 and IFRS 15 by recognizing their entire effect in the account "Retained Earnings" (earnings carried forward) without the adjustment of the comparative items of year 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

GROUP

2018	Share Capital	Share Premium	Legal Reserve	Other Reserves	Securities' Reserves	Results (profit) carried forward	Total Equity
<i>Amounts in € thousands</i>							
Equity Balance at 31st December 2017	63,900	40,502	22,207	355,765	1,151	458,503	942,028
Adjustment due to adoption of IFRS 9	-	-	-	-	(12,827)	(25,127)	(37,954)
Adjustment due to adoption of IFRS 15	-	-	-	-	-	18,774	18,774
Balance at 1st January 2018	63,900	40,502	22,207	355,765	(11,676)	452,151	922,849
Net Profit for the Period						17,900	17,900
Net income recorded directly in Equity					(925)		(925)
Dividends						(21,300)	(21,300)
Equity Balance at 30 JUNE 2018	63,900	40,502	22,207	355,765	(12,601)	448,751	918,524
2017							
<i>Amounts in € thousands</i>							
Equity Balance at 1st January 2017	63,900	40,502	22,207	355,765	502	421,890	904,766
Net Profit for the Period						11,870	11,870
Net income recorded directly in Equity					4,530		4,530
Dividends						(11,715)	(11,715)
Equity Balance at 30 JUNE 2017	63,900	40,502	22,207	355,765	5,032	422,045	909,451

The Company applied the IFRS 9 and IFRS 15 by recognizing their entire effect in the account "Retained Earnings" (earnings carried forward) without the adjustment of the comparative items of year 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

COMPANY

2018							
	Share Capital	Share Premium	Legal Reserve	Other Reserves	Securities' Reserves	Results (profit) carried forward	Total Equity
<i>Amounts in € thousands</i>							
Equity Balance at 31st December 2017	63,900	40,502	22,207	355,765	1,151	458,666	942,191
Adjustment due to adoption of IFRS 9	-	-	-	-	(12,827)	(25,127)	(37,954)
Adjustment due to adoption of IFRS 15	-	-	-	-	-	18,774	18,774
Balance at 1st January 2018	63,900	40,502	22,207	355,765	(11,676)	452,313	923,011
Net Profit for the Period						17,913	17,913
Net income recorded directly in Equity					(925)		(925)
Dividends						(21,300)	(21,300)
Equity Balance at 30 JUNE 2018	63,900	40,502	22,207	355,765	(12,601)	448,926	918,699
2017							
	Share Capital	Share Premium	Legal Reserve	Other Reserves	Securities' Reserves	Results (profit) carried forward	Total Equity
<i>Amounts in € thousands</i>							
Equity Balance at 1st January 2017	63,900	40,502	22,207	355,765	502	422,003	904,879
Net Profit for the Period						11,896	11,896
Net income recorded directly in Equity					4,530		4,530
Dividends						(11,715)	(11,715)
Equity Balance at 30 JUNE 2017	63,900	40,502	22,207	355,765	5,032	422,184	909,590

The Company applied the IFRS 9 and IFRS 15 by recognizing their entire effect in the account "Retained Earnings" (earnings carried forward) without the adjustment of the comparative items of year 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

INTERIM CASH FLOW STATEMENT

	GROUP		COMPANY	
	1.1-30.06.2018	1.1-30.06.2017	1.1-30.06.2018	1.1-30.06.2017
<i>Amounts in € thousands</i>				
Cash Flows from operating activities				
Profit before tax	26,043	20,252	26,057	20,278
Plus / minus adjustments for:				
Depreciation and amortization	22,490	22,299	22,490	22,299
Amortization of investment subsidies	(3,204)	(3,650)	(3,204)	(3,650)
Income from securities	(59)	(60)	(59)	(60)
Provisions for personnel compensation	988	1,165	988	1,165
Other provisions	11,254	(1,830)	11,254	(1,830)
Interest and related income	(8,883)	(10,065)	(8,881)	(10,065)
Interest and related expense	326	240	326	240
Plus / minus adjustments for changes in working capital accounts or related to operating activities:				
(Increase) Decrease				
Trade receivables & Contractual Assets	7,274	1,648	7,270	1,653
Materials and spare parts	(57)	641	(57)	641
Increase (Decrease)				
Operating short term liabilities	(7,996)	2,227	(7,990)	2,229
Customers' guarantees	50	49	50	49
Employee contribution for indemnity	992	911	992	911
<i>Plus:</i>				
Incremental increases on customer receivables	3,128	1,921	3,128	1,921
<i>Minus:</i>				
Interest and related expenses paid	(117)	(61)	(117)	(61)
Income tax paid	(206)	(147)	(206)	(147)
Total Cash Inflows / (Outflows) from Operating Activities (a)	52,023	35,540	52,041	35,573
Cash flows from investing activities				
Dividends received	59	60	59	60
Interest and related income received	4,174	3,508	4,172	3,508
Purchases of tangible assets	(8,384)	(5,221)	(8,384)	(5,220)
Purchases of intangible assets	(715)	(196)	(715)	(196)
Proceeds from subsidies	170	744	170	744
Total Cash Inflows / (Outflows) from Investing Activities (b)	(4,696)	(1,105)	(4,698)	(1,104)
Financing activities				
Dividends paid	(20,173)	(50,125)	(20,173)	(50,125)
Total Cash Inflows / (Outflows) from Financing Activities (c)	(20,173)	(50,125)	(20,173)	(50,125)
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	27,154	(15,690)	27,170	(15,656)
Cash and Cash Equivalents at the beginning of period	294,921	280,544	293,920	279,471
Cash and Cash Equivalents at the end of period	322,075	264,854	321,090	263,815

The Company applied the IFRS 9 and IFRS 15 by recognizing their entire effect in the account "Retained Earnings" (earnings carried forward) without the adjustment of the comparative items of year 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

NOTES ON THE INTERIM CONDENSED SEMI-ANNUAL FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company "Athens Water Supply and Sewerage Company S.A." with distinctive title EYDAP SA ("EYDAP", or the "Company") was established in 1980 (L.1068/80) following the merger between the Hellenic Water Company of the cities of Athens – Piraeus and peripheral areas, and the Sewerage Organization of Athens.

The Company's Headquarters are located at 156 Oropou Street, Galatsi, postal code 111 46, Athens, Greece.

The Company operates in the sector of supply and refinement of water, providing as well sewerage services and waste management in region of Attica. In accordance with its Articles of Association, where the operation clauses are referred, EYDAP is responsible for the analysis, construction, establishment, operation, exploitation, maintenance, expansion and modernization/renewal of water supply and sewerage installation and networks, within its area of responsibility. The activities of EYDAP also include the ability to use water supply and sewage networks in addition to the development of telecommunication and energy activities.

The legal duration of EYDAP is set to 100 years commencing as of 25th of October 1999, date at which the Law 2744/1999 was published. The aforementioned period can be expanded by an individual resolution of the General Assembly.

EYDAP has the exclusive right to provide supply and distribution of water and sewerage services in the Attica region for 20 years commencing as of the date on which the L 2744/1999 was published in the Government Gazette. This exclusive right is not transferable and it can be renewed following a written agreement between the Greek State and the Company. The signing process of a new Agreement is under progress, so that the above right is renewed for another 20-year period.

The business activity of EYDAP, as it was amended by the article 68 of Law 4313/2014, is extended into the municipalities of the Attica Periphery, as these are defined in the field h' of paragraph 3 of article 3 of Law 3852/2010, apart from the municipalities of Aigina, Troizinia, Kythira, Agkistri, Spetses, Hydra and Poros of the Peripheral Unity of Islands of the Attica Periphery.

By the article 35 par.2 of Law 4053/2012, EYDAP is enabled through its subsidiaries to undertake as well activities outside of its jurisdiction, stipulated by the Law 1068/80 as effective through programmatic contracts of the article 100 of the law 3852/2010. In this case the subsidiaries are governed by the same legal and regulatory framework as effective for EYDAP with the exception of the tariffs policy which is defined by the programmatic contracts. EYDAP S.A. established in July 2011 (Gov. Gaz. Issue of societate anonyms and limited partnerships 6773/19.07.2011, BoD Decision no. 17241/13.05.2011), a company under the name "ISLANDS' WATER SUPPLY & SEWERAGE SOCIETATE ANONYME" with the distinctive title "ISLANDS' EYDAP S.A.". EYDAP S.A. participates with 100% in the share capital of ISLANDS' EYDAP S.A.. As a result, the Company prepares Consolidated Financial Statements since the financial year 2011. By the decision on 21/09/2017 of the shareholders' Extraordinary General Assembly of the societate anonyime, the company name has been changed to "ISLANDS WATER SUPPLY AND SEWERAGE S.A. DEVELOPMENT" and with the distinctive title "ISLANDS' EYDAP DEVELOPMENT SA".

Pursuant to Law 4389/2016 article 184, the societate anonyime under the name "Hellenic Holding and Property Company SA" (EESYP SA) was incorporated, governed by the provisions of this law and in addition by the provisions of c.l. 2190/1920. EESYP SA does not belong to the state or to the wider public sector, as it is defined each time.

Pursuant to article 197 of Law 4389/2016 and Annex E, which is an integral part of the law, the total shares of the Hellenic State's ownership in EYDAP SA are transferred automatically and without consideration to EESYP.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

In particular, on March 21, 2018, (50% + 1 shares) of EYDAP SA were transferred from the Greek State to the "Hellenic Holding and Property Company SA" (EESYP SA) pursuant to paragraph 20 Article 380 of Law 4512/2018, replacing paragraph 1 of Article 197 of Law 4389/2016 with effect from 01.01.2018. The Greek State fully controls (by 100%) the company EESYP SA.

The Company's shares are listed on the Athens Exchange, Greece.

2. BASIS OF PREPARATION

The semi-annual financial statements are condensed and have been prepared in accordance with the International Accounting Standard (IAS) 34, "Interim Financial Reporting".

3. ADOPTION OF NEW AND REVISED INTERNATIONAL STANDARDS

New standards, amendments to existing standards and interpretations have been issued and their application is mandatory for annual periods beginning on or after 1 January 2018. The impact of the application of these new standards, amendments and interpretations is presented below:

Standards and Interpretations mandatory for the current financial year 2018

IFRS 9 "Financial Instruments"

The IFRS 9 was issued on 24 July 2014 includes the classification and measurement, the impairment and the hedge accounting and superseded the IAS 39 and all the previous versions of the IFRS 9. The impact from the application of the above standard from 1 January 2018 is set out in note 28.

IFRS 15 "Revenue from Contracts with Customers"

The IFRS 15 "Revenue from Contracts with Customers" was issued on 28 May 2014 and is the new standard referring to revenue recognition and including also the amendments to the standard issued on 11 September 2015 is mandatory for annual periods beginning on or after 1 January 2018.

The IFRS 15 supersedes the IAS 18 "Revenue", IAS 11 "Construction contracts" and the interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31. The impact from the application of the above standard is set out in note 29.

IFRIC 22 Interpretation "Foreign currency transactions and Advance consideration"

The Interpretation 22 clarifies the accounting for foreign currency transactions including the receipt or the payment of consideration in advance.

IAS 40 "Investment Property" Transfer of Investment Property

The amendments to IAS 40 issued by the IASB on 8 December 2016 clarify that an entity can transfer a property to, or from investment properties, when and only when, there is evidence of a change in use.

IFRS 2 Share-based Payment (Amendment) "Classification and Measurement of Share-based Payment"

The amendment to IFRS 2 "Share-based Payment" clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled.

Standards and Interpretations mandatory for subsequent periods that have not been earlier applied by the Company and the Group

IFRS 16 "Leases"

On 13 January 2016 the International Accounting Standards Board (IASB) issued the IFRS 16 which supersedes the IAS 17. Purpose of the standard is to ensure that lessors and lessees provide useful information that presents fairly the substance of the transactions concerning leases. The IFRS 16 introduces a single lessee accounting model on lessee's side, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. For the accounting, on the lessor's side, the IFRS 16 substantially incorporates the requirements of the IAS 17. Consequently, lessors continue to classify leases as operating or finance, and follow different lessor accounting for each type of contract. The new standard is applicable for annual periods beginning on or after 1 January 2019 and was approved by the European Union on 31 October 2017.

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

The Company is in the process of assessing the impact of IFRS 15, since the application of this standard in the future may have an impact on its financial statements.

IFRS 9 (Amendment) “Financial Instruments - Prepayment features with negative compensation”

On 12 October 2017 the IASB issued an amendment to IFRS 9 that allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract to be measured at amortized cost or at fair value through other comprehensive income.

The amendment is applicable for annual periods beginning on or after 1 January 2019 and was approved by the European Union on 22 March 2018. The amendment is expected to have a material impact on the financial statements of the Company (and/or the Group).

Standards and Amendments to existing Standards that have not been approved by the E.U.:

IFRS 17 “Insurance Contracts”

The new standard is applicable for annual periods beginning on or after 1 January 2021.

IFRIC 23 Interpretation “Uncertainty over Income Tax Treatments”

IFRIC 23 is applicable for annual periods beginning on or after 1 January 2019.

Annual Improvements to IFRSs 2015-2017 Cycle

On 8 December 2017 were issued by the IASB the following amendments of the 2015 - 2017 Cycle, to the following standards, which are applicable for annual periods beginning on or after 1 January 2019 and have not yet been approved by the European Union. The amendments are not expected to have a material impact on the financial statements of the Company.

IFRS 3 Business Combinations and IFRS 11 Joint Arrangements

IAS 12 Income Taxes

IAS 23 Borrowing Costs

IAS 28 (Amendment) “Long-term Interests in Associates and Joint Ventures”

IAS 19 (Amendment) “Employee Benefits - Plan Amendment, Curtailment or Settlement”

Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018)

On 29 March 2018 the International Accounting Standards Board (IASB) issued the revised conceptual framework which includes:

- the objective of financial reporting,
- the qualitative characteristics of useful financial information,
- the definitions of an entity’s assets, liabilities, equity, income and expenses,
- the criteria for recognition and guidance on de-recognition of assets and liabilities in the financial statements
- the measurement bases and guidance about the way they should be used and,
- concepts and guidance on presentation and disclosure.

The purpose of the conceptual framework’s revision is to help preparers of financial statements to develop consistent accounting policies for transactions or other areas that are not covered by a standard or where there is choice of accounting policy. Also, the revision’s purpose is to assist all parties to understand and interpret IFRS.

The International Accounting Standards Board (IASB) has also issued a complementary document, Amendments to References to the Conceptual Framework in IFRS Standards, which contains amendments to the standards that are affected in order to update the references to the revised conceptual framework.

The amendment is applicable by preparers developing accounting policies by reference to the conceptual framework, for annual periods beginning on or after 1 January 2020.

4. ACCOUNTING PRINCIPLES

The interim condensed semi-annual financial statements have been prepared according to the historical cost principle, with the exception of the revaluation of certain financial assets.

The basic accounting principles and the significant accounting judgments followed and / or made by the Management are the same with the ones applied in the annual financial statements of the Company for the fiscal year ended on 31st December 2017, except for the adoption of the new and revised financial reporting standards. The note 28 describes the effect from the application of IFRS 9 and the note 29 presents the impact from the adoption of IFRS 15 on the financial statements of the Group and the Company as well as the new accounting policies which were applied in the current interim period.

The interim condensed semi-annual financial statements of the Company do not include all the information required in the case of the annual financial statements, and therefore should be examined in conjunction with the annual audited, by the Certified Auditors Accountants, financial statements of 31 December 2017, which are available at the Company's website www.eydap.gr.

Basis of Consolidation

The interim condensed semi-annual financial statements of the current period as well as of the previous period include the Parent Company and its subsidiary company "ISLANDS' EYDAP DEVELOPMENT SA".

The annual Financial Statements audited by the Certified Auditors of the subsidiary company ISLANDS' EYDAP DEVELOPMENT SA" have been published on the internet at the address www.eydapnison.gr.

Subsidiaries are all the companies which are managed and controlled directly or indirectly by the parent company either through the majority holding of the companies' shares to which the investment has been made or through their dependency on the know-how which is provided to them by the Group. Subsidiaries' financial statements are included in the consolidated financial statements from the date of control accession until the date that the control ceases to exist.

During the acquisition of the subsidiary the respective receivables, liabilities as well as any potential liabilities are assessed at their fair value. In case that the cost value is greater than the fair value, the respective difference is recognized as goodwill. At the opposite case, where the cost value is lower than the fair value, the respective difference is credited in the financial results of the acquisition year. Minority interests are displayed at the proportion of the minority at the fair value of the assets and liabilities at which they have been recognized.

Subsidiaries' acquisitions are recognized under the purchase method. The subsidiaries' financial results which are either acquired or sold during the fiscal year, they are included in the respective consolidated statements from their acquisition date or the date of their disposal, respectively.

When is deemed necessary, subsidiaries' financial statements are restated in order for the data to be homogeneous and comparable with the respective data of the remaining companies of the Group. During the consolidation all the intra-group transactions and balances as well as the losses and gains between the companies of the Group are eliminated.

In the Company's financial statements, participations in subsidiaries and affiliates are displayed at their cost value deducted by any impairment of their value. The Company examines on a yearly basis or whenever there is any indication for impairment occurrence the accounting value of the aforementioned participations compared to the retrieval value on the basis of the higher value between fair value less cost to sell and the value in use.

5. RESULTS FOR THE PERIOD

REVENUES

The Company's turnover increased by € 1.6 million approximately mainly due to the following:

The increase of:

- Revenues from water supply.
- Revenues from sewerage services.

COST OF GOODS SOLD

The cost of goods sold decreased by € 2.1 million approximately in comparison with the respective period of the previous year.

This change is mainly due to the following:

- The non-formation of provision concerning the non-granted license in the current period as compared to the previous period. The item in the comparative period had amounted to € 2.2 million approximately.
- The reduction in provision concerning future claims of employees by an amount of € 3 million approximately.

- *The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements*

- The reclassification that was performed following the adoption of IFRS 9 according to which the provision for doubtful trade receivables in the current period amounted to € 1,450 thousand and is depicted separately in the item “Impairment of Financial Assets” in the Statement of Income. In the previous comparative period, the corresponding item had settled at € 2.5 million approximately and was included in the Cost of Goods Sold.
- The increase in the provisions for litigation cases by an amount of € 4.5 million approximately.
- The higher third party fees and expenses by an amount of € 0.9 million respectively.

GENERAL AND ADMINISTRATION EXPENSES

The general and administration expenses of the Company decreased by € 6.4 million approximately and the distribution expenses increased by € 1.2 million approximately in comparison with the respective period of the previous year. This change is mainly due to the following:

The decrease of:

- The non-formation of the non-granted license by an amount of € 1.0 million approximately.
- The provision concerning future claims of employees as well as the settlement of litigation cases by an amount of € 2.5 million approximately.
- The provisions regarding various expenses and taxes-duties by an amount of € 1.2 million approximately.

It is noted that in the current period, general personnel expenses affected the duties of each employee and as a result there were changes among operating areas and responsibilities.

PROFIT BEFORE TAXES

After the effect deriving from the above and the financial results (lower financial income by € 1.2 million approximately), mainly due to the settlement of overdue amounts payable to the Company from municipalities, profit before taxes of the Company settled at € 26.1 million approximately versus € 20.3 million approximately in the respective period of the previous year.

NET PROFIT AFTER TAXES

Net profit after taxes of the Company settled at € 17.9 million approximately versus € 11.9 million approximately in the respective period of the previous year.

BUSINESS SEGMENTS

The major business activities of the Company (water supply services, sewerage services and other services), are not subject to different risks and returns. Therefore, the Company did not proceed with any disclosures concerning the business segments. It is noted that the Company activates in single geographic location (the main area of Attica). The policy and the decision making process are unified for the entire spectrum of the Companies’ activities.

6. INCOME TAX

The income tax of the current year represents the sum of the current income tax and the deferred taxation, and is analyzed as follows:

<i>Amounts in € thousands</i>	30.06.2018	30.06.2017
Income Tax	10,348	6,885
Provision for unaudited period’s income tax and audit differences concerning previous period’s tax compliance	-	1,341
Deferred Taxation	(2,204)	156
Total	8,144	8,382

The income tax during the current period derived as follows:

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Profit before taxes	26,043	20,252	26,057	20,278
Income tax calculated with the tax rate in effect (29%)	7,552	5,873	7,557	5,881
Provision for unaudited period's income tax and audit differences concerning previous period's tax compliance	-	1,341	-	1,341
Tax on permanent and non deductible expenses	592	1,168	587	1,160
Total	8,144	8,382	8,144	8,382

Current Tax Liability

In the first half of 2018, the total income tax liability amounts to € 4,966 thousand approximately and is analyzed as follows:

<i>Amounts in € thousands</i>	
Balance as at 01.01.2018 (Income tax receivable from previous years)	(5,178)
Current income tax for the first half of 2018	10,348
Withheld Taxes	(204)
Total income tax liabilities 30.06.2018	4,966

The Company submitted the income tax statement for the tax year 2017 to the pertinent tax authority (the tax advance payment inclusive) and the relevant tax was verified for an amount of € 16 million approximately. The above amount is payable by the Company in five monthly installments with the last one being payable on 31.12.2018.

It is also noted:

Tax unaudited years: The company has been audited by the tax authorities until the fiscal year 2010. The fiscal years 2011 until 2013 and 2014 until 2016 are subject to the tax audit of the Certified Auditors Accountants according to the clauses of the article 82, paragraph 5 of Law 2238/1994 (as it was amended by the article 21, paragraph 10 of Law 3943/2011) and of the article 65A of Law 4174/2013 respectively. For these fiscal years, tax compliance certificates have been issued without any reservation. The tax audit currently conducted by the legal auditors for the year 2017 is under progress and a relevant tax certificate will be issued shortly. The financial statements include a provision for possible tax differences of a total amount of € 2.4 million approximately for the fiscal year 2017 and for the first half of 2018.

Islands' EYDAP Development SA has not been audited for tax purposes since its establishment, fiscal year 2011 and onwards, and in addition it has not formed any relevant provision due to its limited business transactions.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is analyzed as follows:

<i>Amounts in € thousands</i>	GROUP	
	30.06.2018	30.06.2017
Net profit for the period	17,900	11,870
Weighted average outstanding number of shares	106,500	106,500
Earnings per share (in €)	0.17	0.11

8. DIVIDENDS

The 36th Annual General Meeting of Shareholders on 18.06.2018, approved the distribution of dividend from the profit of the year 2017 for a gross amount of 20 cents (Euro 0.20) per share (totaling € 21,300 thous.). Respectively, for the fiscal year 2016 there was an approval for gross dividend of 11 cents (Euro 0.11) per share (totaling € 11,715 thous.).

9. OTHER INTANGIBLE AND TANGIBLE ASSETS

In the context of the strategic development of EYDAP, the Company proceeds each year with investments targeting the modernization of its operation segments and the coverage of the constantly rising water supply and sewerage needs of the capital's broader geographic area, as well as the maintenance of an exceptional quality of the water supplied and the services rendered.

During the period 01.01.2018-30.06.2018, the Company implemented investments of € 7.8 million approximately concerning the water supply and sewage network, purchases of other fixed assets (mechanical equipment, furniture and other related equipment) for an amount of € 0.6 million and purchase of software for an amount of € 0.7 million approximately. The total depreciation of tangible assets during the period amounted to € 21.7 million approximately whereas the total amortization of the intangible assets over the same period amounted to € 0.7 million approximately.

10. LONG-TERM ASSETS

The account "long-term assets" includes:

- Settlement of overdue payments from Municipalities amounting to € 7.1 million approximately (31.12.17 amount of € 8.1 million approximately).
- Loans granted to personnel, amounting to € 6 million approximately (31.12.2017 amount of € 6.1 million approximately).
- Guarantees granted of € 0.5 million approximately (31.12.2017 amount of € 0.5 million approximately).

11. MATERIALS, SPARE PARTS & CONSUMABLES

Spare parts and consumables are utilized in the Company's networks (maintenance and expansion). Inventories include provisions for inventory impairment of € 1.9 million approximately, which are recorded as deduction from their acquisition value.

12. RECEIVABLES FROM CUSTOMERS & CONTRACTUAL ASSETS

The balance of receivables from customers and contractual assets prior to impairment due to provisions for bad debt settled at € 279.3 million approximately during the current period.

The Group and the Company applied the simplified approach for the estimation of the expected future credit losses in relation to the "Customer / Trade Receivables" as it is required by IFRS 9, paragraph 5.5.15. The Group recognizes the provision of the expected credit losses during the initial recognition with regard to the item "Trade Receivables" which is being classified and measured at the amortized cost.

In the context of the requirements set by the IFRS 9 regarding the financial asset “Customer / Trade Receivables”, the Group has adopted the simplified approach according to which it recognizes and classifies the financial asset “Customer Receivables” either in stage 2 or in stage 3 based on the days of delay in the payment of the invoices as follows:

- Stage 2: 0-89 days of delay from the day of payment stated in the invoice. In stage 2 the customer receivables are not being impaired.
- Stage 3: 90 or more days of delay. In stage 3 the customer receivables that are being classified concern those customers for whom a default event has occurred (they are being impaired).

For stages 2 and 3, the Company forms the Expected Credit Losses on the basis of risk parameters which are calculated according to the historic data. The risk parameters are the estimated probability of default, the percentage of loss on the amount due given that the customer has defaulted in the payment of this amount due, and the outstanding amount which the Company is exposed to in case of the customer’s default.

As general rule, the assessment of the classification in stages is performed in each reporting period.

The Group recognizes the provision for expected credit losses during the initial recognition of the financial asset “Customer Receivables” which is being classified and measured at the amortized cost.

The provision for doubtful customer or trade receivables as it was released on 31.12.2017 based on the cumulative effect of the initial adoption on 01.01.2018 (as adjustment according to IFRS 9) is presented below:

<i>Amounts in € thousands</i>	Group & Company
Provision for doubtful customer receivables as released on 31.12.2017 (according to IAS 39)	57,521
Additional provision on the date of transition (according to IFRS 9)	37,954
Provision for doubtful receivables on 01.01.2018 (according to IFRS 9)	95,475
Provision for doubtful receivables on 30.06.2018 (according to IFRS 9)	1,450
Total provision for doubtful receivables	96,925

Therefore, the balance of customer receivables and contractual assets impaired after the provision for bad debts, settled at € 182.4 million approximately in the current period.

The Company in order to effectively manage its credit risk has formed as of 30.06.2018 a provision for doubtful receivables for a total amount of € 96.9 million approximately.

The item “Contractual Assets” concerns accrued, non-invoiced to customers, revenues from water supply and sewerage services. In the comparative period, the relevant amount was included in the item “Customer Receivables”. A relevant analysis is presented below:

<i>Amounts in € thousands</i>	01.01.2018	30.06.2018
Customer Receivables	227,218	228,350
Provision for doubtful receivables	93,334	94,535
Balance of Customer Receivables after the provision for bad debt	133,884	133,815
Contractual Assets	45,646	50,998
Provision for doubtful contractual assets	2,141	2,390
Balance of Contractual Assets after the provision for bad debt	43,505	48,608
Total Customer Receivables and Contractual Assets	177,389	182,423

Due to the large number of customers (approximately 2,018,447 as of 30.06.2018), the credit risk for the Company is quite limited. At the same time the contractual terms for the provision of water supply and sewerage services are such that ensure to the greatest possible extent that the amounts invoiced will be collected from the users (customers).

The Department of Revenue & Trade Receivables Management continuously monitors the claims of the Company, either separately or based on groups (invoice codes, customer categories) and incorporate this information into the credit risk control procedure for the formation of the respective provision.

In the context of procedures provided by the Public Revenue Collection Code (Law 356/1974), as it was amended with the law provisions 4174/2013, 4224/2013, 4337/2015 & 4517/2018, the Company calculates the relevant interest charged on the overdue amounts at the time of their payment.

13. OTHER RECEIVABLES

The balance of the other receivables posted no significant change and settled on 30.6.2018 at € 20.6 million approximately (whereas on 31.12.2017 had amounted to € 21.3 million approximately).

14. OPERATING SHORT-TERM LIABILITIES

The Company's operating short-term liabilities in the current period decreased by € 1.7 million compared to the corresponding level on 31.12.2017. This change was mainly due to:

The decrease of:

- The suppliers by € 3.2 million approximately
- The liabilities to pension funds by € 0.1 million approximately
- The withheld taxes by amount of € 0.2 million approximately

The increase of:

- The dividends payable by the amount of € 1.1 million approximately

It is noted that the item "Short-term Liabilities" includes, from 01.01.2018 meaning from the date of transition into IFRS 15, estimates formed by the Company amounting to € 4 million approximately according to historic data, with regard to expected discounts that the Company will offer to its customers. In the previous comparative period, that amount had been included in "Customer receivables".

15. OTHER SHORT-TERM LIABILITIES

The other short-term liabilities posted no significant changes and settled at € 14.2 million approximately on 30.06.2018 (31.12.2017: € 13.9 million approximately).

16. INVESTMENTS IN SUBSIDIARIES

On 18th July 2011, with the BoD decision 17241/13.05.2011, EYDAP SA established a company under the name "ISLANDS WATER SUPPLY AND SEWERAGE S.A." with distinctive title "ISLANDS' EYDAP SA", which is fully owned (100% via capital deposit of 1,210 thousand Euro) by EYDAP SA. With the decision of the Extraordinary General Assembly of shareholders of the societe anonyme dated 21/09/2017, the name changed to "ISLANDS' WATER SUPPLY AND SEWERAGE S.A. DEVELOPMENT" with the distinctive title "ISLANDS' EYDAP DEVELOPMENT SA".

"ISLANDS' EYDAP DEVELOPMENT SA" activates in the areas of water supply, sewerage, irrigation, and rain water collection in Greece's islands. The subsidiary possesses limited business activity until today.

The annual Financial Statements audited by the Certified Auditors of the subsidiary company ISLANDS' EYDAP DEVELOPMENT SA" have been published on the internet at the address www.eydapnison.gr.

17. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH THE OTHER COMPREHENSIVE INCOME

The Financial Assets were reclassified according to the IFRS 9 from the category “Investments Available for Sale” into the category “Financial Assets at Fair Value through the Other Comprehensive Income” and include:

- Interest in EYATH SA, a company listed on the Athens Exchange, which provides the company with the option to generate income from dividends and potentially from capital gains. The company was valued at fair according to the official price quote of the Athens Exchange on 30.06.2018 and the difference that emerged due to the change of fair value was recorded in the net worth through the Statement of Total Comprehensive Income.
- Acquisition of shares in Attica Bank. EYDAP SA, with the decision no. 18770/18.12.2015 of the Board of Directors approved its participation in the share capital increase of Attica Bank Societe Anonyme, based on an amount of € 20 million. The above decision was verified by the Extraordinary General Meeting of shareholders on 15/01/2016. The investment of the Company in the shares of Attica Bank is considered as strategic one and therefore it has been recorded under the category of equity participations at fair value through the other comprehensive income. With the information prospectus on 24.04.2018, Attica Bank announced a share capital increase via the issuance and allocation of new common shares based on preemptive rights in favor of the existing common shareholders and according to a ratio of 4 new shares for every 1 old share. EYDAP SA with the decision no. 19649/11.05.2018 of the Board of Directors approved not to exercise any preemptive right in the share capital increase of Attica Bank. As a result, the Company’s participation settled at 4,701,457 shares which were valued at fair based on the official price quote of the Athens Exchange on 30.06.2018, and the difference (loss) that emerged due to the change in the fair value.

In view of the above, the Company’s portfolio was formed as follows:

<i>Amounts in € thousand</i>	Number of Shares	Acquisition Cost	Valuation on 30.06.2018	Valuation on 31.12.2017
Thessaloniki Water Supply & Sewerage Co. (EYATH)	264,880	485	1,250	1,192
Attica Bank SA	4,701,457	20,000	1,082	2,467
Total	4,966,337		2,332	3,659

18. DEFERRED TAX ASSET

<i>Amounts in € thousands</i>	2017			2018		Ending Balance 30.06.2018
	Balance 31.12.2017	Effect due to IFRS 9 and IFRS 15	Balance 01.01.2018	(Burden) / Gain in the Results	(Burden) / Gain in the Equity	
Expensing of intangible assets	39	-	39	-	-	39
Inventory impairment	622	-	622	(69)	-	553
Liability for employee benefits	57,232	-	57,232	287	-	57,519
Provision for doubtful receivables	5,340	-	5,340	-	-	5,340
Other provisions for risks and expenses	7,878	-	7,878	2,913	-	10,791
Customer contributions and Municipalities (OTA)	16,370	(9,645)	6,725	(238)	-	6,487
Difference between accounting and tax basis of depreciations	(6,425)	-	(6,425)	(356)	-	(6,781)
Income and expenses accrued	(70)	70	-	-	-	-
Def. Tax in the Tax Reserves from revaluation of property	9,001	-	9,001	-	-	9,001
Impairment of securities	5,085	-	5,085	-	556	5,641
Other deferred tax items	9,613	-	9,613	(486)	-	9,127
	104,685	(9,575)	95,110	2,050	556	97,716

The deferred tax asset on 30.06.2018, accounted for € 97.7 million approximately. The corresponding deferred tax asset on 31.12.2017 had accounted for € 104.7 million approximately.

19. SHARE CAPITAL

EYDAP was established in 1980 pursuant to Law 1068/1980 and following the merger of the two water and sewerage utilities of Athens at the time, with the company names Hellenic Water Supply Company and the Sewerage Organization of Athens LEPL.

The initial share capital of the Company settled at € 130,502 and was based on the valuation of assets and liabilities of the merged entities according to the clauses of Law 1068/1980.

In 1992, the share capital amounted to € 1,253,507 consisting of 213,566,282 common shares with a nominal value of € 5.87 per share. The share capital increase took place pursuant to Law 1914/1990 following a new valuation of the Company's net worth in view of a significant number of installations, which were contributed by the Greek State to the Company at the time, and following the capitalization of liabilities towards the State.

The Shareholders General Meeting on 30 June 1998 approved an additional increase of the Company's share capital by € 6,845 via the capitalization of investment subsidies that had been collected up to 31 December 1997. Following the above increase, the Company's share capital amounted to € 1,260,352 consisting of 214,732,544 common shares with a nominal value of €5.87 (two thousands drachmas) per share.

In 1999, due to the Company's listing on the Athens Exchange and according to Law 2744/1999, its share capital was set at € 58,694 consisting of 100,000,000 common shares with a nominal value of € 0.59 (two hundred drachmas) per share. According to the same Law, the remaining amount of € 1,201,658 of the share capital was converted to a "Special Non Taxable Reserve", which was among others decreased by the net amount of fixed assets, which were transferred to «EYDAP Fixed Assets» at no cost. In December 1999, 6,500,000 new ordinary shares were issued at a nominal value of € 0.59 (two hundred drachmas) per share and were allocated through an initial public offering for the Company's listing on the Athens Exchange.

As a result, the Company's share capital as of December 31, 2000 had amounted to € 62,509 thousands consisting of 106,500,000 common shares with a nominal value of € 0.59 (two hundred drachmas) per share.

In May 2001, EYDAP decided to denominate its share capital into Euro, through the increase of the nominal value per share from € 0.59 to € 0.60, and the amount of € 1,391 thousand of the above share capital increase was transferred from the "Share Premium Account". Thus, the share capital of the Company on 31 December 2012 and 31 December 2011 was equivalent to € 63,900 thousand consisting of 106,500,000 common shares with a nominal value of € 0.60 per share.

No change occurred in the Company's share capital during the current as well as the previous period.

20. LIABILITIES FOR EMPLOYEE BENEFITS (GROUP & COMPANY)

The account is analyzed as follows:

<i>Amounts in € thousands</i>	30.06.2018	31.12.2017
Provision for staff indemnity due to retirement	34,648	34,135
Healthcare coverage of personnel	155,175	155,325
Special one-off indemnity (personnel hired prior to and after 25-10-1999)	113,163	111,546
Total	302,986	301,006

The change in the account amounting to € 2 million approximately is mainly attributed to the burden on the results of the period which was based on the estimation of cost up to 30.06.2018 for each plan separately and in accordance with the actuarial study on 31.12.2017.

21. RETAINED EARNINGS

<i>Amounts in € thousands</i>	GROUP	COMPANY
Balance at 01.01.2017	421,890	422,003
Dividends approved	(11,715)	(11,715)
Net profit for the period	11,870	11,896
Balance at 30.06.2017	422,045	422,184
Balance at 31.12.2017	458,503	458,666
Adjustment due to adoption of IFRS 9 & 15	(6,352)	(6,352)
Balance at 01.01.2018	452,151	452,313
Dividends approved	(21,300)	(21,300)
Net profit for the period	17,900	17,913
Balance at 30.06.2018	448,751	448,926

22. PROVISIONS

The account in the financial statements is analyzed as follows:

<i>Amounts in € thousands</i>	30.06.2018	31.12.2017
Provisions for pending litigations with employees - pensioners	18,927	12,376
Provisions for civil litigations	28,115	22,869
Total	47,042	35,245

As of 30.06.2018, the lawsuits for civil cases against the Company accounted for € 88.9 million. The lawsuits concerned indemnities for damages from flooding (due to pipeline fractures or rainfalls), or cases involving various counterparty suppliers and sub-contractors with regard to violation of contractual terms. Furthermore, there are pending legal cases for employment differences of € 151.8 million approximately.

The Company has formed total provisions of € 47.0 million approximately on 30.06.2018 (€ 37.0 million approximately on 31.12.2017).

The provision for litigation cases is based on the Management's estimates in collaboration with the Legal Services Division and concerns the amount that is likely to be paid.

23. COMMITMENTS AND CONTINGENT LIABILITIES – ASSETS

Contingent liabilities are not recorded in the financial statements but they are disclosed, unless there is a chance of any possible outflow or inflow of resources incorporating financial benefits.

1. Relations with Greek State

With a joint ministerial decision of 03.12.2013 which was issued according to the above law provisions, it was defined that the overdue amounts payable to the Company from the Greek State concerning investment plan's subsidized expenditures of € 294 million for the decade 2000 – 2010 as stipulated from the agreement of 09.12.1999 between the Greek State and the Company, were offset with equivalent in value non tax related amounts payable to the Greek State from the Company, until 30.6.2013, concerning the cost of the collected crude water for the period 25.10.2004 – 30.6.2013. With the same joint ministerial decision, the other claims until 30.06.2013 between the Greek State and EYDAP SA were also settled and amortized. With the decision of the Extraordinary General Shareholders' Meeting on 27th December 2013, the above ministerial decision was accepted.

On the other hand, the signing of a written agreement - as it is defined in the article 15 of the agreement on 09.12.1999 between the Greek State and the Company - which will determine the price paid to "L.E.P.L. EYDAP Fixed Assets" for the crude water collected is pending from the year 2004. In absence of a written agreement, the Company continues, after 30/06/2013, to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "L.E.P.L. EYDAP Fixed Assets" (Note 27), affecting accordingly its financial results.

Changes in the pricing of water and sewerage services will stem from the application of JMD 135275 (No. 3, par. 9), GG 1751 / 22.05.2017 "Approval of general Costing and Pricing Rules of water services. Method and procedures for recovering the cost of water services in its various uses". At the current phase it is not possible to estimate any potential impact stemming from this process on the up to now applied policy by the Company.

2. Commitments concerning Non Executed Contracts

The Company's commitments which concern expansions, improvements and maintenance of networks and installations, electrical and thermal energy production unit installations, etc., accounted for € 39 million approximately on 30.06.2018 (versus € 50 million on 31.12.2017).

3. Letters of Guarantee

The Company has issued letters of guarantee for liability insurance of € 280 thousand on 30.06.2018.

24. SEASONALITY OF ACTIVITIES

The Company's revenues present cyclicity (increased water consumption during the summer months), and as result there are significant variations on quarterly basis in the Company's turnover and results. Therefore the quarterly results are not, in any case, indicative of the trend and the course of results until the end of each fiscal year. However, the quarterly results can be compared with the corresponding quarterly results of the previous fiscal years. During the second half of each year there is a trend of higher water consumption in the summer months, a factor that increases the Company's turnover compared to the first half.

25. SUBSEQUENT EVENTS

No other event has occurred that may significantly affect the financial structure or the business course of the Company and the Group from the reporting date of 30.06.2018 until the approval date of the financial statements by the Company's Board of Directors.

26. RELATED PARTY TRANSACTIONS (GROUP & COMPANY)

There are no essential changes in the nature of transactions regarding the related parties as compared to the annual financial statements.

A) Transactions and Amounts Outstanding with Members of the Board

<i>Amounts in € thousands</i>	30.06.2018	30.06.2017
Fees (Chairman & CEO, and Executive Directors)	57	57
Fees & attendance expenses of BoD members	116	40
Total	173	97

B) Transactions and amounts outstanding with the Greek State and the Municipalities

Amounts in € thousands	GROUP		COMPANY	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
1) Transactions				
- Income	25,056	27,879	25,056	27,879
- Cost of Goods Sold (cost of construction works)	-	247	-	247
2) Outstanding amounts	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Long-term receivables (Projects for the Greek State)	-	4,297	-	4,297
Effect due to adoption of IFRS 15 (01.01.2018)	-	(4,297)	(4,297)	(4,297)
Long-term customer receivables (Arrangements for Municipalities)	9,068	12,961	9,068	12,961
Customer receivables (Municipalities, Greek State)	54,662	53,286	54,662	53,286
Receivable from Islands' EYDAP	-	-	24	24
Other receivables (from the Greek State for deficit coverage and staff indemnities)	258	258	258	258

The transactions with the Greek State and the Local Government Authorities concern revenues of water supply, invoiced and accrued, as well as accrued income from the construction cost for the account of Ministry of Infrastructure & Transport and "EYDAP Fixed Assets L.E.P.L."

27. "EYDAP FIXED ASSETS L.E.P.L."

1. "EYDAP Fixed Assets Legal Entity of Public Law L.E.P.L." was established at the time of the Company's public listing (IPO) aiming at transferring the ownership of the water dams and basins of Marathon, Mornos, Yliki and Evinos. Apart from the constructions and the expansions of the facilities which are connected to the above dams and basins, the Greek State through "EYDAP Fixed Assets L.E.P.L." supplies the Company with crude water so that the Company is in position to fulfill its obligations with regard to the provision of water supply services.

2. It is noted that:

- the Aqueduct of Yliki until the Viliza in Thiva was transcribed to the competent Land Registry of Thiva and Oropos.
- The construction sites of Amfissa and Chrissos in Delphi have already been incorporated into the competent office of Amfissa which operates as Land Registry.

The accompanying notes that are presented in pages 24-53 form an integral part of the present Financial Statements

3. The Board of Directors of "EYDAP S.A." with the decision 18448/ 24.09.2014 approved the signing of an agreement between "EYDAP Fixed Assets Legal Entity of Public Law L.E.P.L." and "EYDAP S.A." concerning the water supply and invoicing, since 1/10/2014, of the local government authorities and other legal entities of public law from "EYDAP Fixed Assets L.E.P.L." along the External Water Supply System which concerns geographic areas beyond the jurisdiction of "EYDAP S.A.". Particularly, the above decision concerned the following Municipalities:

- Delfoi
- Leivadia (and of DEYAL)
- Thiva (and of DEYATH)
- Tanagra
- Chalkida (and of DEYACH)
- Distomo – Arachova

28. IFRS 9 FINANCIAL INSTRUMENTS

IFRS 9 “Financial Instruments” is effective for annual periods beginning on or after 1 January 2018. The Group implemented the IFRS 9 for the first time within the current interim period. The Group selected the retrospective approach for transition into IFRS 9 and recorded the cumulative effect adjustment to the opening balance of retained earnings on January 1, 2018.

Assumptions made in adopting IFRS 9

"The Group and the Company have elected to apply the limited exemption in IFRS 9 paragraph 7.2.15 relating to the transition for classification, measurement and impairment of the financial assets, and accordingly have not restated the items in the comparative periods in the initial application. As a consequence, any adjustments to the book value of the financial assets and the provisions for impairment at the financial position were recognized retrospectively with the cumulative effect from the initial adoption adjusting the opening balance of retained earnings on 1st January 2018, meaning that no restatement occurred in the items of the net worth in the comparative period.

Investments in financial assets are classified as either liability or equity investments in net worth with reference to the requirements for the issuer in IAS 32 “Financial Instruments” - Presentation.

1. Change in Accounting Policies

1. (a) Impact on the financial statements IAS 8

The initial application arising from the new impairment policy is recognized as an adjustment in the opening balance of the retained earnings on 1st January 2018 and does not affect the items of the statement of financial position as of 31.12.2017.

Impairment

The Group and the Company applied the simplified approach for the estimation of the expected future credit losses in relation to the “Customer / Trade Receivables” as it is required by IFRS 9, paragraph 5.5.15. The Group recognizes the provision of the expected credit losses during the initial recognition with regard to the item “Trade Receivables” which is being classified and measured at the amortized cost.

In the context of the requirements set by the IFRS 9 regarding the financial asset “Customer / Trade Receivables”, the Group has adopted the simplified approach according to which it recognizes and classifies the financial asset “Customer Receivables” either in stage 2 or in stage 3 based on the days of delay in the payment of the invoices as follows:

- Stage 2: 0-89 days of delay from the day of payment stated in the invoice. In stage 2 the customer receivables are not being impaired.
- Stage 3: 90 or more days of delay. In stage 3 the customer receivables that are being classified concern those customers for whom a default event has occurred (they are being impaired).

For stages 2 and 3, the Company forms the Expected Credit Losses on the basis of risk parameters which are calculated according to the historic data. The risk parameters are the estimated probability of default, the percentage of loss on the amount due given that the customer has defaulted in the payment of this amount due, and the outstanding amount which the Company is exposed to in case of the customer’s default.

As general rule, the assessment of the classification in stages is performed on semi-annual basis and in each reporting period. The Group recognizes the provision for expected credit losses during the initial recognition of the financial asset “Customer Receivables” which is being classified and measured at the amortized cost.

Impairment of Financial Assets

The Group and the Company have the following types of financial assets that are subject to IFRS 9’s new expected credit loss model:

- Trade Receivables & Other Receivables
- Cash and Cash Equivalents

The Group and the Company were required to revise their impairment methodology under IFRS 9 for each of these classes of assets. The impact of adoption of the new standard and the change in the impairment methodology on the retained earnings is disclosed in the following table 1 (b).

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The provision for doubtful customer or trade receivables as it was released on 31.12.2017 based on the cumulative effect of the initial adoption on 01.01.2018 (as adjustment according to IFRS 9) is presented below:

<i>Amounts in € thousands</i>	Group	Company
Provision for doubtful customer receivables as released on 31.12.2017 (according to IAS 39)	57,521	57,521
Additional provision on the date of transition (according to IFRS 9)	37,954	37,954
Provision for doubtful receivables on 01.01.2018 (according to IFRS 9)	95,475	95,475

Classification and Measurement

Investments and Other Financial Assets

Classification

From the transition date of 1st January 2018, the Group and the Company classified their financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows."

For assets measured at fair value, gains and losses will either be recorded in profit or loss or in other comprehensive income. For investments in equity instruments that are not being held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Measurement

At initial recognition, the Group and the Company measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, provided that the Group and the Company have recognized this asset in the other comprehensive income and not in the statement of results. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity Investments

The investments available for sale were recognized into the fair value via the other comprehensive income and specifically:

The equity investments are measured at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in other comprehensive income (OCI), there is no subsequent reclassification of fair value gains and losses into profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets through profit and loss are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Listed & Unlisted equity shares have been reclassified from "Investments Available for Sale" to the item "Financial Instruments at Fair Value through the Other Comprehensive Income". This reclassification has been made irrevocably for both the Group and the Company. In compliance with IFRS 9, the Group and the Company consider that the cost of these unquoted equity instruments represents an appropriate estimation of their fair value.

Trade Receivables and Other Receivables

The Group and the Company apply the IFRS 9 simplified approach in order to measure expected credit losses by classifying the respective items across different time stages (stage 2 and stage 3) according to the days of delay in the payment of the customers' invoices and also according to the credit risk parameters.

Given that IFRS 9 was adopted without restating the items of the comparative period, the following table presents analytically the effect on the items of the statement of financial position, namely "Investments Available for Sale", "Financial Assets at Fair Value through the Other Comprehensive Income" and "Customer Receivables", as following:

<i>Amounts in € thousands</i>	Balance as of 31.12.2017 according to IAS 39	Adjustment	Re-measurement	Adjusted balance as of 01.01.2018 according to IFRS 9
GROUP				
Investments Available for Sale	3,659	(3,659)	-	-
Financial assets at Fair value through Other Comprehensive Income	-	3,659	-	3,659
Trade & other receivables	215,971	-	(37,954)	178,017

<i>Amounts in € thousands</i>	Balance as of 31.12.2017 according to IAS 39	Adjustment	Re-measurement	Adjusted balance as of 01.01.2018 according to IFRS 9
COMPANY				
Investments Available for Sale	3,659	(3,659)	-	-
Financial assets at Fair value through Other Comprehensive Income	-	3,659	-	3,659
Trade & other receivables	215,955	-	(37,954)	178,001

STATEMENT OF FINANCIAL POSITION ON 01 JANUARY 2018

	GROUP			COMPANY			
	Notes	Balance as of 31.12.2017 as it was published	Adjustment	Balance of 01.01.2018 IFRS 9	Balance as of 31.12.2017 as it was published	Adjustment	Balance of 01.01.2018 IFRS 9
<i>Amounts in € thousands</i>							
ASSETS							
N-CURRENT ASSETS							
Goodwill		3,357	-	3,357	3,357	-	3,357

Other Intangible Assets	1,026	-	1,026	1,026	-	1,026
Tangible Assets	852,522	-	852,522	852,520	-	852,520
Investments in Subsidiaries	-	-	-	1,210	-	1,210
Investments Available for Sale	3,659	(3,659)	-	3,659	(3,659)	-
Financial assets at fair value through the other comprehensive income	-	3,659	3,659	-	3,659	3,659
Long-term Assets	19,034	-	19,034	19,034	-	19,034
Deferred Tax Assets	104,685	-	104,685	104,685	-	104,685
Total Non-Current Assets	984,283	-	984,283	985,491	-	985,491
CURRENT ASSETS						
Materials and Spare Parts	10,940	-	10,940	10,940	-	10,940
Trade Receivables	215,971	(37,954)	178,017	215,955	(37,954)	178,001
Other Receivables	21,328	-	21,328	21,297	-	21,297
Current Tax Receivables	5,178	-	5,178	5,178	-	5,178
Cash and Cash Equivalents	294,921	-	294,921	293,920	-	293,920
Total Current Assets	548,338	(37,954)	510,384	547,290	(37,954)	509,336
Total Assets	1,532,621	(37,954)	1,494,667	1,532,781	(37,954)	1,494,827
LIABILITIES						
SHAREHOLDERS' EQUITY						
Share Capital	63,900	-	63,900	63,900	-	63,900
Share Premium	40,502	-	40,502	40,502	-	40,502
Reserves	379,123	(12,827)	366,296	379,123	(12,827)	366,296
Retained Earnings (earnings carried forward)	458,503	(25,127)	433,376	458,666	(25,127)	433,539
Total Shareholders' Equity	942,028	(37,954)	904,074	942,191	(37,954)	904,237
LONG TERM LIABILITIES						
Liabilities for Employee Benefits	301,006	-	301,006	301,006	-	301,006
Provisions	35,245	-	35,245	35,245	-	35,245
Investment Subsidies	183,187	-	183,187	183,187	-	183,187
Consumers' Guarantees	18,387	-	18,387	18,387	-	18,387
Total Long-Term Liabilities	537,825	-	537,825	537,825	-	537,825
SHORT-TERM LIABILITIES						
Operating Short Term Liabilities	38,889	-	38,889	38,882	-	38,882

Other Short Term Liabilities	13,879	-	13,879	13,883	-	13,883
Total Short-Term Liabilities	52,768	-	52,768	52,765	-	52,765
Total Equity & Liabilities	1,532,621	(37,954)	1,494,667	1,532,781	(37,954)	1,494,827

1.(b) IFRS 9 Financial Instruments – Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, the de-recognition of financial instruments, impairment of financial assets and hedge accounting. The Group and the Company do not apply hedge accounting. The adoption of IFRS 9 “Financial Instruments” from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements. The new accounting policies are set out in note 1(c) below. The recording of the provisions was performed at the date of transition in accordance with the provisions of IFRS 9 (7.2.15 and 7.2.26), and therefore comparative figures have not been restated. The total impact on the retained earnings as at 1 January 2018 due to the application of IFRS 9 is as follows:

<i>Amounts in € thousands</i>	Notes	Group	Company
Retained Earnings on 31.12.2017 - IAS 39 / IAS 18		458,503	458,666
Increase in provision for impairment of trade receivables and contractual assets		(37,954)	(37,954)
Total impact from the reclassification of Shares from investments		12,827	12,827
Retained Earnings on 1.1.2018 - IFRS 9 prior to restatement for IFRS 15		433,376	433,539

1.(c) IFRS 9 Financial Instruments – Accounting Policy since 01 January 2018

The implementation of IFRS9 « Financial Instruments” as of 01 January 2018 changed the accounting policy and recognition of anticipated credit losses for the financial asset “Trade receivables”. An amount of 1,4 mil. approximately increased the provision for doubtful receivables for the period 1.1.2018-30.06.2018.

29. IFRS 15 REVENUES FROM CONTRACTS WITH CUSTOMERS – IMPACT OF ADOPTION, ANALYSIS OF REVENUE INTO CATEGORIES AND CHANGES IN ACCOUNTING POLICIES

IFRS 15 “Revenue from Contracts with Customers” is effective for annual periods beginning on or after 1 January 2018. The Group has applied IFRS 15 for the first time in the current interim report. The Group has chosen the modified retrospective approach for transition into IFRS 15 and recorded the cumulative effect adjustment to the opening balance of retained earnings on January 1, 2018. The Group has not used any practical expedients available in transition as described in IFRS 15 paragraphs C7 and C7A.

a) Accounting Policies

The Group recognizes revenues from the following major sources:

- Revenue from water supply and related services
- Revenue from sewerage and related services

- Revenue from electric power sale
- Revenue from sales of inventory

Also, the Company enters into construction contracts with customers. However, there were no construction contracts during the current interim period and the comparative period.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes a revenue when it transfers control of a product or service to a customer.

The Group does not enter into any contracts where the period between the transfer of the promised goods or services to the customer and the payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(i) Revenue from water supply and sewerage services and related services

Water supply and sewerage services are the major sources of revenue for the Company and the Group. Based on assessment performed by the management of the Group, water supply and sewerage services represent two separate distinct performance obligations. Revenue for each of the above-mentioned two performance obligations is recognized over time, since the customer simultaneously receives and consumes the benefits arising from both the water consumption and the utilization of the sewerage network. Revenue is measured based on the quantities of water consumed and the effective price lists. The Company invoices the customers for the water supply and sewerage services mainly on a quarterly basis based on relevant measurements. In cases where the Company has not performed the relevant measurements for consumed quantities up to the end of the reporting period, it conducts estimates on the consumption based on historical data and recognizes the relevant revenue. The Company recognizes a contract asset for revenue accrued and not yet invoiced to customers. A receivable is recognized by the Company when the relevant invoice is issued, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Also, the Company adjusts the revenue recognized at each reporting period based on estimates for expected refunds to customers for various reasons. The relevant estimates are supported by historical data and the Company recognizes a corresponding refund liability.

The Company's customers are required to participate in the network connection cost (meters, distribution network, connections pipes). In particular, customers for water supply and sewerage services are charged with one-off upfront fees that relate to the construction of the connection network and the equipment (including any upgrades and extensions). Based on the Company's assessment, the connection of each house to the water and sewerage network represents a distinct performance obligation since the connection has a stand-alone value for the customer. In other words, a property will be more valuable if it possesses a connection to the water and sewerage network than without the connection. Revenue from these one-off fees is recognized at a point in time, and particularly at the time when the connection is established.

The Company recognizes a contract liability when it receives advance payments from customers in exchange for goods or services to be transferred to them.

(ii) Revenue from electric power sale

The Company sells electric power. Sale of electric power represents a single performance obligation and revenue is recognized over time by measuring the progress towards complete satisfaction of the performance obligation based on the kWh sold and the effective price lists. The Company invoices monthly for the sale of electric power and recognizes a relevant receivable upon invoicing.

(iii) Revenue from sales of inventory

Sales of inventory relate to sales of scrap to customers. Relevant revenue is recognized at a point in time, when control of the goods has been transferred to the customers. Since the terms in each contract may vary from each other, the Company assesses on a contract by contract basis when control of the goods is transferred to the customers based on the criteria provided by IFRS 15, paragraph 38 (immediate right to payment, legal title, physical possession, significant risks and rewards of asset ownership, acceptance of goods by the customer).

b) Impact from the adoption of IFRS 15 on 1st January 2018

The following table summarizes the impact on the Group's and Company's retained earnings as at 1 January 2018.

Amounts in € thousands

	Notes	Group	Company
Retained earnings as at 01.01.2018 – after IFRS 9 restatement		433,376	433,539
Adjustment in respect of customers' contributions	(a)	33,259	33,259
De-recognition of income that had been recognized for contractual agreements that do not fulfill the criterion (a) of paragraph 9 of IFRS 15	(b)	(4,297)	(4,297)
De-recognition of income that had been recognized for contractual agreements that do not fulfill the criterion (e) of paragraph 9 of IFRS 15	(c)	(613)	(613)
Adjustment into the deferred income tax	(a), (b)	(9,575)	(9,575)
Retained earnings as at 01.01.2018 – after IFRS 15 restatement		452,150	452,313

(a) The customers of EYDAP are required to participate in the Company's network connection cost (meters, distribution network, and connections pipes). In particular, customers for water supply and sewerage services are charged with one-off upfront fees that relate to the construction of the connection network/equipment.

Based on EYDAP's assessment, the connection of each house to the water and sewerage network represents a distinct performance obligation since the connection has a stand-alone value for the customer. In other words, a property will be more valuable with connection to the water and sewerage network than without the connection. Therefore, revenue from these one-off fees will continue to be recognized at a point in time, and particularly at the time when the connection is established.

Relevant one-off fees charged to customers prior to 30 June 2009 (i.e. prior to IFRIC 18 effective date) were accounted for as deferred income and were recognized during the useful life of the relevant assets. Following the adoption of IFRS 15, the amount of €33,259 thousand included as at 1 January 2018 as deferred income in the Statement of Financial Position in the line item "Investment Subsidies and Customer Contributions" was recognized in the Company's and Group's retained earnings. The relevant deferred tax asset recognized for these one-off fees (amount of €9,645 thousand) was debited into the Company's and Group's retained earnings as at 1 January 2018.

(b) As at 1 January 2018 the amount of €4,297 thousand was debited into the Company's retained earnings, since it was related to contracts that did not meet the criterion (a) of paragraph 9 of IFRS 15 (meaning that the contracts did not create enforceable rights and obligations to the parties). Also, following the adoption of IFRS 15 the Company reversed the deferred tax liability of total amount € 70 thousand that was recognized in respect of the receivables from these contracts.

(c) The criterion (e) of paragraph 9 of IFRS 15 requires that revenue is recognized if it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The Company performed a relevant assessment based on historical data and determined that the amount of €613 thousand recognized as revenue as at 1 January 2018 related to contracts that do not meet the criterion (e) of paragraph 9 of IFRS 15. This amount was debited to the Company's retained earnings as at 1 January 2018 and will be recognized as revenue once it is collected from the Company's customers.

c) Effect due to the Adoption of IFRS 15 in the current period 1.1.2018 to 30.06.2018

The amount by which each financial statement line item is affected in the current interim reporting period by the application of IFRS 15 as compared to previous revenue standards (IAS 18, IAS 11 and related interpretations) is presented below.

STATEMENT OF INCOME FOR THE 6 MONTHS PERIOD ENDED ON 30 JUNE 2018

	GROUP				COMPANY		
	Notes	Previous Standards (IAS 18, IAS 11 & relevant interpretations)	Adjustment	IFRS 15	Previous Standards (IAS 18, IAS 11 & relevant interpretations)	Adjustment	IFRS 15
Amounts in € thousands							

Turnover	(i)	153,333	93	153,426	153,323	93	153,416
Cost of Goods Sold	(ii)	(91,326)	(889)	(92,215)	(91,326)	(889)	(92,215)
Gross Profit	-	62,007	(796)	61,211	61,997	(796)	61,201
Other Operating Income	-	1,611	-	1,611	1,611	-	1,611
General and Administration Expenses	-	(28,991)	-	(28,991)	(28,965)	-	(28,965)
Distribution and Selling Expenses	-	(14,184)	-	(14,184)	(14,184)	-	(14,184)
Impairment of Financial Assets	-	(1,450)	-	(1,450)	(1,450)	-	(1,450)
Operating Profit	-	18,993	(796)	18,197	19,009	(796)	18,213
Other Expenses	-	(770)	-	(770)	(770)	-	(770)
Financial Income	-	8,942	-	8,942	8,940	-	8,940
Financial Expenses	-	(326)	-	(326)	(326)	-	(326)
Profit before Taxes	-	26,839	(796)	26,043	26,853	(796)	26,057
Income Tax	(iii)	(8,402)	258	(8,144)	(8,402)	258	(8,144)
Net Profit after Taxes	-	18,437	(538)	17,900	18,451	(538)	17,913
Number of Shares	-			106,500			
Earnings per Share for the Period (in €)	-			0.17			

STATEMENT OF FINANCIAL POSITION ON 30 JUNE 2018

	Notes	GROUP			COMPANY		
		Previous Standards (IAS 18, IAS 11 & relevant interpretations)	Adjustment	IFRS 15	Previous Standards (IAS 18, IAS 11 & relevant interpretations)	Adjustment	IFRS 15
<i>Amounts in € thousands</i>							
ASSETS							
NON-CURRENT ASSETS							
Goodwill		3,357	-	3,357	3,357	-	3,357
Other Intangible Assets		1,009	-	1,009	1,009	-	1,009
Tangible Assets		839,147	-	839,147	839,147	-	839,147
Investments in Subsidiaries	-	-	-	-	1,210	-	1,210
Financial assets at fair value through the other comprehensive income	-	2,332	-	2,332	2,332	-	2,332
Long-term Assets	(iv)	17,919	(4,297)	13,622	17,919	(4,297)	13,622
Deferred Tax Assets	(v)	107,033	(9,317)	97,716	107,033	(9,317)	97,716
Total Non-Current Assets		970,797	(13,614)	957,183	972,007	(13,614)	958,393
CURRENT ASSETS							
Materials and Spare Parts	-	11,237	-	11,237	11,237	-	11,237
Customer Receivables & Contractual Assets	(vi), (vii)	178,887	3,547	182,434	178,876	3,547	182,423
Cash and Cash Equivalents	-	322,075	-	322,075	321,090	-	321,090
Total Current Assets		532,821	3,547	536,368	531,791	3,547	535,338
Total Assets		1,503,618	(10,067)	1,493,551	1,503,798	(10,067)	1,493,731
LIABILITIES							
SHAREHOLDERS' EQUITY							
Share Capital	-	63,900	-	63,900	63,900	-	63,900
Share Premium	-	40,502	-	40,502	40,502	-	40,502

Reserves	-	365,371	-	365,371	365,371	-	365,371
Retained Earnings (earnings carried forward)	-	430,515	18,236	448,751	439,690	18,236	448,926
Total Shareholders' Equity		900,288	18,236	918,524	900,463	18,236	918,699

LONG TERM LIABILITIES

Liabilities for Employee Benefits	-	302,986	-	302,986	302,986	-	302,986
Provisions	-	47,042	-	47,042	47,042	-	47,042
Investment Subsidies	(viii)	179,264	(32,370)	146,894	179,264	(32,370)	146,894
Consumers' Guarantees		18,437	-	18,437	18,437	-	18,437
Total Long-Term Liabilities		547,729	(32,370)	515,359	547,729	(32,370)	515,359

SHORT-TERM LIABILITIES

Operating Short Term Liabilities	(vivo)	36,494	4,067	40,561	36,490	4,067	40,556
Current Tax Liabilities	-	4,966	-	4,966	4,966	-	4,966
Other Short Term Liabilities	(x)	14,141	-	14,141	14,150	-	14,150
Total Short-Term Liabilities		55,601	4,067	59,668	55,606	4,067	59,673
Total Equity & Liabilities		1,503,618	(10,067)	1,493,551	1,503,798	(10,067)	1,493,731

(i) The adjustment in Revenue of total amount € 93 during the six months to June 2018 relates to customer contracts that do not meet the collectability criterion in IFRS 15 (criterion (e) of paragraph 9).

(ii) As it was described above in section (a), note (a), one-off fees charged to customers prior to 30 June 2009 regarding the construction of the connection network and the equipment were accounted for as deferred income and were recognized during the useful life of the relevant assets. Following the adoption of IFRS 15, the relevant liability that was depicted in the Statement of Financial Position as deferred income as at 1 January 2018 was recognized in the Company's and Group's retained earnings. The amount of € 889 thousand represents the revenue that would be recognized during the current interim period relating to these one-off fees under the previous accounting standards, which is now reversed.

(iii) The adjustment in income tax relates to the deferred tax on the one-off fees charged to customers prior to 30 June 2009. Please refer to note (ii) above.

(iv) The adjustment in Long-term receivables relates to contracts that did not meet the criterion (a) of paragraph 9 of IFRS 15. Please refer to section (a) above, note (b).

(v) The adjustment in the item "deferred tax asset" relates mainly to the one-off fees charged to customers prior to 30 June 2009 regarding the construction of connection network and the equipment and also to receivables from contracts that do not meet the criterion (a) of paragraph 9 of IFRS 15. Please refer to section (a) above, notes (a) and (b).

(vi) The line item "Trade receivables" was adjusted as follows:

a) the amount of € 520 thousand was reversed since it was related to receivables recognized in respect of contracts that do not meet the criterion (e) of paragraph 9 of IFRS 15.

b) the amount of € 50,998 thousand that was related to accrued revenue, not invoiced to customers was reclassified into the line item "Contractual assets". Please refer to note (vii) below.

c) the amount of € 4,067 thousand that was related to amounts expected to be refunded to customers was reclassified into the line item "Operating Short Term Liabilities". Please refer to note (vivo) below.

(vii) The Company and the Group changed the presentation of certain amounts in the Statement of Financial Position to reflect the terminology of IFRS 15. In particular, the Company and the Group recognized as contractual assets the total amount of € 50,998 thousand that relates to accrued revenue, not invoiced to customers for water supply and sewerage services as at 30.06.2018. The relevant amount was previously presented in the line item "Trade receivables".

(vivo) The amount of € 4,067 thousand that was related to amounts expected to be refunded to customers and that was previously presented in the line item "Trade receivables" was reclassified into the line item "Operating Short Term Liabilities".

d) Analysis of Revenue into Categories

The Company's and Group's revenue for the current interim period is analyzed as follows:

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	30.06.2018		30.06.2018	
REVENUES	Over time	At a point in time	Over time	At a point in time
Revenue from water supply and related services	100,224	2,938	100,224	2,938
Revenues from sewerage and related services	49,072	227	49,072	217
Revenues from electric power sale	965	-	965	-
Total	150,261	3,165	150,261	3,155

The accompanying notes that are presented in pages 31-54 form an integral part of the present Financial Statements

4. INDEPENDENT AUDITOR'S REPORT



Report on Review of Interim Financial Information

To the Board of Directors of the Athens Water Supply and Sewerage Company (EYDAP S.A.)

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of the Athens Water Supply and Sewerage Company (EYDAP S.A.) (the "Company") as at 30 June 2018 and the related condensed separate and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that constitute the interim condensed financial information, which is an integral part of the six-month financial report under the L. 3556/2007. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards, as adopted by the European Union and apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as incorporated into the Greek Legislation, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Emphasis of Matter

We draw attention to note 23.1 to the financial statements, which describes the matter regarding the determination of cost, for the raw water that the Company is supplied from the Greek State. In the absence

of a written agreement for determining the above cost, the Company continues also after 30.6.2013, date when was settled the total of outstanding debts to the Greek State, to set off the raw water cost against the cost of services incurred for the maintenance and operation of the assets used for saving and transferring water that belong to the Legal Entity under Public Law “EYDAP Assets” as provided for by article 15 of the dated 9.12.1999 contract with the Greek State. Changes in the pricing for water and sewerage services will result from the implementation of the Joint Ministerial Decision 135275 (G.G. 1751/22.05.2017) “Approval of General rules for Costing and Pricing of water services. Methods and procedures for cost recovery of water services in its various uses”. At the present phase, it is not possible to forecast any consequences from the implementation of the above Joint Ministerial Decision on the company’s policy until now. Our opinion is not qualified in respect of this matter.

Athens, 27 September 2018

Efstratios G. Paparidis

Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 14351

Dimitrios Ch. Stavrou

Certified Public Accountant Auditor
Institute of CPA (SOEL) Reg. No. 14791

5. DATA AND INFORMATION

ATHENS WATER AND SEWERAGE COMPANY S.A. (EYDAP) Company's Number in the General Electronic Commercial Registry : 121578960000 Domicile: Oropos 195 - 11146 Galatsi, Greece FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1st January 2018 to 30th June 2018 (in accordance with the Decision 4/507/28.4.2009 of the Board of Directors of the Hellenic Capital Market Commission)										
The information and financial data that derive from the financial statements below provide general information about the financial position and the results of EYDAP S.A. (the Company) and the Group. Therefore, we recommend the reader, before making any investment decision or proceeding to any transaction with the Group or the Company, to visit the Company's website where the financial statements according to International Financial Reporting Standards together with the auditor's report, when needed, are presented.										
COMPANY INFORMATION										
Ministerial Authority:	Ministry of Infrastructure & Transport									
Corporate Web Site:	www.eydap.gr									
Composition of Board of Directors:	K. Papadopoulos, I. Benisis, K. Vafeiadis, I. Kardaras, G. Makrinos, N. Sarantis, M. Stavroulakis, G. Chatambalakis, P. Skoularikis, Ch. Mistriotis, A. Poulasis, Emman. Aggelakis, G. Alexandrakis									
Date of Approval of Financial Statements from the Board of Directors:	28 September 2018									
Chartered Auditors/Accountants:	Estratios Papakrivos (Reg. No. SOEL 14351), Dimitrios Stavrou (Reg. No. SOEL 14791)									
Auditing Company:	«S.O.L.» S.A. CERTIFIED PUBLIC ACCOUNTANTS SOCIETE ANONYME (SOEL Reg. Number 125)									
Audit Report from Chartered Auditor/Accountants:	In agreement – Matter of Emphasis									
STATEMENT OF FINANCIAL POSITION					STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					
Amounts in € thousand					Amounts in € thousand					
GROUP					GROUP					
COMPANY					COMPANY					
	30.06.2018	31.12.2017	30.06.2018	31.12.2017		30.06.2018	30.06.2017	30.06.2018	30.06.2017	
ASSETS					Equity balance at the beginning of the period (1.01.2018 and 1.01.2017 respectively)	922.849	904.766	923.011	904.879	
Tangible assets	839.147	852.622	839.147	852.520	Profit after tax	17.900	11.870	17.913	11.896	
Intangible assets	1.009	1.026	1.009	1.026	Net income directly recorded to equity	(925)	(4.530)	(920)	(4.530)	
Other noncurrent assets	117.027	130.735	118.237	131.945	Total comprehensive income after tax	16.975	16.400	16.988	16.426	
Inventories	11.237	10.940	11.237	10.940	Dividends Distributed	(21.300)	(11.715)	(21.300)	(11.715)	
Trade Receivables and Contractual Assets	182.434	215.971	182.423	215.955	Equity balance at the end of the period (30.06.2018 and 30.06.2017 respectively)	918.524	909.451	918.699	909.590	
Other current assets	342.697	321.427	341.678	320.395						
TOTAL ASSETS	1.493.551	1.532.621	1.493.731	1.532.781						
EQUITY AND LIABILITIES					CASH FLOW STATEMENT					
Share capital	63.900	63.900	63.900	63.900	Amounts in € thousand					
Other Equity Items	854.624	878.128	854.799	878.291	GROUP					
Total Equity	918.524	942.028	918.699	942.191	COMPANY					
Liabilities for employee benefits	302.986	301.006	302.986	301.006		30.06.2018	30.06.2017	30.06.2018	30.06.2017	
Investment subsidies	146.894	183.187	146.894	183.187	Cash Flows from operating activities					
Provisions / Other long-term liabilities	65.479	53.632	65.479	53.632	Profit before tax (continued activities)	26.043	20.252	26.057	20.278	
Other Short-term liabilities	59.668	52.768	59.673	52.765	Plus / minus adjustments for:					
Total Liabilities	575.027	590.593	575.032	590.590	Depreciation and amortization	22.490	22.299	22.490	22.299	
TOTAL EQUITY AND LIABILITIES	1.493.551	1.532.621	1.493.731	1.532.781	Amortization of subsidies	(3.204)	(3.650)	(3.204)	(3.650)	
					Income from securities	(69)	(69)	(69)	(69)	
					Provisions for personnel compensation	988	1.165	988	1.165	
					Other Provisions	11.254	(1.830)	11.254	(1.830)	
					Credit interest and related income	(8.883)	(10.065)	(8.881)	(10.065)	
					Debit interest and related expense	326	240	326	240	
					Plus / minus adjustments for changes in working capital accounts or related to operating activities:					
					(Increase) Decrease in:					
					Trade Receivables and Contractual Assets	7.274	1.648	7.270	1.653	
					Consumable materials and spare parts	(57)	641	(57)	641	
					Increase (Decrease) in:					
					Liabilities	(7.996)	2.227	(7.990)	2.229	
					Consumers' guarantees	50	49	50	49	
					Employee contribution for indemnity	992	911	992	911	
					Plus:					
					Incremental increases on customer receivables	3.128	1.921	3.128	1.921	
					Minus:					
					Interest and related expenses paid	(117)	(61)	(117)	(61)	
					Income tax paid	(206)	(147)	(206)	(147)	
					Total cash inflows / (outflow) from operating activities (a)	52.023	35.540	52.041	35.573	
					Cash Flows from investing activities					
					Purchase of tangible assets	(8.384)	(5.221)	(8.384)	(5.220)	
					Purchase of intangible assets	(715)	(196)	(715)	(196)	
					Proceeds from subsidies	170	744	170	744	
					Interest income received	4.174	3.508	4.172	3.508	
					Dividends Received	59	60	59	60	
					Net cash inflows / (outflows) from investing activities (b)	(4.690)	(1.105)	(4.690)	(1.104)	
					Cash Flows from financing activities					
					Dividends paid	(20.173)	(50.125)	(20.173)	(50.125)	
					Total cash inflows / (outflow) from financing activities (c)	(20.173)	(50.125)	(20.173)	(50.125)	
					Net (decrease) / increase in cash and cash equivalents (a) + (b) + (c)	27.154	(15.690)	27.170	(15.656)	
					Cash and cash equivalents, at the beginning of the period	294.921	280.544	293.920	279.471	
					Cash and cash equivalents, at the end of the period	322.075	264.854	321.090	263.815	
STATEMENT OF TOTAL COMPREHENSIVE INCOME										
Amounts in € thousand										
GROUP										
COMPANY										
	1.01-30.06.2018		1.01-30.06.2017			1.01-30.06.2018		1.01-30.06.2017		
Turnover	153.426	151.776	153.426	151.776	Turnover	153.416	151.776	153.416	151.776	
Gross profit	61.211	57.518	61.211	57.518	Gross profit	61.201	57.518	61.201	57.518	
Profit before tax, financial and investment results	17.427	10.366	17.427	10.366	Profit before tax, financial and investment results	17.443	10.393	17.443	10.393	
Profit before tax	26.043	20.252	26.043	20.252	Profit before tax	26.057	20.278	26.057	20.278	
Profit after tax (A)	17.900	11.870	17.900	11.870	Profit after tax (A)	17.913	11.896	17.913	11.896	
Other comprehensive income, net of tax (B)	(925)	4.530	(925)	4.530	Other comprehensive income, net of tax (B)	(925)	4.530	(925)	4.530	
Total Comprehensive income for the period (A+B)	16.975	16.400	16.975	16.400	Total Comprehensive income for the period (A+B)	16.988	16.426	16.988	16.426	
Attributable to:					Attributable to:					
Shareholders	17.900	11.870	17.900	11.870	Shareholders	17.913	11.896	17.913	11.896	
Basic earnings after taxes per share (in €)	0.17	0.11	0.17	0.11	Profit before tax, financial, investment results, depreciation and amortization	36.729	29.042	36.729	29.042	
Profit before tax, financial, investment results, depreciation and amortization	36.713	29.015	36.713	29.015						
STATEMENT OF TOTAL COMPREHENSIVE INCOME										
Amounts in € thousand										
COMPANY										
	1.01-30.06.2018		1.01-30.06.2017			1.01-30.06.2018		1.01-30.06.2017		
Turnover	153.416	151.776	153.416	151.776	Turnover	153.416	151.776	153.416	151.776	
Gross profit	61.201	57.518	61.201	57.518	Gross profit	61.201	57.518	61.201	57.518	
Profit before tax, financial and investment results	17.443	10.393	17.443	10.393	Profit before tax, financial and investment results	17.443	10.393	17.443	10.393	
Profit before tax	26.057	20.278	26.057	20.278	Profit before tax	26.057	20.278	26.057	20.278	
Profit after tax (A)	17.913	11.896	17.913	11.896	Profit after tax (A)	17.913	11.896	17.913	11.896	
Other comprehensive income, net of tax (B)	(925)	4.530	(925)	4.530	Other comprehensive income, net of tax (B)	(925)	4.530	(925)	4.530	
Total Comprehensive income for the period (A+B)	16.988	16.426	16.988	16.426	Total Comprehensive income for the period (A+B)	16.988	16.426	16.988	16.426	
Attributable to:					Attributable to:					
Shareholders	17.913	11.896	17.913	11.896	Shareholders	17.913	11.896	17.913	11.896	
Profit before tax, financial, investment results, depreciation and amortization	36.729	29.042	36.729	29.042	Profit before tax, financial, investment results, depreciation and amortization	36.729	29.042	36.729	29.042	

ADDITIONAL DATA AND INFORMATION

- The number of employees of the Group and the Company as of 30 June 2018 was 2,251 (30 June 2017: 2,283).
 - The provisions formed by the Company until 30 June 2018 concern: a) Lawsuits for civil cases against the Company of a total amount € 88.9 million, mainly relating to indemnities for damages from water flooding (due to pipelines fractures and rainfalls), as well as lawsuits from various counterparty suppliers and subcontractors for violation of contractual terms. b) There are also pending litigations for labor differences of € 151.8 million approximately. Against the losses which may arise if the above (a and b) pending litigations become irrevocably resolved, EYDAP has formed provisions of total amount € 47.0 million on 30 June 2018 versus € 35.3 million on 31 December 2017, which are deemed as adequate. c) Taxes for unaudited years of € 2.4 million on 30 June 2018, as in the case of 31 December 2017 (note 6), and d) Other provisions for doubtful receivables (customers, contractual assets and debtors) and obsolete inventories of € 104.1 million on 30 June 2018 versus € 65 million on 31 December 2017.
 - As described in the note 23 of the condensed financial statements, the signing of a written agreement – as it is defined in the article 15 of the agreement on 09.12.1999 between the Greek State and the Company - which will determine the price paid for the collected crude water is pending from the year 2004. In absence of a written agreement, the Company continues to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "E.P.L. EYDAP Fixed Assets", thus burdening its financial results.
 - The amounts of sales and purchases cumulatively from the beginning of the current period and the balances of receivables and liabilities of the Group and the Company at the end of the current period, which have been generated from related party transactions according to the definition of IAS 24, are as follows : (amounts in € thousand)
- | | GROUP | | COMPANY | |
|--|--------|--------|---------|--------|
| | 2018 | 2017 | 2018 | 2017 |
| i) Income | 25,056 | 27,879 | 25,056 | 27,879 |
| ii) Expenses | 0 | 247 | 0 | 247 |
| iii) Receivables | 63,988 | 70,802 | 64,012 | 70,826 |
| iv) Remuneration and compensation of Board Members and senior executives | 173 | 97 | 173 | 97 |
- In the current year the following were recorded: a) an expense of € 925 thousand in the "Other comprehensive income after taxes" concerning a change in the fair value of financial assets (note 17).
 - No material event has occurred that could significantly affect the financial structure or the business course of the Company and the Group from 30.06.2018 until the approval date of the financial statements by the Company's Board of Directors (note 25).
 - Apart from EYDAP, the consolidated financial statements include ISLANDS' EYDAP DEVELOPMENT S.A., with domicile in Athens. EYDAP holds 100% of the company's share capital. ISLANDS' EYDAP S.A. was consolidated according to the full consolidation method and as a result no minority rights were recorded. The website of ISLANDS' EYDAP DEVELOPMENT S.A. is www.eydapiron.gr.
 - The basic accounting principles and the significant accounting judgments followed by the Management are the same with the ones applied in the annual financial statements of the Company for the fiscal year ended on 31st December 2017, except for the adoption of the new financial reporting standards as described in notes 28 and 29 of the interim condensed financial statements.
 - The matter of emphasis of the certified auditors is the following: "We advise that you pay attention to the analytical note 23.1 of the financial statements concerning the determination of the price of the crude water supplied to the Company from the Greek State. In absence of a relevant agreement, the Company continues even after 30.06.2013, the date on which the entire issues of economic nature with the Greek State were settled, to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets (used for water collection and distribution) owned by "E.P.L. EYDAP Fixed Assets", as stipulated by the article 15 of the contractual agreement with the Greek State dated on 09.12.1999. Changes in the pricing of water and sewerage services may stem from the application of JMD 1352/75 (GG 1751 / 22.05.2017) "Approval of general Costing and Pricing Rules of water services. Method and procedures for recovering the cost of water services in its various uses". At the current phase it is not possible to estimate any potential impact stemming from the enforcement of the above decision on the up to now applied policy by the Company. In our conclusion no reservation has been expressed with regard to this matter."

Athens, 26 September 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS
 KONSTANTINOS ANT. PAPAPOPOULOS

THE CHIEF EXECUTIVE OFFICER
 IOANNIS EMM. BENISIS

THE DIRECTOR OF FINANCIAL SERVICES
 LEMONA MARK. SKYLARI

THE CHIEF ACCOUNTANT SUPERVISOR
 DIMITRA VAS. ZARKADOUOLA

ID. P. 720446

ID. No. AB 521661

ID. No. E 971227

ID. No. AB 253061
 ECG License Reg. No.
 A112285

ECG License Reg. No. A117806