LAMPSA HELLENIC HOTELS S.A.

SIX-MONTH FINANCIAL REPORT

for the period

from January 1 to June 30, 2018

In compliance with Article 5. Law 3556/2007

TABLE OF CONTENTS

A. Representations of the Members of the Board of Directors

(under Article 5, par. 2, Law 3556/2007)

The below statements are made by the following members of the Board of Directors of the Company "LAMPSA HELLENIC HOTELS S.A.":

1. George Galanakis, father's name Emmanuil, President of the Board of Directors,
2. Anastasios Homenidis, father's name Georgios, Chief Executive Officer,
3. Filippos Spyropoulos, father's name Konstantinos, Non-executive Member of the Board of Directors

We hereby certify that as far as we know:

A) The attached six-month separate and consolidated financial statements of "LAMPSA HELLENIC HOTELS S.A." (hereinafter "the Company" or "Lampsa S.A.") for the period 01/01-30/06/2018, prepared according to the effective accounting standards, present truly and fairly the assets and liabilities of the issuer as well as the companies included in the consolidation as aggregate, according to par. 3 - 5 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD of the Hellenic Capital Market Commission.

B) The attached six-month Board of Directors report presents in a true and fair way the information required according to par. 6 of article 5 of L. 3556/2007 and the authorizing decisions of the BoD of the Hellenic Capital Market Commission.

Athens, September 28, 2018

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	MEMBER OF THE BOARD OF DIRECTORS
GEORGE GALANAKIS	ANASTASIOS HOMENIDIS	FILIPPOS SPYROPOULOS
I.D. No Ξ 282324	I.D. No AI 506406	I.D. No AK 121283

All the amounts are expressed in thousands of Euro unless stated otherwise

B. Report on Review of Interim Financial Information

To the Board of Directors of "LAMPSA HELLENIC HOTELS S.A."

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of the Company "LAMPSA HELLENIC HOTELS S.A." as at 30 June 2018 and the related separate and consolidated condensed income statement and statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which forms an integral part of the six-month financial report under Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements 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 Auditing Standards incorporated in 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 condensed financial information is not prepared, in all material respects, the separate and consolidated financial position of the Company and the Group "LAMPSA HELLENIC HOTELS S.A." as at 30 June 2018, their separate and consolidated financial performance and separate and consolidated cash flows for the period then ended, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Emphasis of Matter

We draw your attention to Note 2.17 to the interim financial statements which describes the existence of third parties pending court cases regarding a subsidiary company, claiming compensations totaling EURO 1.109 million. The final outcome of the court case cannot be estimated at present, and, therefore, no relative provision has been made in the financial statements regarding these court cases. Our conclusion is not qualified in respect of this matter.

Athens, 28 September 2018

The Chartered Accountant

Thanasis Xynas

SOEL Reg. No 34081

Grant Thornton
An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

C. Six-Month Report of the Board of Directors of the Company «LAMPSA HELLENIC HOTELS S.A.» on the corporate and consolidated Financial Statements for the period from January 1st to June 30th, 2018

Dear Shareholders,

The current Six-month Report of the Board of Directors (hereinafter **"the Report"**) pertains to the first sox-month period of the current year 2018 (1.1-30.6.2018) and has been prepared in compliance with the relevant provisions of Law 3556/2007 (Article 5, paragraph 6) (Government Gazette 91A/30.04.2007) as well as the publicized resolution of the BoD of the Hellenic Capital Market Commission (Decision 1/434/03.07.2007, Article 3 and Decision 7/448/11.10.2007, Article 4).

The current report accompanies the six-month financial statements (01/01/2018 - 30/06/2018) and is included together with the full text of the statements of the BoD members in the financial report for the first six months of 2018.

The current report presents an in brief but effective way all the necessary significant information, based on the above legislative framework and records, in a true and fair manner, all the relevant information, required by legislation, in order to provide significant and reliable information about the operations, performed within the aforementioned period, by the company "LAMPSA HELLENIC HOTELS S.A." (hereinafter "the Company" or "Lampsa S.A.") as well as the Group. As at 30/6/2018 , the Group incorporates the following companies:

Company	Functioning Currency	Domicile	Equivalent participation %	Treasury Shares*	Consolidation Method	Part/ing Interest
LAMPSA HELLENIC HOTELS S.A.	€	GREECE	Parent			
LUELLA ENTERPRISES LTD	€	CYPRUS	100,00%		Full	Direct
BEOGRADSKO MESOVITO PREDUZECE	€	SERBIA	94,60%	5,4%	Full	Indirect
EXCELSIOR BELGRADE SOCIATE OWNED	€	SERBIA	80,33%	17,23%	Full	Direct
TOURISTIKA THERETRA S.A.	€	GREECE	50,00%		Equity	Direct
MARKELIA ENTERPRISES COMPANY LTD	€	CYPRUS	100,00%		Full	Indirect

*See analysis in §1.2.

UNIT 1 Financial developments and data on the course of the period from 1/1/2018 to 30/06/2018

1.1 Financial Information

In the first semester of 2018 the tourism sector substantially improved, since there was an increase in arrivals, in line with an increase in revenue. On the contrary, the consequences of the economic crisis are reflected in the revenue of the Food & Beverage segment, where Greek presence has been traditionally strong, resulting in a lower rate of revenue growth compared to the room revenue increase.

Stabilization in room occupancy ration can also be observed in the Serbian hotel market, after the increase of the last two years, since demand is showing signs of recovery, assisted by the new foundations caused by Serbia's admission to the EU (airports, privatization of air transportation operator etc). However, an increase in revenue has not been recorded owing to extensive competition from a high number of new hotels in the Belgrade area.

Six-month Financial Report for the period from January 1 to June 30, 2018 All the amounts are expressed in thousands of Euro unless stated otherwise

Room occupancy ratio of the luxury hotel industry in Athens increased by 3,7% compared to the relative six-month period of 2017, adjusting the ratio to 72,5% versus 69,9% in 2017. The average room price at the hotels increased by 9,7% versus 2017, standing at € 164,56 as compared to € 149,95 in 2017. Therefore, room occupancy ratio of the luxury hotel industry in Athens increased by 13,8% and respectively the total room revenue increased by 13,7%.

"Grande Bretagne" hotel recorded a 11,8% sales increase versus the relative period in 2017, while «King George» hotel recorded 13,5% sales increase. Regarding the Group Hotels in Serbia, they recorded a marginal increase in sales, in particular, "Hyatt Regency Belgrade" - recorded a marginal sales increase by 0,4%, whereas "Excelsior" recorded an impressive increase by 20,88% due to the undertaking of the hotel management Accor hotel group.

In terms of EBITDA, the relative increase in sales and expenditure restraint (despite rigidity of payroll expenses) resulted in increased sizes for the Group (€9,12 million versus € 6,70 million in 2017) with a significant improvement for the Company (€ 7,29 million versus € 4,67 in the respective period of 2017). Moreover, Sheraton Rhodes Hotel, presented an increase in sales by 5,7%.

Specifically for the Group's Hotels, the figures were as follows:

	Results as at 30.06.2018				
	Grande Bretagne	**King George**	**Hyatt Belgrade**	**Sheraton Rhodes**	**Excelsior**
Revenue per available room	215,74	193,11	60,88	71,17	43,56
Hotel occupancy rate	71,79%	77,36%	60,88%	69,51%	59,93%
Average hotel room price	300,5	249,62	101,01	102,38	72,68
	Results as at 30.06.2017				
	Grande Bretagne	**King George**	**Hyatt Belgrade**	**Sheraton Rhodes**	**Excelsior**
Revenue per available room	191,67	169,57	61,25	71,55	28,53
Hotel occupancy rate	66,63%	76,85%	61,20%	71,47%	63,56%
Average hotel room price	287,68	220,65	100,3	100,11	44,88

1.2 Significant events within the period from 01/01 to 30/06/2018

On February 26, 2018, the subsidiary company EXCELSIOR BELGRADE AD decided to cease its listing at the Serbian stock exchange by exercising the pre-emptive option regarding the shares of majority shareholders. Till currently, the option was supported by the shareholders of the company holding total of 17.23% versus a consideration of € 1 million. Now, a small percentage of shares (2.28%) remains non-controlled by the company and regarding this issue, the company intends to exercise the mandatory option in order to acquire 100% of the share capital.

In addition, in March 2018, a loan agreement was signed between two subsidiaries domiciled in Serbia (BEOGRADSKO MESOVITO PREDUZECE & EXCELSIOR BELGRADE SOCIATE OWNED). The amount of the loan is € 1.1 m with full repayment in 2020. The loan will be used to finance the acquisition of minority shares of EXCELSIOR BELGRADE AD.

In March 2018, the subsidiary BEOGRADSKO MESOVITO PREDUCEE AD acquired all minority shares for a consideration of € 2.5 m, corresponding to 5.4% of the share capital. As a result of the acquisition, no shares are held outside the Group's companies.

Finally, following signing of the long-term lease agreement of King's Palace historic hotel, owned by the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE (ATPPEATE), the engineering designs as well as the necessary licenses for the renovation of the hotel were issued. Its reconstruction is expected to be completed in early 2020.

All the amounts are expressed in thousands of Euro unless stated otherwise

In addition, on 15 June 2018, the Annual Regular General Meeting of the Company LAMPSA HELLENIC HOTELS S.A. took place, with the participation of shareholders, legally representing 15,780,377 shares out of a total of 21,364,000 shares of the Company, namely approximately 73,86%, who decided unanimously on the following items on the agenda:

(1) regarding the first item, the shareholders approved the annual financial statements of LAMPSA S.A. (Separate and Consolidated) as well as the Annual Financial Report of the Board of Directors for the financial year 2017 (1.1.2017 - 31.12.2017), following the disclosure of the Independent Auditors' Report on the Annual Financial Statements of 31 December 2017 (separate and consolidated), including distribution of dividend of € 0.20 per share for 2017, with dividend claiming right date expiring on 28/06/2018. Dividend beneficiaries the company shareholders registered in the records of the Dematerialized Securities System (D.S.S) on 29/06/2018. Dividends will be paid 04/07/2018. Furthermore, the General Meeting authorized the Board of Directors to take the necessary steps to implement this decision.

(2) regarding the second item, the shareholders approved discharging the members of the Board of Directors and the Certified Auditors of any liability for compensation for the preparation and audit of the annual financial statements and the general management of corporate affairs for the year 01.01.2017-31.12.2017,

(3) regarding the third item, the shareholders elected GRANT THORNTON S.A. for the audit of annual and interim financial statements of the Company for 2018 and defined the relative fee.

(4) regarding the fourth item, the shareholders approved payment of fees of 30.090 Euro to the member of the Board of Directors, Ms. Chloe Laskaridi for 2017, while no other amounts were approves as fees for 2018.

(5) regarding the fifth item, the Chairman of the General Meeting has informed the shareholders about the resignation of the member of the Board of Directors, Mr. Athanasios Papadopoulos. Mr. Papadopoulos submitted his resignation on 28/11/2017 and the Board of Directors was restructured on 28/11/2017, since it has been decided to replace the resigned member with Mr. Vasileios Theocharakis for the remaining term of office of the Board of Directors, namely until 19.06.2018.

(6) regarding the sixth item, the election of a new Board of Directors was decided, which will manage the company for 3 years (according to Article 15 of the Company's Articles of Association), ie until 15.06.2021. The members of the Board of Directors are as follows:

1. Georgios Galanakis	Non-independent member
2. Apostolos Doksiadis	Non-independent member
3. Anastasios Xomenidis	Non-independent member
4. Nikolaos Dandolos	Non-independent member
5. Filippos Spyropoulos	Independent member
6. Vasileios Theocharakis	Non-independent member
7. Thomas Miller	Independent member
8. Maurice Modiano	Non-independent member
9. Chloe Laskaridi	Non-independent member
10. Susanna Laskaridi – Doulaki	Non-independent member

(7) regarding the seventh item, a new Audit Committee was elected according to the provisions of Law 4449/2017, which will consist of three members, two-year term, consisting of an independent/non-executive member of the Company's Board of Directors and two non-members of the Board of Directors (independently within the meaning of Law 3016/2002), and in particular the following:

All the amounts are expressed in thousands of Euro unless stated otherwise

1. Konstantinos Vasileiads, father's name Vasileios, independent within the meaning of Law 3016/2002,
2. Filippos Spyropoulos, father's name Konstantinos, independent member within the meaning of Law 3016/2002,
3. Athanasios Mpournazos, father's name Matthaios, independent within the meaning of Law 3016/2002, Chairman of the Audit Committee.

Moreover, it was decided to update the existing operational regulations of the company and to draft new regulations, to the extent it is necessary in order to facilitate the Company's regular operations. Thereafter, the General Meeting authorized the Board of Directors of the Company to take all the necessary steps to implement this decision.

(8) regarding the eighth item, the shareholders discussed various announcements, information on the Company's progress and the challenges faced by it in the Tourism sector.

1.3 The Group and the Company Development, Performance and Financial Position

During the first six month period of 2018, the changes in the Group & Company financials were as follows:

Turnover in the first six-month period of 2018 at consolidated level stood at € 29,80 million versus € 27,45 million in the same period in 2017, presenting an increase of 8,57%. The turnover of the parent company (Hotels "Grande Bretagne and "King George") stood at € 23,89 million versus € 21,62 million in the comparative 2017 period, increased by 10,52%.

Consolidated **gross profit** amounted to € 12,02 million from € 10,49 million in 2017, presenting an increase due to the increase in turnover, while gross profit margin changed from 38,20% in 2017 to 40,34% in 2018. Gross profit of the parent company stood at € 10,24 million compared to profit of € 8,51 million in 2017. The gross profit margin of the Company amounted to 42,87% in 2018 versus profit of 39,39% in the respective last year period.

The aforementioned increase in turnover that affected almost the total of the Group gross earning, also affected the Group operating earnings **(EBITDA)** that presented profit of € 9,12 million versus profit of € 6,70 million in 2017, increased by 36,20%. Respectively, the parent company operating earnings stood at profit of € 7,29 million versus profit of € 4,67 million in 2017, increased by 56,09%. Moreover, EBITDA margin stood at 30,61% versus 24,40% in 2017 for the Group and at 30,51% versus 21,60% for the Company respectively.

Financial Cost of the Group and the Company increased by € 1,05 million and € 1 million respectively due to additional short-term loan of the company of the previous year by € 43 million.

Other financial results of the Group and the Company relate mainly to loan exchange differences arising from euro/dollar exchange ratios.

Earning before tax of the Group recorded profit of € 4,23 million versus profit of € 4,38 million for the comparative 2017 period. Earnings before tax of the parent company recorded profit of € 3,47 million versus profits of € 3,31 million for the comparative 2017 period.

Income Tax of the Company and the Group includes calculation of deferred tax. Tax expenses for the Group stood at € 1,13 million and for the Company at expenses of € 1,02 million versus tax expenses of € 1,05 million and € 917,32 k for the Group and the Company for the comparative period.

Net earnings after tax and before non-controlling interests for the Group recorded profit of € 3,11 million, versus profit of € 3,27 million for the comparative period of 2017. The parent company recorded profit of € 2,45 million versus profit of € 2,40 million for the comparative period of 2017.

The balances of the accounts **Trade and Other Receivables and Other Current Assets** of the Group and the Company as at 30/06/2018 are presented increased by 37,95% and 32,09% respectively versus the balances recorded as at 31/12/2017, due to the nature of the Company and the Group operations, affected by seasonality of sales, contributing to generating bigger open balances within the interim reporting period. It is expected that during the following months, given the capitalization of the aforementioned receivables, the trade balances will be significantly decreased, thus reaching the normal levels. Likewise, the balances of the accounts **Other Liabilities** of the Group and the Company are increased by 52,94% and 62,60% respectively as at 30/06/2018 versus 31/12/2017 due to accrued expenses expected to be settled in the following months.

As at 30/06/2018, the Group had negative working capital, as current liabilities exceed current assets by € 63,55 k (parent company € 67,80 k). A significant part of current liabilities (76,06% regarding the Group and 76,78% regarding the parent company) pertains to short-term debt and long-term debt installments payable in the following year. Within the current period, the Group repaid to the banks a capital amount of € 1,66 million and the parent Company – an amount of € 1,57 million. In the next year, the Group and the Company are to pay to the banks the capital amounts of € 64,02 million and € 63,64 k respectively. Without taking into consideration the short-term loan liabilities, the Group working capital is presented positive by € 467,71 k and the Company's is presented negative by € 4,16 k.

It is noted that the loan of the parent company amounting to € 10,2 million has been extended until 30/09/2018 and the loan amounting to € 43 million has been extended until 3/10/2018.

The Group's Management is at the final stage of an agreement with the lending banks Eurobank & Alpha Bank regarding the conclusion of a new long-term Bond Loan to repay the existing short-term loan liabilities of the parent Company. In this regard, a draft of basic terms has been signed, which is subject to the approval of the authorized committees of the Credit Institutions.

Furthermore, the Group's and the Company's Working Capital needs are expected to be covered by the operating inflows expected to be achieved within the following periods, as seasonality is presented in the Group's activity where the occupancy in the spring months is almost double that of the corresponding winter period.

1.4 Prospects – operations development – Main Risks and Uncertainties for the Second Six-month Period of 2018

The tourism industry of the country exhibits signs of significant improvement. The relative lack of stability of tourism destinations of the wider area has a positive effect on destination Greece, as a safe Eurozone member-country. Lampsa hotels, boasting the competitive advantage of luxury hotel units, location and history (Grande Bretagne) lead the Group to increasing its figures in all the operating segments, while improving its financial performance.

Stabilization in room occupancy ration can also be observed in the Serbian hotel market, after the increase of the last two years, since demand is showing signs of recovery, assisted by the new foundations caused by Serbia's admission to the EU (airports, privatization of air transportation operator etc). However, an increase in revenue has not been recorded owing to extensive competition from a high number of new hotels in the Belgrade area.

Furthermore, joint operation of the hotels "Grande Bretagne" and "King George" provides economies of scale both at management level and staff level.

The improvement of the profitability of the company is expected, due modification of the management agreement of the hotels "Grande Bretagne" and "King George" with Marriott Group, through which the management fees for the three years 2017-2019 will significantly decrease.

As far as the hotels in Serbia are concerned, especially Excelsior Hotel, undertaking of management by Accor Group under the trade title Mercure is expected to play the primary role, since it already contributes to its sales increase by approximately 20%. A marginal increase in the income for the hotel "Hyatt Regency Belgrade" is expected as a consequence of the intense competition due to operation of many new hotels in the city of Belgrade.

Currency Risk

The Group operates internationally and carries out trade and loan transaction in foreign currency. Therefore, it is exposed to foreign currency translation differences (another major country of the Group's operations, apart from Greece, is Serbia). he Parent Company exposure to currency risk arises mainly from the bond loan issue in US Dollars.

Credit Risk

More than 80% of the Group sales are held through credit cards and credit sales are mainly made to customers with an estimated credit history.

Liquidity Risk

As at 30/06/2018, the Group had negative working capital, as current liabilities exceed current assets by € 63,55 k (parent company € 67,80 k). A significant part of current liabilities (76,06% regarding the Group and 76,78% regarding the parent company) pertains to short-term debt and long-term debt installments payable in the following year. Within the current period, the Group repaid to the banks a capital amount of € 1,66 million and the parent Company – an amount of € 1,57 million. In the next year, the Group and the Company are to pay to the banks the capital amounts of € 64,02 million and € 63,64 k respectively. Without taking into consideration the short-term loan liabilities, the Group working capital is presented positive by € 467,71 k and the Company's is presented negative by € 4,16 k.

It is noted that the loan of the parent company amounting to € 10,2 million has been extended until 30/09/2018 and the loan amounting to € 43 million has been extended until 3/10/2018.

The Group's Management is at the final stage of an agreement with the lending banks Eurobank & Alpha Bank regarding the conclusion of a new long-term Bond Loan to repay the existing short-term loan liabilities of the parent Company. In this regard, a draft of basic terms has been signed, which is subject to the approval of the authorized committees of the Credit Institutions.

Furthermore, the Group's and the Company's Working Capital needs are expected to be covered by the operating inflows expected to be achieved within the following periods, as seasonality is presented in the Group's activity where the occupancy in the spring months is almost double that of the corresponding winter period.

Two major shareholders of the parent company "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES COMPANY LIMITED" 61,86%, although it is estimated that it will not be necessary, are committed to cover working capital subsequent needs for at least the next twelve months from the date of approval of the interim financial statements of 30/06/2018.

It is noted that the financial statements of the companies included in the consolidation have been prepared based on the principle of the going concern.

Risk of Changes of Fair Value due to Changes in Interest Rates

The Group's policy is to minimize its exposure to the risk of changes of fair value due to changes in interest rates as far as long-term financing is concerned. On June 30, 2018, the Company and the Group are exposed to the risk of changes in market interest regarding their bank borrowings, which, however, is estimated as low.

1.5 Post Reporting Period Balance Sheet Events

In the context of the long-term lease of the historic King's Palace hotel, owned by the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE ATPPEATE the company signed an agreement with the international hotel group Accor Hotels, to undertake the management of the hotel under the trade name MGallery. The agreement matures in 25 years and includes basic management fees on revenue and remuneration for achieving objectives.

Accor Hotels is one of the top 5 hotel chains, with a leading position in Europe, Latin America, the Middle East, Africa and Asia. It operates 2,300 hotels under direct agreement management and in addition 1,850 hotels under franchise agreement. Every night, it hosts 500,000 guests in more than 4,150 hotels in 95 countries. The global size of the company provides real benefits to hotel owners (Proven techniques and large economies of scale, expertized staff with strong skills and know-how and constant support, at the same time with successful financial results) Some of the brands of the company are among others, Sofitel, Raffles, Fairmont, Pullman, Swissotel, Mercure, Novotel.

Accor Hotels is one of top 5 hotel chains holding a leading position in Europe, Latin America, the Middle East, Africa and Asia. There are 2,300 hotels under direct management agreement and in addition 1,850 hotels under a franchise agreement. On everyday basis, the group hosts 500,000 visitors at over 4,150 hotels in 95 countries. The global size of the company provides real benefits to hotel owners (Proven techniques and large economies of scale, skilled staff with strong know-how and constant support, achieving the financial objectives. Some of the brands of the company are Sofitel, Raffles, Fairmont, Pullman, Swissotel, Mercure, Novotel.

1.6 Related Parties Transactions

This section includes the most significant transactions between the Company and its related parties as defined in International Accounting Standard 24 and in particular:

(a) Transactions between the Company and any related party made during the first six months of 2018, which have materially affected the financial position or performance of the Company during the aforementioned period,

(b) any changes in the transactions between the Company and any related party described in the last annual report that could have a material effect on the financial position or performance of the Company during the first six-month period of 2018.

It is noted that reference to those transactions includes the following elements:

(a) the amount of such transactions for the first six-month period of 2018

(b) the outstanding balance at the end of the period (30/6/2018)

(c) the nature of the related party relationship with the issuer and

(d) any information on transactions that are necessary for understanding the financial position of the Company, but only if such transactions are material and have not been conducted under normal market conditions.

Specifically, transactions and balances with related legal entities and natural persons, as defined by the International Accounting Standard 24 on 30/6/2018 and 30/6/2017 or 31/12/2017 respectively, are as follows:

Amounts in thousands €	THE GROUP		THE COMPANY	
Sales of goods – services	**01/01 - 30/06/2018**	**01/01 - 30/06/2017**	**01/01 - 30/06/2018**	**01/01 - 30/06/2017**
Parents /jointly controlled entities	74	49	74	49
Other associates	41	7	41	7
Total	**115**	**55**	**115**	**55**
Acquisition of services				
Subsidiaries/jointly controlled entities	6	3	6	3
Other Associates	413	237	413	237
Total	**419**	**240**	**419**	**240**
Balance of Payables	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Subsidiaries/jointly controlled entities	566	514	566	514
Other associates	2	13	2	13
Total	**568**	**527**	**568**	**527**
Balance of Receivables	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Subsidiaries/jointly controlled entities	-	-	-	-
Other associates	127	83	127	83
Total	**127**	**83**	**127**	**83**

Among the subsidiaries of the Group exist receivables/liabilities from the total value of loans € 1,1 million and other receivables /liabilities of € 18 k as well as corresponding income / expense interest of € 9 k and other income/expenses of € 9,5 k. Moreover, there are receivables/liabilities amounting to € 222,5 k among the Group subsidiaries regarding dividends payment. The aforementioned transactions were eliminated on consolidation.

Outstanding balances at year end are unsecured and settlement is made in cash. No guarantees have been provided or received regarding the above receivables.

It is noted that there are no special agreements between the Parent Company and its subsidiaries and potential transactions are carried out between them under the effective market conditions, within the framework and the particularities of each market.

Regarding the period ended as at June 30, 2018, the Company has made no provisions for doubtful debts relating to amounts owed by related parties.

The remuneration of key executives and BoD members was as follows:

Amounts in thousands €	Group		Company	
	01.01-30.06.2018	**01.01-30.06.2017**	**01.01-30.06.2018**	**01.01-30.06.2017**
Salaries-Fees	423	481	200	277
Social Insurance Cost	66	73	37	49
Bonus	170	128	170	128
Total	**681**	**697**	**406**	**454**

No loans have been granted to BoD members and chief executives of the Group and their families.

Athens, September 28, 2018

The President of the Board of Directors

George Galanakis

LAMPSA HELLENIC HOTELS S.A.

Interim Condensed Financial Statements for the period from January 1 to June 30, 2018

It is hereby certified that the accompanying Financial Statements for the period from 1/1/2018 to 30/06/2018 were approved by the Board of Directors of **«LAMPSA HELLENIC HOTELS S.A.»** on September 28, 2018 and are available on the website www.lampsa.gr, where they will remain at the disposal of the investing public for at least 10 years as starting from their preparation and publication date.

Athens, September 28, 2018

The President of the Board of Directors

George Galanakis
I.D. No Ξ 282324

1. Interim Financial Statements for the period from January 1 to June 30, 2018

1.1. Statement of Financial Position

		GROUP		COMPANY	
Amounts in thousands €	**Ref.**	**30.06.2018**	**31.12.2017**	**30.06.2018**	**31.12.2017**
ASSETS					
Non-Current Assets					
Property, plant and equipment	2.6	153.785	154.893	118.464	118.749
Intangible Assets		237	253	63	55
Goodwill		-	-		
Investments in Subsidiaries	2.7	-	-	23.204	23.204
Investments in Joint Ventures	2.8	-	-	-	-
Other Long-term Assets		300	272	136	108
Deferred Tax Assets		7.946	7.800	8.130	7.984
Total		**162.269**	**163.217**	**149.997**	**150.100**
Current Assets					
Inventory		1.681	1.612	1.301	1.260
Trade and other receivables	2.12	3.330	2.414	2.922	2.212
Other Receivables		822	1.761	811	1.485
Other Current Assets		775	432	336	353
Cash and cash equivalents		14.009	13.084	9.718	6.176
Total		**20.616**	**19.303**	**15.088**	**11.486**
Total Assets		**182.885**	**182.520**	**165.085**	**161.587**
EQUITY AND LIABILITIES					
Equity	**2.9**				
Share Capital		23.928	23.928	23.928	23.928
Share Premium		38.641	38.641	38.641	38.641
Staturory Reserves		1.629	1.251	1.629	1.251
Other Reserves		320	320	306	306
Treasury Shares		(3.631)	-	-	-
Retained Earnings		27.983	26.757	12.436	14.641
Equity attributable to owners of the parent		**88.869**	**90.896**	**76.940**	**78.767**
Non-controlling interest		72	2.843		
Total Equity		**88.941**	**93.739**	**76.940**	**78.767**
Long-term Liabilities					
Employee termination benefits liabilities		2.810	2.711	2.810	2.711
Long-term Debt	2.11	2.991	3.841	2.254	3.012
Deferred Tax Obligations		2.867	2.891	-	-
Other Long-term Liabilities		132	144	124	124
Other Provisions	2.14	974	974	71	71
Total		**9.774**	**10.561**	**5.259**	**5.919**
Short-term Liabilities					
Suppliers and other liabilities		3.245	3.289	3.092	3.123
Income tax payable		3.402	3.027	3.402	3.000
Short-Term Debt	2.11	43.198	43.198	43.000	43.000
Short-term portion of bond and bank loans	2.11	20.822	21.507	20.640	21.343
Other Liabilities	2.12	11.009	7.198	10.463	6.435
Short-term Contractual Obligations	2.4	2.494	-	2.289	-
Total		**84.169**	**78.220**	**82.886**	**76.900**
Total Liabilities		**93.944**	**88.781**	**88.145**	**82.819**
Total Equity and Liabilities		**182.885**	**182.520**	**165.085**	**161.587**

Potential differences are due to rounding

The accompanying notes form an integral part of the interim Financial Statements.

1.2. Statement of Comprehensive Income

		GROUP		COMPANY	
Amounts in thousands €	**Ref.**	**01.01-30.06.2018**	**01.01-30.06.2017**	**01.01-30.06.2018**	**01.01-30.06.2017**
Sales	2.4, 2.5	29.800	27.449	23.890	21.615
Cost of Sales		(17.779)	(16.962)	(13.649)	(13.102)
Gross Profit	**2.12**	**12.021**	**10.486**	**10.242**	**8.514**
Distribution Expenses		(2.774)	(2.171)	(2.454)	(1.872)
Administrative Expenses		(3.916)	(4.519)	(3.095)	(3.743)
Other income		590	538	344	356
Other expenses		(97)	(108)	(15)	(28)
Operating Profit		**5.824**	**4.226**	**5.021**	**3.227**
Financial expenses	2.12	(1.510)	(463)	(1.446)	(446)
Financial Income		35	12	0	0
Other financial results	2.12	(116)	606	(107)	533
Profit / (Loss) before Tax		**4.232**	**4.382**	**3.468**	**3.314**
Income Tax	2.12	(1.126)	(1.046)	(1.022)	(917)
Net Profit / (Loss) for the period		**3.106**	**3.336**	**2.446**	**2.397**
Other Comprehensive Income subsequently reclassified in the income statement					
Fair value differences of tangible fixed assets and other intangible assets		-	-	-	-
Income tax of other comprehensive income		-	-	-	-
Other comprehensive income for the period after tax		**-**	**-**	**-**	**-**
Total Comprehensive Income for the Period		**3.106**	**3.336**	**2.446**	**2.397**
Profit for the period allocated to:	**2.12**				
Owners of the parent		3.106	3.273	2.446	2.397
Non controlling Interests		-	62		
		3.106	3.336	2.446	2.397
Total Comprehensive Income for the Period allocated to:					
Owners of the parent		3.106	3.273	2.446	2.397
Non controlling Interests		(0)	62	-	-
		3.106	3.336	2.446	2.397
Profit / (Loss) per Share attributable to the equity holders of the parent.					
Earnings After Taxes per Share - Basic (in €)	**2.13**	**0,1454**	**0,1532**	**0,1145**	**0,1122**

		GROUP		COMPANY	
		01.01-30.06.2018	**01.01-30.06.2017**	**01.01-30.06.2018**	**01.01-30.06.2017**
EBIT		5.824	4.226	5.021	3.227
EBITDA		9.122	6.698	7.289	4.670

Potential differences are due to rounding

The accompanying notes form an integral part of the interim Financial Statements.

1.3. Statement of Changes in Equity

THE GROUP									
Amounts in thousands €	**Equity allocated to owners of the parent**								
	Share Capital	**Share Premium**	**Currency Translation Reserve**	**Other Reserves**	**Treasury Shares**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total**
Balances as at 1 January 2017	**23.928**	**38.641**	**-**	**1.302**		**18.116**	**81.987**	**2.962**	**84.949**
Changes in Equity for the period							-		-
Transactions with Owners						**-**	**-**	**-**	**-**
Transfer between Reserves				-		-	-	-	-
Total Comprehensive Income for the period	-	-	-			3.273	3.273	62	3.336
Equity balance as at 30 June 2017	**23.928**	**38.641**	**-**	**1.302**	**-**	**21.390**	**85.260**	**3.025**	**88.285**
Balances as at 1 January 2018	**23.928**	**38.641**	**-**	**1.570**	**-**	**26.757**	**90.896**	**2.843**	**93.739**
Changes in Equity for the period									
Acquisition of Treasury Shares					(3.631)		(3.631)		(3.631)
Change from change in ownership interest in a subsidiary						2.771	2.771	(2.771)	-
Transactions with Owners	**-**	**-**	**-**	**-**	**(3.631)**	**2.771**	**(860)**	**(2.771)**	**(3.631)**
Distribution of result for the year 2017				378		(4.651)	(4.273)	-	(4.273)
Total Comprehensive Income for the period	-	-	-			3.106	3.106	-	3.106
Equity balance as at 30 June 2018	**23.928**	**38.641**	**-**	**1.949**	**(3.631)**	**27.983**	**88.869**	**72**	**88.941**

Potential differences are due to rounding

The accompanying notes form an integral part of the interim Financial Statements.

THE COMPANY					
Amounts in thousands €	**Share Capital**	**Share Premium**	**Other Reserves**	**Retained earnings**	**Total**
Balances as at 1 January 2017	**23.928**	**38.641**	**1.289**	**7.307**	**71.165**
Changes in Equity for the period					
Distribution of 2016 profit	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	2.397	2.397
Equity balance as at 30 June 2017	**23.928**	**38.641**	**1.289**	**9.703**	**73.561**
Balances as at 1 January 2018	**23.928**	**38.641**	**1.557**	**14.641**	**78.767**
Changes in Equity for the period					
Distribution of 2017 profit	-	-	378	(4.651)	(4.273)
Total Comprehensive Income for the period	-	-	-	2.446	2.446
Equity balance as at 30 June 2018	**23.928**	**38.641**	**1.935**	**12.436**	**76.940**

Potential differences are due to rounding

The accompanying notes form an integral part of the interim Financial Statements.

1.4. Statement of Cash Flows for the period (indirect method)

	GROUP		COMPANY	
Amounts in thousands €	**01/01-30/6/2018**	**01/01-30/6/2017**	**01/01-30/6/2018**	**01/01-30/6/2017**
Operating activities				
Profit / (Loss) before tax	**4.232**	**4.382**	**3.468**	**3.314**
Plus / less adjustments for:				
Depreciation	3.299	2.472	2.267	1.443
Provisions/ Revenues from unused provisions of previous years	98	114	98	133
Profit / (Loss) from asset sale & impairment	-	2	-	-
Foreign exchange differences	119	(746)	110	(492)
Interest income	(35)	(12)	0	(0)
Interest expenses	1.513	478	1.468	446
Operating profit prior to changes in working capital	**9.226**	**6.689**	**7.412**	**4.844**
Plus/ less adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease / (increase) in inventories	(68)	(58)	(41)	(86)
Decrease / (increase) in receivables	(1.114)	(204)	(814)	(391)
(Decrease) / increase in short term liabilities (except for banks)	798	1.092	834	1.278
Less:				
Interest expense and related expenses paid	(1.087)	(472)	(1.032)	(441)
Taxes paid	(153)	(131)	-	-
Total inflows / (outflows) from operating activities (a)	**7.602**	**6.917**	**6.359**	**5.206**
Investing Activities				
Acquisition of tangible and intangible assets	(1.432)	(1.271)	(1.246)	(914)
Interest collectable	44	12	-	-
Total inflows / (outflows) from investing activities (b)	**(1.388)**	**(1.259)**	**(1.246)**	**(914)**
Financing activities				
Payments of loans	(3.631)	-	-	-
Repayment of Finance Lease liabilities	(1.657)	(2.643)	(1.572)	(2.585)
Total inflows / (outflows) from financing activities (c)	**(5.288)**	**(2.643)**	**(1.572)**	**(2.585)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**926**	**3.015**	**3.542**	**1.707**
Cash and Cash equivalents at beginning of the period	**13.084**	**7.365**	**6.176**	**3.226**
Cash and cash equivalents at end of period	**14.009**	**10.380**	**9.718**	**4.932**

Potential differences are due to rounding

The accompanying notes form an integral part of the interim Financial Statements.

2. Notes to the Interim Condensed Financial Statements

2.1. General Information

The parent company of the Group is "LAMPSA HELLENIC HOTELS S.A. based in Athens, Vasileos Georgiou A1, and registered in the Companies Register of the Ministry of Economy, Competitiveness and Shipping, No. REG 6015/06 / V/86/135 and GSC Reg. No. 223101000 and its term of duration is set at one hundred (100) years, which began from the publication in the Government Gazette of the Royal Decree approving its memorandum of association. In addition, the General Meeting of Shareholders held as at 19/06/20015, decided to extend the company's term of duration for fifty (50) years and amend, in this respect, Article 4 of the Articles of Incorporation. The company has been operating continuously since its foundation, over ninety-six (97) consecutive years.

The Group objective is acquisition, construction and operation of hotels in Athens and elsewhere in Greece or abroad, as well as related businesses, such as acquisition and / or exploitation of thermal spring water, resorts, public entertainment, clubs, etc. The Company website is www.lampsa.gr.

The shares of the Group are listed on the Athens Stock Exchange since 1946.

The interim six-month financial statements were approved for issue by the Company Board of Directors on 28 September, 2018.

The company LAMPSA and Starwood Hotels and Resorts Worldwide Inc, signed an agreement on management and hotel operation in December 2001. According to the agreement, Starwood, agreed to provide management and operation services to the hotel «Grande Bretagne». The term of the Management Agreement is initially of twenty five (25) years, with option to extend for another 25 years. Both companies have limited rights to terminate the agreement without reason. In 2013, the agreement was extended in order to include the management of the King George Hotel as well.

In 2010, there was also signed a management agreement with Starwood Hotels & Resorts Worldwide Inc. and Touristika Theretra S.A., the owner of «Sheraton Rhodes Resort» Hotel. The agreement concerns the assumption of operational management of the hotel (operating services agreement). It is to be noted that LAMPSA holds 50% of the shares of Touristika Theretra S.A.

It is to be noted that in 2016, the company Starwood Hotels & Resorts Worldwide Inc. was acquired by Marriott International Inc., and, therefore, Marriott International Inc. manages all three hotels.

In December 2017, the Company proceeded with the acquisition of the historic King George Hotel (including mobile items and brands) from Eurobank Ergasias S.A. for a total consideration of € 43 million. The hotel was leased to LAMPSA S.A. since 2013 and operated under shared management with the neighboring Grande Bretagne. Thus, the leasing expenses related to the hotel and standing at approximately € 1,50 million on annual basis are no longer effective.

2.2. Basis for preparation of interim six-month Financial Statements

LAMPSA Group has fully adopted all IFRSs and interpretations adopted by the European Union and their application is mandatory for the preparation of corporate and consolidated financial statements for the current period.

The Company interim six-month Financial Statements as of 30/06/2018 cover the period from January, 1, 2018 to June 30, 2018 and have been prepared in compliance with International Accounting Standard («IAS») 34 «Interim Financial Reporting».

The accounting policies based on which the interim six-month Financial Statements were prepared and are presented are in accordance with those used in the preparation of the Group and the Company Annual Financial Statements for the FY ended as at December 31, 2017, apart from amendments to the standards, effective as from 01/01/2018.

The interim six-month Financial Statements shall be considered in line with the annual financial statements as of December 31st, 2017, which are available on the parent Company's website www.lampsa.gr.

The interim six-month Financial Statements for the period 1/1 – 30/06/2018 have been prepared under the historical cost convention as modified due to revaluation of certain assets and liabilities at fair value and going concern principle.

The preparation of interim six-month Financial Statements according to IFRSs requires use of accounting estimates and judgments of the Management under the application of the accounting principles. It also requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the best knowledge of the Management with respect to current events and actions, actual results may finally differ from those estimates.

2.3. Changes to Accounting Policies

2.3.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2018.

- **IFRS 9 "Financial Instruments" (effective for annual periods starting on or after 01/01/2018)**

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The effect of the new Standard is reported in Note 2.4

- **IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In May 2014, the IASB issued a new Standard, IFRS 15. The Standard fully converges with the requirements for the recognition of revenue in both IFRS and US GAAP. The key principles on which the Standard is based are consistent with much of current practice. The new Standard is expected to improve financial reporting by providing a more robust framework for addressing issues as they arise, increasing comparability across industries and capital markets, providing enhanced disclosures and clarifying accounting for contract costs. The new Standard will supersede IAS 11 "Construction Contracts", IAS 18 "Revenue" and several revenue related Interpretations. The effect of the new Standard is reported in Note 2.4

- **Clarification to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods starting on or after 01/01/2018)**

In April 2016, the IASB published clarifications to IFRS 15. The amendments to IFRS 15 do not change the underlying principles of the Standard, but clarify how those principles should be applied. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognized at a point in time or over time. The effect of the new Standard is reported in Note 2.4

- **Amendment to IFRS 2: "Classification and Measurement of Share-based Payment Transactions" (effective for annual periods starting on or after 01/01/2018)**

In June 2016, the IASB published narrow scope amendment to IFRS 2. The objective of this amendment is to clarify how to account for certain types of share-based payment transactions. More specifically, the amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligation, as well as, a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods starting on or after 01/01/2018)**

In September 2016, the IASB published amendments to IFRS 4. The objective of the amendments is to address the temporary accounting consequences of the different effective dates of IFRS 9 Financial Instruments and the forthcoming insurance contracts Standard. The amendments to existing requirements of IFRS 4 permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until 2021 (the "temporary exemption") and also permit all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts Standard is issued (the "overlay approach"). The amendments do not affect the consolidated and separate Financial Statements.

- **Annual Improvements to IFRSs – 2014-2016 Cycle (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued Annual Improvements to IFRSs – 2014-2016 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2014-2016 cycle. The issues included in this cycle and are effective for annual periods starting on or after 01/01/2018 are the following: IFRS 1: Deletion of short-term exemptions for first-time adopters, IAS 28: Measuring an associate or joint venture at fair value. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property. That change in use should be supported by evidence. The amendments do not affect the consolidated and separate Financial Statements.

- **IFRIC 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods starting on or after 01/01/2018)**

In December 2016, the IASB issued a new Interpretation, IFRIC 22. IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The new Interpretation does not affect the consolidated and separate Financial Statements.

2.3.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The practical effect arising from IFRS 16 implementation on the Group financial statements will depend – on one hand – on the leases condition effective till the first implementation data and – on the other hand - on the Group interests on borrowings. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2019.

- **Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)**

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

2.4. Effect of changes in accounting policies

IFRS 9 "Financial Instruments"

The Group and the Company implement the Standard starting on 01/01/2018 without revising the prior periods comparative information.

Classification and Measurement

Attention has been paid to IFRS 9 approach, which is affected by the business model to which an asset belongs as well as by the cash flow characteristics. Following the aforementioned review, the Group and the Company consider that there is no impact on the classification and measurement of its trade and other receivables, which will continue to be measured at amortized cost

In addition, for the most part, IFRS 9 maintains the effective provisions IAS 39 regarding Classification of Financial Liabilities. The only change relates to liabilities recognized at fair value through profit or loss where, under IFRS 9, changes arising from credit risk will be recognized in other comprehensive income. Other changes in fair value will be recognized in the income statement.

The Group and the Company have no financial liabilities that are measured at fair value through profit or loss. Consequently, the Group estimates that there is no impact arising from the classification of financial liabilities.

Impairment

IFRS 9 introduces a new method of calculating the impairment based on expected credit losses that leads to a more direct recognition of impairment. At the same time, it introduces a simplified calculation method regarding trade and financial receivables.

The Group and the Company have determined that their trade receivables and other financial assets are of low credit risk and will adopt the simplified method of expected credit losses. Given the low credit risk of the Group and Company transactions, the implementation of the new standard has not generated the need to make additional provisions as at 01/01/2018, while on 30/06/2018, the Group and the Company made additional provision amounting to € 50,5 k arising from the implementation of the Standard. The additional amount arising as at 30/06/2018 is due to the seasonality recorded in the receivables within the interim period related to touristic season.

Hedge Accounting

IFRS 9 requires an entity to confirm that hedge accounting is in line with its risk management activities and that if applies a more qualitative and future-oriented approach to assessing its effectiveness. Furthermore, IFRS 9 introduces enhanced disclosures and does not allow for voluntary discontinuation of hedge accounting.

The Group and the Company do not apply hedge accounting.

IFRS 15 "Revenue from Contracts with Customers"

The Group and the Company implement the Standard starting on January 1, 2018 using the modified retrospective method, ie the effect from the transition will be recognized cumulatively in retained earnings while the comparative amounts will not be modified.

Rendering services

Most of the revenues for the Group come from rendering services related to the rental of rooms, use of hotel facilities, catering services, use of the building facilities. Under IFRS 15, revenue is recognized at a given point in time when the obligation to perform the service is met. Under the existing revenue recognition accounting policy, the Group and the Company recognize revenue for services when they are rendered. Therefore, the implementation of the new Standard will not have a significant effect on the Financial Statements.

Principal/Agent distinction

When a third party is involved in provision of goods or services, the Group and the Company shall determine whether the nature of the service offer is an obligation to perform services by itself (that is, it is the principal) or not (that is, it is the agent). Based on the assessment performed so far, the Group acts as the principal regarding the largest part of the transactions. In cases when the Group and the Company act as agents, they shall only recognize net profit as income. Implementation of the new Standard has resulted in offsetting the amount of € 353 k of cost of sales and sales without affecting the Group and the Company results.

Voucher

The Group and the Company receive prepayments from customers and recognize a contractual obligation equal to the amount of prepayment for the obligation to transfer goods or services in the future. The Group and the Company recognize revenue when they transfer these goods or services and, consequently, fulfill the obligation in question. However, customers may not exercise all their contractual rights. Under the new standard, the Group and the Company shall estimate whether they will be entitled to an amount by not redeeming the rewards. If it has been defined that the Group and the Company are entitled to an amount from non-redeeming rewards, then they will recognize the estimated benefit as revenue when the probability of residual rights being exercised by the client is minimized. The implementation of the new Standard has no significant effect on the Financial Statements.

The following tables present the adjustments recognized in respect of every item of the Statement of Financial Position as at January 1st, 2018, following the implementation of IFRS 15 and IFRS 9:

	THE GROUP			
Amounts in thousands €	**31.12.2017**	**IFRS 15 Adjustments**	**IFRS 9 Adjustments**	**1/1/2018**
ASSETS				
Non-Current Assets				
Property, plant and equipment	154.893			154.893
Intangible Assets	253			253
Other Long-term Assets	272			272
Deferred Tax Assets	7.800			7.800
Total	**163.217**	**-**	**-**	**163.217**
Current Assets				
Inventory	1.612			1.612
Trade and other receivables	2.414			2.414
Other Receivables	1.761			1.761
Other Current Assets	432			432
Cash and cash equivalents	13.084			13.084
Total	**19.303**	**-**	**-**	**19.303**
Total Assets	**182.520**	**-**	**-**	**182.520**
EQUITY AND LIABILITIES				
Equity				
Share Capital	23.928			23.928
Share Premium	38.641			38.641
Statutory Reserves	1.251			1.251
Other Reserves	320			320
Retained Earnings	26.757			26.757
Reserves of foreign exchange	-			-
Equity attributable to owners of the parent	**90.896**	**-**	**-**	**90.896**
Non-controlling interest	2.843			2.843
Total Equity	**93.739**	**-**	**-**	**93.739**
Long-term Liabilities				
Employee termination benefits liabilities	2.711			2.711
Long-Term Debt	3.841			3.841
Deferred Tax Obligations	2.891			2.891
Other Long-Term Liabilities	144			144
Other provisions	974			974
Total	**10.561**	**-**	**-**	**10.561**
Short-term liabilities				
Short-term Liabilities	3.289			3.289
Suppliers and other liabilities	3.027			3.027
Income tax payable	-			-
Short-Term Debt	43.198			43.198
Short-term portion of bond and bank loans	21.507			21.507
Other liabilities	7.198	(1.752)		5.446
Short-term contractual obligations		1.752		1.752
Total	**78.220**	**-**	**-**	**78.220**
Total Liabilities	**88.781**	**-**	**-**	**88.781**
Total Equity and Liabilities	**182.520**	**-**	**-**	**182.520**

	THE COMPANY			
Amounts in thousands €	**31.12.2017**	**IFRS 15 Adjustments**	**IFRS 9 Adjustments**	**1/1/2018**
ASSETS				
Non-Current Assets				
Property, plant and equipment	118.749			118.749
Intangible Assets	55			55
Investments in Subsidiaries	23.204			23.204
Investments in Joint Ventures	-			-
Other Long-term Assets	108			108
Deferred Tax Assets	7.984			7.984
Total	**150.100**	**-**	**-**	**150.100**
Current Assets				
Inventory	1.260			1.260
Trade and other receivables	2.212			2.212
Other Receivables	1.485			1.485
Other Current Assets	353			353
Cash and cash equivalents	6.176			6.176
Total	**11.486**	**-**	**-**	**11.486**
Total Assets	**161.587**	**-**	**-**	**161.587**
EQUITY AND LIABILITIES				
Equity				
Share Capital	23.928			23.928
Share Premium	38.641			38.641
Statutory Reserves	1.251			1.251
Other Reserves	306			306
Retained Earnings	14.641			14.641
Reserves of foreign exchange	-			
Equity attributable to owners of the parent	**78.767**	**-**	**-**	**78.767**
Non-controlling interest				
Total Equity	**78.767**	**-**	**-**	**78.767**
Long-term Liabilities				
Employee termination benefits liabilities	2.711			2.711
Long-Term Debt	3.012			3.012
Other Long-Term Liabilities	124			124
Other provisions	71			71
Total	**5.919**	**-**	**-**	**5.919**
Short-term liabilities				
Suppliers and other liabilities	3.123			3.123
Income tax payable	3.000			3.000
Short-Term Debt	43.000			43.000
Short-term portion of bond and bank loans	21.343			21.343
Other liabilities	6.435	(1.578)		4.857
Short-term contractual obligations	-	1.578		1.578
Total	**76.900**	**-**	**-**	**76.900**
Total Liabilities	**82.819**	**-**	**-**	**82.819**
Total Equity and Liabilities	**161.587**	**-**	**-**	**161.587**

The following tables present the adjustments recognized in respect of every item of the Statement of Comprehensive Income for the period 01/01-30/06/2018, following the implementation of IFRS 15 and IFRS 9:

	THE GROUP			
Amounts in thousands €	**01.01-30.06.2018 (IAS 18 & IFRS 39)**	**IFRS 15 Adjustments**	**IFRS 9 Adjustments**	**01.01-30.06.2018**
Sales	30.153	(353)	-	29.800
Cost of Sales	(18.132)	353	-	(17.779)
Gross Profit	**12.021**	**-**	**-**	**12.021**
Distribution expenses	(2.774)	-	-	(2.774)
Administrative expenses	(3.866)	-	(51)	(3.916)
Other income	590	-	-	590
Other expenses	(97)	-	-	(97)
Operating profit	**5.874**	**-**	**(51)**	**5.824**
Financial Income	(1.510)			(1.510)
Financial Expenses	35			35
Other financial results	(116)			(116)
Earnings before tax	**4.283**	**-**	**(51)**	**4.232**
Income Tax	(1.126)			(1.126)
Earnings after tax	**3.157**	**-**	**(51)**	**3.106**

	THE GROUP			
Amounts in thousands €	**01.01-30.06.2018 (IAS 18 & IFRS 39)**	**IFRS 15 Adjustments**	**IFRS 9 Adjustments**	**01.01-30.06.2018**
Sales	24.243	(353)		23.890
Cost of Sales	(14.001)	353		(13.649)
Gross Profit	**10.242**	**-**	**-**	**10.242**
Distribution expenses	(2.454)			(2.454)
Administrative expenses	(3.044)		(51)	(3.095)
Other income	344			344
Other expenses	(15)			(15)
Operating profit	**5.072**	**-**	**(51)**	**5.021**
Financial Income	(1.446)			(1.446)
Financial Expenses	0			0
Other financial results	(107)			(107)
Earnings before tax	**3.519**	**-**	**(51)**	**3.468**
Income Tax	(1.022)			(1.022)
Earnings after tax	**2.496**	**-**	**(51)**	**2.446**

In the comparative period, the respective amount regarding offsetting cost of sales and sales stood at € 300 k.

2.5. Segment reporting

In accordance with the provisions of IFRS 8, the identification of operating segments is based on the "Management approach". According to this approach, the information to be disclosed regarding the operating segments should be based on internal organizational and management structure of the Group and the main items of internal financial reporting provided to the key decision makers. The Management monitors the operating results of its operating segments separately for the purpose of making decisions on resource allocation and performance assessment thereof. It is to be noted that the Group applies the same accounting principles for the measurement of operating segment's results as those in the Financial Statements.

Amounts expressed in thousands of Euro unless stated otherwise
All the amounts are expressed in thousands of Euro unless stated otherwise

Transactions between operating segments are performed within the regular business operations of the Group. Inter-segment sales are eliminated on consolidation.

The operating segments presented include renting rooms, food and beverage sales and other activities (Income SPA-Health Club, Telephone Revenue, etc.). The Group results, assets and liabilities per segment in respect of the presented periods are analyzed as follows:

Segment results as at 30/06/2018	**RENTING ROOMS**	**SALE OF FOOD AND BEVERAGE**	**OTHER ACTIVITIES**	**NON-ALLOCATED**	**TOTAL**
Sales					
- to external clients	19.907	8.499	1.385		29.791
- to other segments			9	-	9
Net sales of the segment	**19.907**	**8.499**	**1.394**	**-**	**29.800**
Financial Income	22	11	2	-	35
Financial Expenses	(951)	(468)	(91)	-	(1.510)
Depreciation	2.415	743	141	-	3.299
Earnings before tax	**2.666**	**1.312**	**254**	**-**	**4.232**
Income tax	(709)	(349)	(68)	-	(1.126)
Earnings after tax	**1.957**	**963**	**186**	**-**	**3.106**
30/6/2017					
Non-current assets	97.223	47.840	9.259	-	154.323
Other Non-current Assets (Deferred Tax Assets, Joint Ventures)				7.946	7.946
Other assets	12.988	6.391	1.237	-	20.616
Total Assets	**115.217**	**56.694**	**10.973**	**-**	**182.885**
Total Liabilities	**59.184**	**29.122**	**5.637**	**-**	**93.944**

Segment results as at 30/06/2017	**RENTING ROOMS**	**SALE OF FOOD AND BEVERAGE**	**OTHER ACTIVITIES**	**NON-ALLOCATED**	**TOTAL**
Sales					
- to external clients	17.973	7.750	1.725		27.449
- to other segments				-	-
Net sales of the segment	**17.973**	**7.750**	**1.725**	**-**	**27.449**
					-
Financial Income	8	4	1	-	12
Financial Expenses	(292)	(144)	(28)	-	(463)
Depreciation	1.809	557	105	-	2.472
Earnings before tax	**2.760**	**1.358**	**263**	**-**	**4.382**
Income tax	(659)	(324)	(63)	-	(1.046)
Earnings after tax	**2.102**	**1.034**	**200**	**-**	**3.336**
31/12/2017					
Non-current assets	97.913	48.179	9.325		155.417
Other Non-current Assets (Deferred Tax Assets, Joint Ventures)				7.800	7.800
Other assets	12.161	5.984	1.158	-	19.303
Total Assets	**110.074**	**54.163**	**10.483**	**7.800**	**182.520**
Total Liabilities	**55.932**	**27.522**	**5.327**		**88.781**

It is to be noted that the company's hotels located in Athens ("Grand Bretagne" and "King George") follow the seasonality of the tourism destination, and therefore, the average occupancy rate is almost double within the summer season (May - October) versus the corresponding winter period (November - April).

Geographical segments

The headquarters of the Group are in Greece. Geographically, the Group operates mainly in Greece, Cyprus and Serbia (§ 2.7).

	1/1-30/06/2018	30/6/2018	1/1-30/06/2017	31/12/2017
Amounts in thousands €	**SALES**	**NON-CURRENT ASSETS**	**SALES**	**NON-CURRENT ASSETS**
GREECE	23.890	118.663	21.615	118.912
CYPRUS				-
SERBIA	5.910	35.660	5.833	36.505
TOTAL	**29.800**	**154.323**	**27.449**	**155.417**

Revenue analysis

Revenue per geographical area and category is analysed as follows:

01.01-30.06.2018	RENTING ROOMS	SALE OF FOOD AND BEVERAGE	OTHER ACTIVITIES	TOTAL
GREECE	16.061	6.849	980	23.890
CYPRUS	-	-	-	-
SERBIA	3.846	1.650	414	5.910
TOTAL	**19.907**	**8.499**	**1.394**	**29.800**

01.01-30.06.2017	RENTING ROOMS	SALE OF FOOD AND BEVERAGE	OTHER ACTIVITIES	TOTAL
GREECE	14.232	6.096	1.287	21.615
CYPRUS	-	-	-	-
SERBIA	3.741	1.655	438	5.833
TOTAL	**17.973**	**7.750**	**1.725**	**27.449**

2.6. Tangible & intangible fixed assets

During the period, for the Company and the Group, net investments into tangible and intangible assets amounted to € 2 million and € 2,2 million. The investments pertain to renovation of rooms and the purchase of other equipment.

The Parent Company property items are burdened with liens amounting to € 48,850 as well as 25,500 USD for outstanding loans.

As at 30 June, 2018 and 31 December 2017, the Group and the Company had no commitments for capital expenditures.

2.7. Investment in subsidiaries – Group Structure

The following is an analysis of equity of the parent Company in subsidiaries and associates:

Amounts in thousands €	ACQUISITION VALUE 30.06.2017	ACQUISITION VALUE 31.12.2016	DOMICILE - COUNTRY	FUNC. CURRENCY	DIRECT PARTICIPATING INTEREST %	INDIRECT PARTICIPATING INTEREST %	TREASURY SHARES*	RELATIONSHIP	CONSOLIDATION METHOD	OPERATING FIELD
LAMPSA HELLENIC HOTELS S.A.	-	-	Greece	€	PARENT			PARENT	Full Consolidation	Hotel services
LUELLA ENTERPRISES LTD	18.732	18.732	Cyprus	€	100,00%			SUBSIDIARY	Full Consolidation	Holding
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	7.434	7.434	Serbia	€	80,33%		17,23%	SUBSIDIARY	Full Consolidation	Hotel services
BEOGRADSKO MESOVITO PREDUZECE A.D.	-	-	Serbia	€	-	94,60%	5,4%	SUBSIDIARY	Full Consolidation	Hotel services
MARKELIA ENTERPRISES COMPANY LTD	-	-	Cyprus	€	-	100,00%		SUBSIDIARY	Full Consolidation	Services
Total	**26.166**	**26.166**								
Provisions for devaluation	(2.962)	(2.962)								
Net Value	**23.204**	**23.204**								

*See analysis in §1.2.

2.8. Investments in Joint Venture – Other Long-term Liabilities

The Group jointly participates with other parties (50%) in the Management of the company «Touristika Theretra S.A.».

Changes in Joint Ventures are presented in the following table:

	Value as at 01.01.18	Profit after tax 01.01-30.06.2018	Value as at 30.06.2018
TOURISTIKA THERETRA S.A.	0	0	0
Total	**0**	**0**	**0**

Joint Venture acquisition cost in the parent company books is recorded as follows:

Amounts in thousands €	ACQUISITION VALUE 30.06.2018	ACQUISITION VALUE 31.12.2017
TOURISTIKA THERETRA S.A.	9.260	9.260
Total	**9.260**	**9.260**
Provisions for devaluation	(9.260)	(9.260)
Total	**-**	**-**

Condensed data on Touristika Theretra S.A. is presented below as follows:

	30/6/2018	31/12/2017
Amounts in thousands €		
Non-current Assets	30.155	30.343
Current Assets	3.977	2.776
Total Assets	**34.132**	**33.120**
Total Equity	**(1.549)**	**(126)**
Long-term Liabilities	24.885	25.828
Short-term Liabilities	10.797	7.418
Total Liabilities	**35.682**	**33.245**
Statement of Comprehensive Income	**01/01-30/06/2018**	**01/01-30/06/2017**
Profit / Loss after tax	(1.424)	(1.699)
Other comprehensive income / (loss)	-	-
Total comprehensive income / (loss)	**(1.424)**	**(1.699)**
Depreciation	779	831
Financial income	3	3
Financial expenses	262	403
Income tax	107	(325)

2.9. Equity Analysis

The Group and the Company Equity is analyzed as follows:

Amounts in thousands €	**Group**		**Company**	
EQUITY	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Capital and reserves attributable to parent owners				
Share capital	23.928	23.928	23.928	23.928
Share premium	38.641	38.641	38.641	38.641
Other reserves	1.949	1.570	1.935	1.557
Treasury Shares	(3.631)	-	-	-
Retained earnings	27.983	26.757	12.436	14.641
Total	**88.869**	**90.896**	**76.940**	**78.767**
Non-controlling interest	72	2.843	-	-
Total Equity	**88.941**	**93.739**	**76.940**	**78.767**

As at 30/06/2018, the Company share capital amounts to € 23.927,680, divided in 21.364.000 common shares of nominal value € 1,12 each. The Company shares are listed on the Athens Stock Exchange Security Market (Travel & Leisure Sector, Hotels).

The account "Equity Shares" pertains to acquisition of equity shares by the company EXCELSIOR BELGRADE A, which acquired 17,23% of shares versus a consideration of € 1 million. Furthermore, the company BEOGRADSKO MESOVITO PREDUZECE AD acquired 5,4% тof shares versus a consideration of € 2,5 million.

There aren't at the end of the current period, shares of the parent company held by it or by its subsidiaries or jointly controlled companies.

The account «Other Reserves» of the Group includes the following reserves categories: «Statutory Reserves» and «Other Extraordinary Reserves».

The amended IAS 19," Employee Benefits" was applied in the financial Statements of FY 2013 and retrospectively from 1 January 2012. Under the amended standard, the option of gradual recognition of actuarial gains and losses is eliminated under the ' corridor approach '. Therefore, actuarial gains and losses, presented in a fiscal year, will be recognized fully and directly in the Statement of Comprehensive Income for this year and will be presented in separate reserves, Actuarial results reserves, in Equity of the Group and the Company.

From the above, the statutory reserve is mandatory formed from the profits of each financial year and remains in equity of the Company to offset any losses incurred in the future and is taxed in each period in which they were formed and therefore is tax exempted.

As far as the remaining reserves are concerned, they can be distributed to shareholders given that the attributable tax has been paid.

2.10. Income tax – Deferred tax

Offsetting deferred tax assets and liabilities is performed, in terms of company, when there is an enforceable legal right to do so and when the deferred income taxes relate to the same tax authority.

The tax rates for the current year regarding the companies operating abroad are as follows:

Country	Tax rate
SERBIA	15%
CYPRUS	12,50%

Deferred income tax is provided on temporary differences using the tax rates expected to apply to the countries where the Group companies are active. The amounts shown in the balance sheet are expected to be recovered or settled after the current period.

2.11. Borrowings

The borrowings of the Group and of the Company, both long and short term, are analyzed in the following table:

Amounts in thousands €	**Group**		**Company**	
	30/6/2018	**31/12/2017**	**30/6/2018**	**31/12/2017**
Long-term debt				
Bond loans	2.991	3.012	2.254	3.012
Long-term bank loans		829		
Total long-term debt	**2.991**	**3.841**	**2.254**	**3.012**
Short-term debt				
Short-term bank loans	43.198	43.198	43.000	43.000
Short-term portion of bond and bank loans	20.822	21.507	20.640	21.343
Total short-term debt	**64.021**	**64.706**	**63.640**	**64.343**
Total	**67.012**	**68.547**	**65.894**	**67.356**

On the property of the Parent Company and the Group there are liens amounting to € 48,850 k and $ 25,500 k for outstanding loans. Moreover, there are guarantees of € 2,750 k provided by the parent company securing short-term borrowings of TOURISTIKA THERETRA.

During the period, the Company and the Group received no new loans while they paid € 1,66 million and € 1,57 million respectively.

The effective weighted average interest rates of the Group, on the balance sheet date are:

	Group		**Company**	
	30/6/2018	**31/12/2017**	**30/6/2018**	**31/12/2017**
Bank Debt	4,46%	1,71%	4,34%	1,72%

Regarding the loans maturity and the Group's negotiation with the lending banks - Eurobank & Alpha Bank – regarding refinancing of its loans, the respective analysis is presented in paragraph §2.20 Risk management policies (Liquidity Risk).

2.12. Results for the period from January 1, 2018 to June 30, 2018

In the first semester of 20178 the tourism sector substantially improved, since there was an increase in arrivals, in line with an increase in revenue. On the contrary, the consequences of the economic crisis are reflected in the revenue of the Food & Beverage segment, where Greek presence has been traditionally strong, resulting in a lower rate of revenue growth compared to the room revenue increase.

Stabilization in room occupancy ration can also be observed in the Serbian hotel market, after the increase of the last two years, since demand is showing signs of recovery, assisted by the new foundations caused by Serbia's admission to the EU (airports, privatization of air transportation operator etc). However, an increase in revenue has not been recorded owing to extensive competition from a high number of new hotels in the Belgrade area.

Room occupancy ratio of the luxury hotel industry in Athens increased by 3,7% compared to the relative six-month period of 2017, adjusting the ratio to 72,5% versus 69,9% in 2017. The average room price at the hotels increased by 9,7% versus 2017, standing at € 164,56 as compared to € 149,95 in 2017. Therefore, room occupancy ratio of the luxury hotel industry in Athens increased by 13,8% and respectively the total room revenue increased by 13,7%.

"Grande Bretagne" hotel recorded a 11,8% sales increase versus the relative period in 2017, while «King George» hotel recorded 13,5% sales increase. Regarding the Group Hotels in Serbia, they recorded a marginal increase in sales, in particular, "Hyatt Regency Belgrade" - recorded a marginal sales increase by 0,4%, whereas "Excelsior" recorded an impressive increase by 20,88% due to the undertaking of the hotel management Accor hotel group.

In terms of EBITDA, the relative increase in sales and expenditure restraint (despite rigidity of payroll expenses) resulted in increased sizes for the Group (€9,12 million versus € 6,70 million in 2017) with a significant improvement for the Company (€ 7,29 million versus € 4,67 in the respective period of 2017). Moreover, Sheraton Rhodes Hotel, presented an increase in sales by 5,7%.

2.12.1. Significant changes in the items of the Statement of Financial Position and Statement of Comprehensive Income for the period

Turnover in the first six-month period of 2018 at consolidated level stood at € 29,80 million versus € 27,45 million in the same period in 2017, presenting an increase of 8,57%. The turnover of the parent company (Hotels "Grande Bretagne and "King George") stood at € 23,89 million versus € 21,62 million in the comparative 2017 period, increased by 10,52%.

Consolidated **gross profit** amounted to € 12,02 million from € 10,49 million in 2017, presenting an increase due to the increase in turnover, while gross profit margin changed from 38,20% in 2017 to 40,34% in 2018. Gross profit of the parent company stood at € 10,24 million compared to profit of € 8,51 million in 2017. The gross profit margin of the Company amounted to 42,87% in 2018 versus profit of 39,39% in the respective last year period.

The aforementioned increase in turnover that affected almost the total of the Group gross earning, also affected the Group operating earnings **(EBITDA)** that presented profit of € 9,12 million versus profit of € 6,70 million in 2017, increased by 36,20%. Respectively, the parent company operating earnings stood at profit of € 7,29 million versus profit of € 4,67 million in 2017, increased by 56,09%. Moreover, EBITDA margin stood at 30,61% versus 24,40% in 2017 for the Group and at 30,51% versus 21,60% for the Company respectively.

Financial Cost of the Group and the Company increased by € 1,05 million and € 1 million respectively due to additional short-term loan of the company of the previous year by € 43 million.

Other financial results of the Group and the Company relate mainly to loan exchange differences arising from euro/dollar exchange ratios.

Earning before tax of the Group recorded profit of € 4,23 million versus profit of € 4,38 million for the comparative 2017 period. Earnings before tax of the parent company recorded profit of € 3,47 million versus profits of € 3,31 million for the comparative 2017 period.

Income Tax of the Company and the Group includes calculation of deferred tax. Tax expenses for the Group stood at € 1,13 million and for the Company at expenses of € 1,02 million versus tax expenses of € 1,05 million and € 917,32 k for the Group and the Company for the comparative period.

Net earnings after tax and before non-controlling interests for the Group recorded profit of € 3,11 million, versus profit of € 3,27 million for the comparative period of 2017. The parent company recorded profit of € 2,45 million versus profit of € 2,40 million for the comparative period of 2017.

The balances of the accounts **Trade and Other Receivables and Other Current Assets** of the Group and the Company as at 30/06/2018 are presented increased by 37,95% and 32,09% respectively versus the balances recorded as at 31/12/2017, due to the nature of the Company and the Group operations, affected by seasonality of sales, contributing to generating bigger open balances within the interim reporting period. It is expected that during the following months, given the capitalization of the aforementioned receivables, the trade balances will be significantly decreased, thus reaching the normal levels. Likewise, the balances of the accounts **Other Liabilities** of the Group and the Company are increased by 52,94% and 62,60% respectively as at 30/06/2018 versus 31/12/2017 due to accrued expenses expected to be settled in the following months.

2.13. Profit / (Loss) per share

Basic profit / (losses) per share are calculated based on profits / (losses) after taxes and Non- controlling interests from continuing operations, on the weighted average number of ordinary shares of the parent company.

The following is an analysis of profit/(loss) per share:

	GROUP		COMPANY	
Amounts in thousands €	**01/01-30/6/2018**	**01/01-30/6/2017**	**01/01-30/6/2018**	**01/01-30/6/2017**
Profit attributable to the owners of the parent	3.106	3.273	2.446	2.397
Weighted average number of shares	21.364.000	21.364.000	21.364.000	21.364.000
Basic earnings per share (in €)	**0,1454**	**0,1532**	**0,1145**	**0,1122**

2.14. Analysis of provisions

	PROVISIONS RECORDED IN LONG-TERM LIABILITIES	
	Legal claims	**Provisions by customers**
31.12.2016	**621**	**193**
Additional provisions	372	-
Used provisions	(18)	(22)
Unused amounts reversed		(128)
31.12.2017	**974**	**42**
Additional provisions		51
Unused amounts reversed		(22)
30.06.2018	**974**	**71**

	PROVISIONS RECORDED IN LONG-TERM LIABILITIES	
	Legal claims	**Provisions by customers**
31.12.2016	**89**	**182**
Used provisions	(18)	(12)
Unused amounts reversed	-	(128)
31.12.2017	**71**	**42**
Additional provisions		51
Unused amounts reversed		
30.06.2018	**71**	**71**

In the above table, provisions for bad debts less receivables are presented.

2.15. Transactions with related parties

The following transactions refer to related parties transactions:

Amounts in thousands €	**THE GROUP**		**THE COMPANY**	
Sales of goods-services	**01/01 - 30/06/2018**	**01/01 - 30/06/2017**	**01/01 - 30/06/2018**	**01/01 - 30/06/2017**
Subsidiaries/jointly controlled entities	74	49	74	49
Other associates	41	7	41	7
Total	**115**	**55**	**115**	**55**
Purchase of Services				
Subsidiaries/jointly controlled entities	6	3	6	3
Other associates	413	237	413	237
Total	**419**	**240**	**419**	**240**
Balance of Payables	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Subsidiaries/jointly controlled entities	566	514	566	514
Other associates	2	13	2	13
Total	**568**	**527**	**568**	**527**
Balance of Receivables	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Subsidiaries/jointly controlled entities	0	0	0	0
Other associates	127	83	127	83
Total	**127**	**83**	**127**	**83**

Among the subsidiaries of the Group exist receivables/liabilities from the total value of loans € 1,1 million and other receivables /liabilities of € 18 k as well as corresponding income / expense interest of € 9 k and other income/expenses of € 9,5 k. Moreover, there are receivables/liabilities amounting to 222,5 k among the Group subsidiaries regarding dividends payment. The aforementioned transactions were eliminated on consolidation.

Furthermore, the Parent Company has provided guarantees amounting to € 2,75 million regarding Touristika Theretra S.A.

2.16. Salaries of BoD and Management members

Amounts in thousands €	**Group**		**Company**	
	01.01-30.06.2018	**01.01-30.06.2017**	**01.01-30.06.2018**	**01.01-30.06.2017**
Salaries – Fees	423	481	200	277
Social insurance cost	66	73	37	49
Bonus	170	128	170	128
Total	**681**	**697**	**406**	**454**

It is to be noted that there were no loans to members of the Board or management personnel and their families and there are no receivables/ liabilities from/to related parties.

2.17. Contingent assets-liabilities

Litigation cases

a) Administrative procedures for the compensation to former owners of the land on which the Hyatt Hotel (subsidiary company BEOGRADSKO MESOVITO PREDUZECE) and other third party structures have been effective. Regarding the aforementioned case, the Group has made a provision in its consolidated financial statements amounting to € 898 k, which it regards as sufficient.

b) Three lawsuits have been filed by former employees of the company concerning violations of labor law in Serbia. The total claim from the above lawsuits amounts to € 1.109 k. The Group Management estimates that the final outcome of the case at this time can not yet be determined and no provision for this contingent liability has been made in the financial statements of the Group.

There are no other litigation or arbitration disputes of courts or arbitration bodies that may have a significant influence on the financial statements or the functionality of the Group, beyond the provisions that have already been made (§ 2.14).

- The unaudited tax years of the Group are as follows:

Company	Unaudited tax years
LAMPSA HELLENIC HOTELS S.A.	-
LUELLA ENTERPRISES LTD	2011 -2017
TOURISTIKA THERETRA S.A.	-
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	2007-2017
BEOGRADSKO MESOVITO PREDUZECE	2012-2017
MARKELIA LTD	2011 - 2017

For the unaudited tax years of the Group companies, there is a probability that additional taxes and penalties could be imposed, during the period when they are examined and finalized by the relevant tax authorities.

For the FY 2011-2017 inclusively, the parent company and TOURISTIKA THERETRA S.A. were subject to tax audit of the Certified Public Accountants as provided by Article 82 para 5 Law 2238/1994 and Article 65a , Law 4174/2013, as amended by Law 4262/2014.

For FY 2017, the special tax audit for the purposes of receiving the Tax Compliance Certificate in progress, and it is not expected that significant differences affecting the financial obligations recorded in the financial statements will arise under the finalization. Under the currently effective legislation, the audit and the issue of tax certificate in and after 2017 are optional.

For the unaudited tax years of the other companies of the Group, it is estimated that no significant additional tax obligations will occur and, therefore, no relevant provision has been made.

- **Operating leases - Income**

The Group leases certain offices and shops under non-cancellable operating leases. All leases include a term. They have varying terms, escalation clauses and rights. The following is an analysis of contractual rentals to be collected in the coming years:

	COMPANY	
Amounts in thousands €	**30/6/2018**	**31/12/2017**
Operating leases collectable in 1 year	286	310
Subtotal 1: Short-term operating leases	**286**	**310**
Operating leases collectable in 2 to 5 years	447	542
Subtotal 2	**447**	**542**
Operating leases collectable after 5 years	176	212
Subtotal 3	**176**	**212**
Subtotal 4 (=2+3): Long-term operating leases	**623**	**754**
TOTAL (=1+4)	**909**	**1.064**

- **Operating leases – Expenses**

The Company has signed a long-term lease agreement of the historic King's Palace hotel, owned by the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE . ("ATPPEATE"). The duration of the lease was set at thirty (30) years with a pre-emptive right against all third parties that will submit a binding offer for the lease of the property after the expiry of the above period. The annual rental was set at the minimal annual rental plus 25% of the balance of turnover less the proposed balance recorded in the business plan. Moreover, the Company pays rentals for office leasing. An analysis of the minimum conventional rents which will be paid in the following years is as follows:

	COMPANY	
Amounts in thousands €	**30/6/2018**	**31/12/2017**
Operating leases payable in 1 year	101	36
Subtotal1: Short-term operating leases	**101**	**36**
Operating leases payable in 2 to 5 years	4.662	108
Subtotal 2	**4.662**	**108**
Operating leases payable after 5 years	33.019	-
Subtotal 3	**33.019**	**-**
Subtotal 4 (=2+3): Long-term operating leases	**37.681**	**108**
TOTAL (=1+4)	**37.782**	**144**

2.18. Guarantees

The Group and the Company have contingent liabilities and assets related to banks, other guarantees and other matters arising in the ordinary course of business, as follows:

	GROUP		COMPANY	
Amounts in thousands €	**30/6/2018**	**31/12/2017**	**30/6/2018**	**31/12/2017**
Liens on land plots and building for provision of loan in €	48.850	48.850	48.850	48.850
Liens on land plots and building for provision of loan in $	25.500	25.500	25.500	25.500
Other letters of guarantee to ensure liabilities in €	2.040	2.140	2.040	2.140
Guarantees for other associates	2.750	2.750	2.750	2.750

2.19. Dividends

The Regular General Meeting of Shareholders held on 15/06/2018 decided to distribute dividends of € 4,2 million (0,2/share).

2.20. Personnel number & fees

	GROUP		COMPANY	
	30/6/2018	**30/6/2017**	**30/6/2018**	**30/6/2017**
Salary employees	505	498	259	268
Daily wages employees	449	407	449	407
TOTAL	**954**	**905**	**708**	**675**

Amounts in thousands €	GROUP		COMPANY	
	01.01-30.06.2018	**01.01-30.06.2017**	**01.01-30.06.2018**	**01.01-30.06.2017**
Salaries & fees	7.993	7.249	6.525	5.961
Social insurance cost	1.557	1.446	1.360	1.273
Other employee benefits	491	462	347	304
Projected and paid employee compensation	41	34	41	34
Total	**10.080**	**9.191**	**8.273**	**7.573**

2.21. Risk management policies

The Group is exposed to financial risks such as market risk (fluctuations in exchange rates, interest rates, market prices, etc.), credit risk and liquidity risk.

The Group's financial instruments are composed of bank deposits, overdraft rights, trade receivables and payables, loans to subsidiaries, associated companies, dividends payable and lease obligations.

Since 2008, the Group applies a risk management program for such risks. The risk management program aims to limit the negative impact on the financial results of the group caused by the unpredictability of financial markets and the variation in the variables of cost and revenue. The group intends to use, in the near future, derivative financial instruments to hedge its exposure to specific risk categories.

The risk management process applied by the Group, is as follows:

- Evaluation of risks associated with the activities and operations of the group,
- design of methodology and selection of appropriate financial products to reduce risks and
- application / implementation, in accordance with the procedure approved by the management, of the risk management procedures.

Currency Risk

The Group operates internationally and carries out trade and loan transaction in foreign currency. Therefore, it is exposed to foreign currency translation differences (another major country of the Group's operations, apart from Greece, is Serbia). The Parent Company exposure to currency risk arises mainly from the bond loan issued in US Dollars.

Credit Risk

Over 80% of Group's sales are performed through credit cards, the credit sales though are made to customers with evaluated credit history.

Liquidity Risk

As at 30/06/2018, the Group had negative working capital, as current liabilities exceed current assets by € 63,55 k (parent company € 67,80 k). A significant part of current liabilities (76,06% regarding the Group and 76,78% regarding the parent company) pertains to short-term debt and long-term debt installments payable in the following year. Within the current period, the Group repaid to the banks a capital amount of € 1,66 million and the parent Company – an amount of € 1,57 million. In the next year, the Group and the Company are to pay to the banks the capital amounts of € 64,02 million and € 63,64 k respectively. Without taking into consideration the short-term loan liabilities, the Group working capital is presented positive by € 467,71 k and the Company's is presented negative by € 4,16 k.

It is noted that the loan of the parent company amounting to € 10,2 million has been extended until 30/09/2018 and the loan amounting to € 43 million has been extended until 3/10/2018.

The Group's Management is at the final stage of an agreement with the lending banks Eurobank & Alpha Bank regarding the conclusion of a new long-term Bond Loan to repay the existing short-term loan liabilities of the parent Company. In this regard, a draft of basic terms has been signed, which is subject to the approval of the authorized committees of the Credit Institutions.

Furthermore, the Group's and the Company's Working Capital needs are expected to be covered by the operating inflows expected to be achieved within the following periods, as seasonality is presented in the Group's activity where the occupancy in the spring months is almost double that of the corresponding winter period.

Two major shareholders of the parent company "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES COMPANY LIMITED" 61,86%, although it is estimated that it will not be necessary, are committed to cover working capital subsequent needs for at least the next twelve months from the date of approval of the interim financial statements of 30/06/2018.

Amounts expressed in thousands of Euro unless stated otherwise
All the amounts are expressed in thousands of Euro unless stated otherwise

Risk of Changes of Fair Value due to Changes in Interest Rates

The Group's policy is to minimize its exposure to the risk of changes of fair value due to changes in interest rates as far as long-term financing is concerned. On June 30, 2018, the Company and the Group are exposed to the risk of changes in market interest regarding their bank borrowings, which, however, is estimated as low.

2.22. Post Interim Period Balance Sheet Events

In the context of the long-term lease of the historic King's Palace hotel, owned by the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE ATPPEATE the company signed an agreement with the international hotel group Accor Hotels, to undertake the management of the hotel under the trade name MGallery. The agreement matures in 25 years and includes basic management fees on revenue and remuneration for achieving objectives.

Accor Hotels is one of top 5 hotel chains holding a leading position in Europe, Latin America, the Middle East, Africa and Asia. There are 2,300 hotels under direct management agreement and in addition 1,850 hotels under a franchise agreement. On everyday basis, the group hosts 500,000 visitors at over 4,150 hotels in 95 countries. The global size of the company provides real benefits to hotel owners (Proven techniques and large economies of scale, skilled staff with strong know-how and constant support, achieving the financial objectives. Some of the brands of the company are Sofitel, Raffles, Fairmont, Pullman, Swissotel, Mercure, Novotel.

There are no other post Financial Statements events regarding either the Group or the Company that shall be reported under the international Financial Reporting Standards.

Athens, 28 September, 2018

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	FINANCIAL DIRECTOR
GEORGE GALANAKIS I.D. No Ξ 282324	ANASTASIOS HOMENIDIS I.D. No AI 506406	KOSTAS KYRIAKOS I.D. No AZ 512473 A' Class License 0010932