

**ATHENS WATER AND SEWERAGE COMPANY S.A. (E.Y.D.A.P)**

Company's Number in the General Electronic Commercial Registry : 121578960000

Domicile: Oropou 156 - 11146 Galatsi, Greece

**FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1st January 2017 to 31 December 2017**

(published in accordance with P.L. 2190/1920, article 135, for companies preparing annual financial statements, consolidated and not, according to IAS)

The information and financial data that derive from the financial statements below provide general information about the financial position and the results of EYDAP S.A. (the Company) and the Group. Therefore, we recommend the reader, before making any investment decision or proceeding to any transaction with the Group or the Company, to visit the Company's website where the financial statements according to International Financial Reporting Standards together with the auditor's report, when needed, are presented.

**COMPANY INFORMATION**

Ministerial Authority:	Ministry of Infrastructure & Transport
Corporate Web Site:	<a href="http://www.eydap.gr">www.eydap.gr</a>
Composition of Board of Directors:	K. Papadopoulos, I. Benisis, K. Vafeiadis, I. Kardaras, G. Makrinos, N. Sarantis, M. Stavroulakis, G. Chalambalakis, P. Skoularikis, Ch. Mistriotis, A. Poulialis, Emman. Aggelakis, G. Alexandrakis
Date of Approval of Financial Statements from the Board of Directors:	28 March 2018
Chartered Auditors Accountants:	Efstratios Papparis (Reg. No. SOEL 14351), Dimitrios Stavrou (Reg. No. SOEL 14791)
Auditing Company:	«S.O.L.» S.A. CERTIFIED PUBLIC ACCOUNTANTS SOCIETE ANONYME (SOEL Reg. Number 125) □
Audit Report from Chartered Auditor Accountants:	In agreement – Matter of Emphasis

**STATEMENT OF FINANCIAL POSITION**

Amounts in € thousand	GROUP		COMPANY	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
<b>ASSETS</b>				
Tangible assets	852.522	881.337	852.520	881.337
Intangible assets	1.026	1.284	1.026	1.284
Other noncurrent assets	130.735	136.398	131.945	137.608
Inventories	10.940	12.387	10.940	12.387
Trade Receivables	215.971	207.437	215.955	207.439
Other current assets	321.427	312.997	320.395	311.898
<b>TOTAL ASSETS</b>	<b>1.532.621</b>	<b>1.551.840</b>	<b>1.532.781</b>	<b>1.551.953</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	63.900	63.900	63.900	63.900
Other Equity Items	878.128	840.866	878.291	840.979
<b>Total Equity</b>	<b>942.028</b>	<b>904.766</b>	<b>942.191</b>	<b>904.879</b>
Liabilities for employee benefits	301.006	291.214	301.006	291.214
Investment subsidies and Consumers' participation	183.187	186.737	183.187	186.737
Provisions/Other long-term liabilities	53.632	59.998	53.632	59.998
Other Short-term liabilities	52.768	109.125	52.765	109.125
<b>Total liabilities</b>	<b>590.593</b>	<b>647.074</b>	<b>590.590</b>	<b>647.074</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1.532.621</b>	<b>1.551.840</b>	<b>1.532.781</b>	<b>1.551.953</b>

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Amounts in € thousand	GROUP		COMPANY	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
<b>Equity balance at the beginning of the period (01.01.2017 and 01.01.2016 respectively)</b>	<b>904.766</b>	<b>966.940</b>	<b>904.879</b>	<b>967.040</b>
Profit of the year, after tax	43.427	24.049	43.477	24.062
Net income directly recorded to equity	5.550	(12.738)	5.550	(12.738)
Total comprehensive income after tax	48.977	11.311	49.027	11.324
Dividends Distributed	(11.715)	(73.485)	(11.715)	(73.485)
<b>Equity balance at the end of the period (31.12.2017 and 31.12.2016 respectively)</b>	<b>942.028</b>	<b>904.766</b>	<b>942.191</b>	<b>904.879</b>

**CASH FLOW STATEMENT**

Amounts in € thousand	GROUP		COMPANY	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
<b>Cash Flows from operating activities</b>				
Profit before tax (continued activities)	66.473	41.324	66.523	41.337
Plus / minus adjustments for:				
Depreciation and amortization	44.963	45.539	44.963	45.539
Amortization of customers' contributions and subsidies	(8.184)	(8.168)	(8.184)	(8.168)
Reductions / transfers of tangible and intangible assets	(55)	(935)	(55)	(935)
Impairment of securities	0	18.067	0	18.067
Income from securities	(60)	(66)	(60)	(66)
Provisions for personnel compensation	14.838	2.944	14.838	2.944
Other Provisions	(308)	1.900	(308)	1.900
Credit Interest and related income	(19.096)	(13.848)	(19.089)	(13.838)
Debit Interest and related expense	503	4.431	503	4.431
Plus / minus adjustments for changes in working capital accounts or related to operating activities:				
(Increase) Decrease in:				
Trade Receivables	3.215	5.843	3.240	5.835
Consumable materials and spare parts	1.241	121	1.241	121
Increase (Decrease) in:				
Liabilities	(17.293)	2.056	(17.294)	2.055
Consumers' guarantees	90	85	90	85
Employee contribution for indemnity	1.857	1.911	1.857	1.911
Plus:				
Surcharges of customers receivable	5.010	3.857	5.010	3.857
Minus:				
Interest and related expenses paid	(130)	(36)	(130)	(36)
Income tax paid	(24.750)	(52.646)	(24.750)	(52.646)
<b>Total cash inflows / (outflows) from operating activities (a)</b>	<b>68.314</b>	<b>52.379</b>	<b>68.395</b>	<b>52.393</b>
<b>Cash Flows from investing activities</b>				
Purchase of tangible assets	(14.992)	(8.442)	(14.991)	(8.442)
Purchase of intangible assets	(842)	(901)	(842)	(901)
Proceeds from customers' contributions and subsidies	4.633	1.253	4.633	1.253
Interest income received	7.336	7.624	7.326	7.614
Dividends Received	60	66	60	66
<b>Net cash inflows / (outflows) from investing activities (b)</b>	<b>(3.805)</b>	<b>(400)</b>	<b>(3.814)</b>	<b>(410)</b>
<b>Cash Flows from financing activities</b>				
Dividends paid	(50.132)	(31.854)	(50.132)	(31.854)
<b>Total cash inflows / (outflows) from financing activities (c)</b>	<b>(50.132)</b>	<b>(31.854)</b>	<b>(50.132)</b>	<b>(31.854)</b>
<b>Net (decrease) / increase in cash and cash equivalents (a) + (b) + (c)</b>	<b>14.377</b>	<b>20.125</b>	<b>14.449</b>	<b>20.129</b>
<b>Cash and cash equivalents, at the beginning of the period</b>	<b>280.544</b>	<b>260.419</b>	<b>279.471</b>	<b>259.342</b>
<b>Cash and cash equivalents, at the end of the period</b>	<b>294.921</b>	<b>280.544</b>	<b>293.920</b>	<b>279.471</b>

**STATEMENT OF TOTAL COMPREHENSIVE INCOME**

Amounts in € thousand	GROUP	
	1.01-31.12.2017	1.01-31.12.2016
Turnover	327.343	328.851
Gross profit	142.865	146.214
Profit before tax, financial and investment results	47.820	49.908
Profit before tax	66.473	41.324
Profit after tax (A)	43.427	24.049
Other comprehensive income, net of tax (B)	5.550	(12.738)
<b>Total Comprehensive income for the period (A+B)</b>	<b>48.977</b>	<b>11.311</b>
Attributable to:		
Shareholders	43.427	24.049
Basic earnings after taxes per share (in €)	0,41	0,23
Profit before tax, financial, investment results, depreciation and amortization	84.599	87.279

**STATEMENT OF TOTAL COMPREHENSIVE INCOME**

Amounts in € thousand	COMPANY	
	1.01-31.12.2017	1.01-31.12.2016
Turnover	327.324	328.821
Gross profit	142.846	146.184
Profit before tax, financial and investment results	47.877	49.931
Profit before tax	66.523	41.337
Profit after tax (A)	43.477	24.062
Other comprehensive income, net of tax (B)	5.550	(12.738)
<b>Total Comprehensive income for the period (A+B)</b>	<b>49.027</b>	<b>11.324</b>
Attributable to:		
Shareholders	43.477	24.062
Proposed dividend per share - (in €)	0,20	0,11
Profit before tax, financial, investment results, depreciation and amortization	84.656	87.302

**ADDITIONAL DATA AND INFORMATION**

- The number of employees of the Group and the Company as of 31 December 2017 was 2,270 (31 December 2016: 2,297).
- The provisions formed by the Company until 31 December 2017 concern: a) Lawsuits for civil cases against the Company of a total amount of € 74.7 million, mainly relating to indemnities for damages from water flooding (due to pipelines fractures and rainfalls), as well as lawsuits from various counterparty suppliers and sub-contractors for violation of contractual terms. b) There are also pending litigations for labor differences of € 137.3 million approximately. Against the losses which may arise if the above (a and b) pending litigations become irrevocably resolved, EYDAP has formed provisions of total amount € 35.3 million (37.0 million – 1.7 million) on 31 December 2017 versus € 41.7 million (58.7 million - 17 million) on 31 December 2016, which are deemed as adequate. Of the above provisions, an amount of € 1.7 million approximately, concerning a settlement agreement for collective labor differences, is being recorded in the short-term liabilities as in the case of the amount of € 17 million which was recorded in the previous year. c) The Company proceeded with the implementation of the decision numbered 19105/21.12.2016 of the Board of Directors, concerning a settlement agreement for collective labor differences and disbursed an amount of € 17 million approximately during the year 2017. Furthermore, the Company proceeded with the implementation of the decision numbered 19224/24.05.2017 of the Board of Directors, concerning a settlement agreement for a special one-off indemnity and disbursed an amount of € 13 million approximately during the year 2017 as well (note 28). d) Taxes for unaudited years of € 2.4 million on 31 December 2017, meaning at the same level with the previous year (note 11). e) Other provisions for doubtful receivables (customers and debtors) and obsolete inventories of € 65 million on 31 December 2017 versus € 58.8 million on 31 December 2016.
- As described in the note 33 of the annual financial statements, the signing of a written agreement - as it is defined in the article 15 of the agreement on 09.12.1999 between the Greek State and the Company - which will determine the price paid for the collected crude water is pending from the year 2004. In absence of a written agreement, the Company continues to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets owned by "L.E.P.L. EYDAP Fixed Assets", thus burdening its financial results.
- The amounts of sales and purchases cumulatively from the beginning of the current period and the balances of receivables and liabilities of the Group and the Company at the end of the current period, which have been generated from related party transactions according to the definition of IAS 24, are as follows (amounts in € thousand):

	GROUP		COMPANY	
	2017	2016	2017	2016
i) Income	61.512	58.459	61.512	58.459
ii) Expenses	529	66	529	66
iii) Receivables	70.802	64.029	70.826	64.053
iv) Remuneration and compensation of Board Members and senior executives	252	195	252	195
- In the current year the following were recorded: a) an income of € 649 thousand in the "Other comprehensive income after taxes" concerning a change in the fair value of assets available for sale, and b) actuarial profit of € 4,901 thousand after taxes due to defined benefit plans according to the revised IAS 19.
- No material event has occurred that could significantly affect the financial structure or the business course of the Company and the Group from 31.12.2017 until the approval date of the financial statements by the Company's Board of Directors (note 32).
- Apart from EYDAP, the consolidated financial statements include ISLANDS' EYDAP DEVELOPMENT S.A. with domicile in Athens. EYDAP holds 100% of the company's share capital. ISLANDS' EYDAP S.A. was consolidated according to the full consolidation method and as a result no minority rights were recorded.
- The matter of emphasis of the certified auditors is the following: "We advise that you pay attention to the analytical note 33.1 of the financial statements concerning the determination of the price of the crude water supplied to the Company from the Greek State. In absence of a relevant agreement, the Company continues even after 30.06.2013, the date on which the entire issues of economic nature with the Greek State were settled, to offset the cost of the collected crude water with the maintenance and operation services it provides for the fixed assets (used for water collection and distribution) owned by "L.E.P.L. EYDAP Fixed Assets", as stipulated by the article 15 of the contractual agreement with the Greek State dated on 09.12.1999. Changes in the pricing of water and sewerage services will stem from the application of JMD 135275 / GG 1751 / 22.05.2017 "Approval of general Costing and Pricing Rules of water services. Method and procedures for recovering the cost of water services in its various uses". At the current phase it is not possible to estimate any potential impact stemming from this process on the up to now applied policy by the Company. In our conclusion no reservation has been expressed with regard to this matter."

Athens, 28 March 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE OFFICER

THE DIRECTOR  
OF THE ECONOMIC DEPARTMENT

THE CHIEF ACCOUNTANT SUPERVISOR

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